

Parcel Insurance Coverage Declarations

Inland Marine Coverage

INSURING COMPANY: THE AMERICAN INSURANCE COMPANY
CINCINNATI, OHIO
A STOCK INSURANCE CO. (18)

INSURED:

POLICY#:

MONTHLY REPORTING POLICY
 ANNUAL POLICY
 MASTER POLICY

POLICY PERIOD-INCEPTION: 07/01/2010 **EXPIRATION:** 07/01/2012
(BEGINNING AND ENDING AT 12:01 AM STANDARD TIME AT PLACE OF ISSUANCE)

SHIPMENTS VIA	PER PACKAGE LIABILITY LIMIT	PER PACKAGE DEDUCTIBLE	PREMIUM/RATE
USPS	\$1,000	\$0.00	\$1.23 per \$100
USPS International	\$1,000	\$0.00	\$1.23 per \$100

PREMIUM RATE APPLICABLE TO CERTIFIED ACTS OF TERRORISM:

\$0.02 per \$100 of Package value (\$0.01 per \$100 of Package value in Florida and \$0.015 per \$100 of Package value in Georgia)

REPORTING BASIS: Value of goods shipped

Information required above, if not shown above, will be shown in the Declarations applicable to this Policy.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy.

Sally P. King

Secretary

Michael E. LaRocco

President

145502 DEC 06 10

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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Parcel Insurance Coverage Declarations continued

FORMS ATTACHED AT INCEPTION:

145502 06 10 Parcel Insurance Coverage Form

145927 12 07 Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage
(Pursuant To Terrorism Risk Insurance Act)

145504 06 10 Insured as Attorney in Fact Endorsement

145503 06 10 Limited Power of Attorney Endorsement

CM 02 04 07 05 Illinois Changes

145507 06 10 Illinois Amendatory Endorsement

145508 06 10 Louisiana War Exclusion

145509 06 10 Louisiana Changes

IL 01 59 09 07 Nebraska Changes – Fraud or Misrepresentation

IL 02 59 09 07 Nebraska Changes – Cancellation and Nonrenewal

IL 01 07 09 07 Vermont Changes – Concealment, Misrepresentation or Fraud

IL 02 19 09 08 Vermont Changes - Cancellation and Nonrenewal

145506 06 10 Washington Amendatory Endorsement

IL 01 46 08 10 Washington Common Policy Conditions

143643DEC 06 10

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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PARCEL INSURANCE COVERAGE FORM – 145502 06 10

The words “we”, “us” and “our” refer to the insurance company named in the Declarations to this Policy which is providing the coverage under this Policy.

The words “you” and “your” refer to the Insured shown in the Declarations to this Policy.

The words “Certificate Holder” refer to your customers/sellers who purchase parcel insurance through this Policy covering items sold on the www.eBay.com website.

I. INSURING AGREEMENT

- A. Certificate Holders are insured as provided herein and are responsible for submitting claims and otherwise acting in accordance with the terms herein.
- B. This policy insures a Certificate Holder’s **Package** against damage or loss from any external cause while in the care, custody or control of **Carrier(s)** listed in the Declarations to this Policy.
- C. Subject to the terms and conditions of this Policy, the **Package** is insured only during transit from a Certificate Holder’s stated premises within the United States of America.
- D. We will not be liable for more than the declared value, actual cash value, cost to repair or replace, or Per Package Liability Limit shown in Declarations to this Policy, whichever is less.

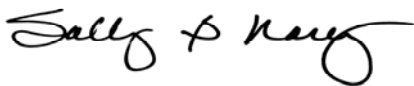
II. EXCLUSIONS

This Policy does not insure the following:

- A. Coins, bullion, loose diamonds or stones, stocks, bonds, currency, deeds, evidences of debt, travelers checks, money orders, gift certificates, calling cards, lottery tickets, admission tickets, or any other negotiable documents.
- B. Loss from delay, deterioration, spoilage or contamination of perishable merchandise except when resulting from fire.
- C. Merchandise shipped on consignment, memorandum or approval unless shipped in fulfillment of an order or request.
- D. Plasma televisions or monitors.
- E. Loss, damage or non-arrival of any **Package** which:
 - 1. Is addressed, wrapped or packed insufficiently, incorrectly or contrary to **Carrier’s** packaging requirements; or

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One of the **Fireman’s Fund Insurance Companies** as named in the policy.



Secretary



President

2. Bears a descriptive label or packaging which tends to describe nature of contents EXCEPT if shipped via Parcel Post and required by Postal Law and Regulations.
- F. Against loss or damage arising out of dishonesty on the part of you, your employees, a Certificate Holder or a Certificate Holder's employees.
- G. Against loss or damage caused by or resulting from:
1. Hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by:
 - i. Any government or sovereign power (de jure or de facto);
 - ii. Any authority maintaining or using military, naval or air forces;
 - iii. Military, naval or air forces; or
 - iv. An agent of any such government power, authority or forces;
- H. Any weapon of war employing atomic fission or radioactive force whether in time of peace or war;
- I. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence;
- J. Seizure or destruction under quarantine or Customs regulations;
- K. Confiscation by order of any government or public authority or risks of contraband or illegal transportation or trade; or
- L. Nuclear reaction or radiation, or radioactive contamination, however caused. But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

III. CONDITIONS:

- A. Coverage is contingent on the **Carrier** being liable for any loss, damage or shortage relating to a **Package**.
- B. We will not be liable if **Packages** are not reported to PIP and related premiums not remitted, even if the **Carrier** is a covered **Carrier**.
- C. The "DEDUCTIBLE" shown in the Declarations to this Policy will be deducted from the amount of claim or Liability Limit, whichever is less, on a "PER PACKAGE" basis. Certificate Holder is entitled to and responsible for collecting from the **Carrier** any part of the deductible for which the **Carrier** is liable.
- D. REPORTING
1. You shall be responsible for remitting the shipment information and premiums due on behalf of such Certificate Holders.
 2. The Report of Shipments must include the information described under "Reporting Basis" on the face of this Policy, the applicable rate and earned premium due.

3. If this Policy is written on a monthly reporting basis, you must send the monthly Report of Shipments to PIP, along with payment for the earned premium, within ten (10) days following the end of each month.
4. If the monthly Report and premium payment are not received by the 15th of the month, all coverage and pending claim payments under this Policy will be suspended until reinstated by us.
5. If the monthly Report does not reflect:
 - a. The current rate;
 - b. The stated Reporting Basis; and
 - c. All **Packages** whose values are covered under this Policy;then all coverage and pending claim payments under this Policy will be suspended until reinstated by us, subject to receipt and acceptance of any requested information and premium.
6. We reserve the right to refuse reinstatement and to audit your books and records at any time (including 3 years following policy termination) during your normal working hours to verify the accuracy of the monthly reports submitted.
7. Your or Certificate Holder's failure to cooperate with all reasonable requests will result in suspension of coverage and denial of outstanding claims, as applicable.
8. PIP has the right to refuse any late premiums, and if it does so, coverage is excluded for the related period.

E. CLAIMS

1. Certificate Holders will electronically file claims with PIP via the www.eBay.com website within 90 days of the **Effective Date** of coverage purchased by the Certificate Holder.
2. Claims may not be submitted earlier than:
 - a. 30 days after the **Effective Date** of coverage purchased by the Certificate Holder for lost claims; and
 - b. 7 days after the **Effective Date** of coverage purchased by the Certificate Holder for damage claims.
3. All damaged property for which payment (not repaid costs) or replacement has been requested or made must on request be returned to PIP.
4. A covered loss will be paid to Certificate Holder or its Assignee within 7 business days of PIP's receipt of all required claim documentation and requested damaged goods.
5. Upon payment or replacement for loss or damage, all Certificate Holder's rights to recover from the **Carrier**, excluding amount equal to Certificate Holder's deductible, are transferred to us. Certificate Holder will assist us in every reasonable manner to secure recovery.

- F. No suit or action for recovery of any claim under this Policy shall be sustainable in any court of law or equity unless commenced within twelve (12) months after you or the Certificate Holder discovers the occurrence which gives rise to the claim. However, if by the laws of the State within which this Policy is issued, such limitation is invalid, then any such claim shall be void unless such action or suit commences within the shortest limit of time permitted by the laws of that State.
- G. This Policy may be canceled at any time by your written request. We may cancel this policy upon thirty (30) days written notice, or the number of days, if greater, required by the laws in your State. Cancellation will not affect coverage for any shipments already made if you have reported them to us and the premium has been tendered by the Certificate Holder and accepted by PIP.
- H. The yearly anniversary of the Policy inception date shall be regarded as the annual renewal date.
- I. Policy changes can only be effected by PIP or Company issued endorsements.
- J. If a part of a pair or set is lost or damaged, then we will only pay Certificate Holder a reasonable and fair portion of the total value of the pair or set and NOT the total value.
- K. Whenever coverage under this policy would be in violation of any U.S. economic or trade sanctions, such coverage shall be null and void.
- L. This Policy is voidable if you or a Certificate Holder has intentionally concealed or misrepresented any material fact or circumstance relating to this insurance.

IV. DEFINITIONS

- A. “**Carrier**” means the company or organization that a Certificate Holder selects on the www.ebay.com website to deliver a **Package** to a purchaser.
- B. “**Effective Date**” refers to the date a Certificate Holder ships a **Package** insured by this Policy.
- C. “**Package**” refers to a single shipping unit bearing a single **Carrier** identification number and the contents therein. Banded boxes and pallets of boxes are considered one single **Package**.
- D. “**PIP**” refers to our agent for this Policy, Parcel Insurance Plan.

All other terms and conditions of the Policy apply.

Disclosure Of Premium And Estimated Premium For Certified Acts Of Terrorism Coverage (Pursuant To Terrorism Risk Insurance Act) – 145927 12 07

This Endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act. This Endorsement does not grant any coverage or change the terms and conditions of any coverage under the policy.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act, as amended. The portion of your premium attributable to such coverage is shown in the policy Declarations. This premium is based on the rates in effect at the time of policy issuance or policy anniversary and was calculated for the full term of the current policy period.

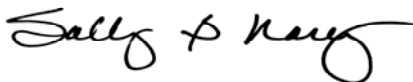
B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceed \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

This Form must be attached to Change Endorsement when issued after the policy is written. One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

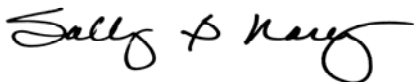
D. Possibility Of Additional or Return Premium

The premium for certified acts of terrorism coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in the Terrorism Risk Insurance Act, as amended. If the federal program terminates or if the level or terms of federal participation change, the premium charge for acts of terrorism as shown in the Declarations of this policy may also change. If this policy contains a Conditional Exclusion, continuation of coverage for certified acts of terrorism, or termination of such coverage, will be determined upon disposition of the federal program, subject to the terms and conditions of the Conditional Exclusion. If this policy does not contain a Conditional Exclusion, coverage for certified acts of terrorism will continue. In either case, when disposition of the federal program is determined, we will recalculate the premium charge made for those acts of terrorism covered by The Terrorism Risk Insurance Act, as amended, that remain covered by this policy after the disposition of the federal program. We will calculate the premium charge as follows:

1. We will calculate the pro-rated premium shown in the Declarations for acts of terrorism from the effective date of your policy to the date of expiration or change of the federal program.
2. We will calculate the pro-rated premium charge for acts of terrorism that remain covered for the policy period that remains in effect from the expiration or change of the federal Program to the anniversary or expiration date of your policy.
3. We will add the amount determined in D.1. above to the amount determined in D.2. above. Such premium will be your revised annual premium for coverage for acts of terrorism.
 - a. If the revised annual premium determined above is an additional premium, this additional premium may be waived by us for the remainder of the policy term.
 - b. If the revised annual premium determined above is a return premium, we will refund this amount to you.

All other terms and conditions of the policy remain unchanged

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Secretary



President

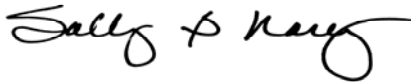
Insured as Attorney in Fact Endorsement – 145504 06 10

The policy to which this endorsement is attached is amended to include the following:


By acceptance of this Policy by payment of premium, Certificate Holders agree that the Insured named in the Declarations shall act on their behalf with respect to the giving and receiving of notice of any cancellation, non-renewal, the payment of premiums, the receiving of any return premiums that may become due under this Policy, or any other notices or offers regarding coverage or other matters

All other terms and conditions of the Policy remain unchanged.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

Limited Power of Attorney Endorsement – 145503 06 10

The policy to which this endorsement is attached is amended to include the following:

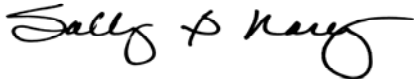
Certificate Holder hereby irrevocably appoints the Insured named in the Declarations as its attorney in fact, but only for the limited purpose of making a claim on the Certificate Holders' behalf when an insured shipment is lost or damaged.

The Insured is authorized to remit any funds that are paid by the insurer under this Policy for loss or damage of such insured shipment to the purchaser of the shipment that has been insured or to the Certificate Holder, as interests appear.


This Limited Power of Attorney shall only apply if the Insured named in the Declarations has first attempted to contact the Certificate Holder using the Certificate Holder's last contact information on file with the Insured named in the Declarations and has received no response from the Certificate Holder after 48 hours. So long as the Insured named in the Declarations follows this process, the insurer and the Insured named in the Declarations will have no further liability to the Certificate Holder arising from exercising the authority granted under this provision.

All other terms and conditions of the Policy remain unchanged.

This Form must be attached to Change Endorsement when issued after the policy is written. One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

Illinois Changes - CM 02 04 07 05

Policy Amendment(s) Commercial Inland Marine

This endorsement modifies insurance provided under the following:

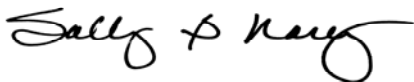
Commercial Inland Marine Coverage Part

A. **Cancellation** (Common Policy Conditions) is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. a. We may cancel this policy by mailing to you written notice stating the reason for cancellation.
 - b. If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - c. If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for less than 60 days.
 - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. Any insured has violated any of the terms and conditions of the policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary
CM0204 7-05 IL



President

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

6. A copy of the notice will also be sent to your agent or broker.

B. The following is added and supersedes any provision to the contrary:

Nonrenewal

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

C. Mailing of Notices

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

D. General Condition C. **Legal Action Against Us** in the Commercial Inland Marine Conditions is replaced by the following:

C. Legal Action Against Us

No one may bring a legal action against us:

1. Until there has been full compliance with all terms of this Coverage Part; and
2. More than 2 years after you first have knowledge of the direct loss or damage.
But we will extend this 2 year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

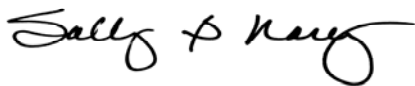
ILLINOIS AMENDATORY ENDORSEMENT – 145507 06 10

III. CONDITIONS: L. is deleted and replaced with the following::

This Policy is void if you or a Certificate Holder obtained the policy through a material misrepresentation which was made with the actual intent to deceive or which materially affected the acceptance of the risk or the hazard assumed.

SAMPLE

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

LOUISIANA WAR EXCLUSION – 145508 06 10

II EXCLUSIONS, G and H are deleted and replaced by the following:

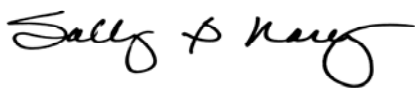
Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. But if loss or damage by fire results, we will pay for that resulting loss or damage.

War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



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President

LOUISIANA CHANGES – 145509 06 10

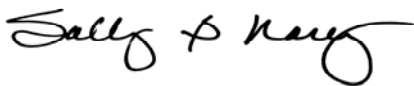
III CONDITIONS F. and L. are deleted and replaced by the following:

No suit or action for recovery of any claim under this Policy shall be sustainable in any court of law or equity unless commenced within twelve (12) months after you or the Certificate Holder discovers the occurrence which gives rise to the claim. However, if by the laws of the State within which this Policy is issued, such limitation is invalid, then any such claim shall be void unless such action or suit commences within the shortest limit of time permitted by the laws of that State.

This policy is void if you, with the intent to deceive, have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, when applying for coverage, and the statement is false.

We may deny coverage and cancel the Policy if you, with the intent to deceive, have intentionally concealed or misrepresented any material fact or circumstance relating to this insurance, after the contract is formed, and the statement is false. However, in the case of cancellation, we will provide coverage for legitimate claims until cancellation is effective.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

Nebraska Changes - Fraud or Misrepresentation - IL 01 59 09 07

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

**Commercial Inland Marine Coverage Part
Equipment Breakdown Coverage Part**

The **CONCEALMENT, MISREPRESENTATION OR FRAUD** General Condition is replaced by the following:

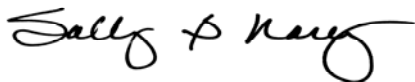
Misrepresentation or Breach of Condition or Warranty

1. A misrepresentation or warranty made by you or on your behalf in the negotiation of or application for this Coverage Part will void this policy if:

- a. It is material;
- b. It is made with the intent to deceive;
- c. We rely on it; and
- d. We are deceived to our injury.

2. A breach of warranty or condition will void the policy if such breach exists at the time of loss and contributes to the loss.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

Nebraska Changes - Cancellation and Nonrenewal - IL 02 59 09 07

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Capital Assets Program (Output Policy) Coverage Part
Commercial General Liability Coverage Part
Commercial Inland Marine Coverage Part
Commercial Property Coverage Part
Crime and Fidelity Coverage Part
Employment-Related Practices Liability Coverage Part
Equipment Breakdown Coverage Part
Farm Coverage Part
Liquor Liability Coverage Part
Pollution Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. Paragraphs 2. and 3. of the **Cancellation** Common Policy Condition are replaced by the following:

2. Cancellation of Policies in effect

a. 60 Days or Less

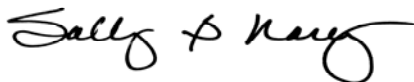
If this policy has been in effect for 60 days or less, we may cancel this policy for any reason.

b. More Than 60 Days

If this policy has been in effect for more than 60 days or if this is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained through material misrepresentation;
- (3) Any insured has submitted a fraudulent claim;
- (4) Any insured has violated the terms and conditions of this policy;
- (5) The risk originally accepted has substantially increased;
- (6) Certification to the Director of Insurance of our loss of reinsurance which provided coverage to us for all or a substantial part of the underlying risk insured; or
- (7) The determination by the Director of Insurance that the continuation of the policy could place us in violation of the Nebraska Insurance Laws.

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One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary
IL0259 9-07 NE
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President

c. If we cancel this policy, subject to 2.a. or 2.b. above, we will mail to the first Named Insured a written notice of cancellation, stating the reasons for cancellation, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 60 days before the effective date of cancellation if we cancel for any other reason.

3. We will mail our notice by first class mail to the first Named Insured's last mailing address known to us. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

B. Paragraph 6. of the Cancellation Common Policy Condition does not apply.

C. The following is added and supersedes any provisions to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured, at least 60 days prior to the expiration date of this policy.

2. Any notice of nonrenewal will be mailed by first class mail to the first Named Insured's last mailing address known to us. A United States Postal Service Certificate of Mailing shall be sufficient proof of receipt of notice on the third calendar day after the date of the certificate of mailing.

Vermont Changes - Concealment, Misrepresentation or Fraud IL 01 70 09 07

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Capital Assets Program (Output Policy) Coverage Part
Commercial Automobile Coverage Part
Commercial Inland Marine Coverage Part
Commercial Property Coverage Part
Crime and Fidelity Coverage Part
Equipment Breakdown Coverage Part
Farm Coverage Part - Farm Property - Other Farm Provisions Form - Additional Coverages,
Conditions, Definitions
Farm Coverage Part - Livestock Coverage Form
Farm Coverage Part - Mobile Agricultural Machinery and Equipment Coverage Form

The CONCEALMENT, MISREPRESENTATION OR FRAUD Condition is replaced by the following:

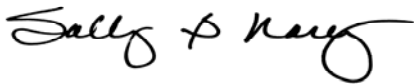
Concealment, Misrepresentation or Fraud

We will not pay for any loss or damage in any case of:

1. Concealment or misrepresentation of a material fact; or
2. Fraud

committed by you at any time and relating to coverage under this policy.

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

Vermont Changes - Cancellation and Nonrenewal - IL 02 19 09 08

Policy Amendment(s) Commercial General Provisions

This endorsement modifies insurance provided under the following:

Capital Assets Program (Output Policy) Coverage Part
Commercial Automobile Coverage Part
Commercial General Liability Coverage Part
Commercial Inland Marine Coverage Part
Commercial Liability Umbrella Coverage Part
Commercial Property Coverage Part
Crime and Fidelity Coverage Part
Employment-Related Practices Liability Coverage Part
Equipment Breakdown Coverage Part
Farm Umbrella Liability Policy
Liquor Liability Coverage Part
Medical Professional Liability Coverage Part
Pollution Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. The **Cancellation** Common Policy Condition is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

2. Cancellation of Policies in Effect for Less than 60 Days

If this policy has been in effect for less than 60 days and this policy is not a renewal of a policy we issued, we may cancel this policy by:

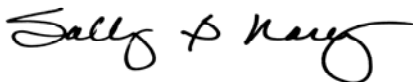
- a. Giving the first Named Insured at least 15 days' notice prior to the cancellation date for nonpayment of premium or substantial increase in hazard; or
- b. Mailing or delivering the first Named Insured at least 45 days' notice prior to the cancellation date for any other reason.

If cancellation is for nonpayment of premium, written notice may be sent by certificate of mailing or certified mail. If cancellation is for any reason other than nonpayment of premium, written notice must be sent by certified mail.

3. Cancellation of Policies in Effect for 60 Days or More

If this policy has been in effect for 60 days or more, or if this is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

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- a. Nonpayment of premium;
- b. Fraud or material misrepresentation affecting this policy or in the presentation of claims under this policy;
- c. Violation of any provisions of this policy; or
- d. Substantial increase in hazard, provided we have secured approval for the cancellation from the commissioner of insurance.

If we cancel this policy for one of the reasons specified in Paragraph 3., we will cancel only in the following manner:

- a. By giving at least 15 days' notice before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. By mailing or delivering at least 45 days' notice before the effective date of cancellation if we cancel for any other reason.

Written notice of cancellation, including the reason for cancellation, will be mailed or delivered to the first Named Insured at the first Named Insured's last mailing address known to us.

If cancellation is for nonpayment of premium, written notice may be sent by certificate of mailing or certified mail. If cancellation is for any reason other than nonpayment of premium, written notice must be sent by certified mail.

- 4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- 5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- 6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Any **When We Do Not Renew** Condition is deleted.

The following Conditions are added:

1. When We Do Not Renew

a. We may elect not to renew this policy by mailing, by certified mail, or delivering written notice of nonrenewal to the first Named Insured's last mailing address known to us. We will mail or deliver this notice at least 45 days before the:

- (1) Expiration of the policy; or
- (2) Anniversary date of this policy if this policy has been written for a term of more than one year.

b. This provision does not apply:

- (1) If we have indicated a willingness to renew;
- (2) In case of nonpayment of premium;
- (3) If you do not pay any advance premium required by us for renewal; or
- (4) If any property covered in this policy is insured under any other insurance policy.

2. Renewal

a. If we:

- (1) Elect to renew this policy; and
- (2) Have the necessary information to issue a renewal policy,

we will confirm in writing at least 45 days before it expires our intention to renew this policy; and the premium at which this policy will be renewed.

b. If we do not comply with the provisions of Paragraph a., you will have renewal coverage. The renewal coverage will be at the rates:

- (1) In effect under the expiring or expired policy; or
- (2) In effect on the expiration date, that have been approved by the Commissioner,

whichever are lower.

This renewal coverage will be on a pro rata basis and will continue for 45 days after we confirm renewal coverage and premium. If you accept this renewal policy, this Paragraph b. does not apply.

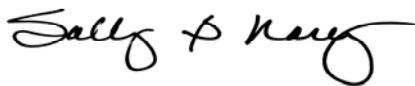
WASHINGTON AMENDATORY ENDORSEMENT – 145506 06 10

III. CONDITIONS: E. CLAIMS 5. is deleted and replaced with the following::

Upon payment or replacement for loss or damage, all Certificate Holder's rights to recover from the Carrier, excluding amount equal to Certificate Holder's deductible, are transferred to us, but we shall not be permitted to recover any funds directly from the Certificate Holder unless the Certificate Holder has been fully compensated for the loss (whether through this policy, other sources, or both). Certificate Holder will assist us in every reasonable manner to secure such recovery.

SAMPLE

This Form must be attached to Change Endorsement when issued after the policy is written.
One of the **Fireman's Fund Insurance Companies** as named in the policy.



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Washington Common Policy Conditions - IL 01 46 08 10

Policy Amendment(s) Commercial General Provisions

All Coverage Parts included in this policy are subject to the following conditions.

The conditions in this endorsement replace any similar conditions in the policy that are less favorable to the insured.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by notifying us or the insurance producer in one of the following ways:

- a. Written notice by mail, fax or e-mail;
- b. Surrender of the policy or binder; or
- c. Verbal notice.

Upon receipt of such notice, we will cancel this policy or any binder issued as evidence of coverage, effective on the later of the following:

- a. The date on which notice is received or the policy or binder is surrendered; or
- b. The date of cancellation requested by the first Named Insured.

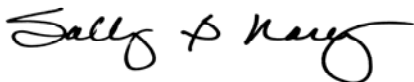
2. We may cancel this policy by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for the cancellation, to the last mailing address known to us, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if we cancel for any other reason; except as provided in Paragraphs 3. and 4. below.

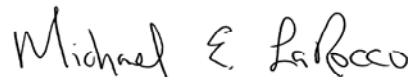
3. We may cancel the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part, if made a part of this policy, by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation at least five days before the effective date of cancellation for any structure where two or more of the following conditions exist:

- a. Without reasonable explanation, the structure is unoccupied for more than 60 consecutive days, or at least 65% of the rental units are unoccupied for more than 120 consecutive days, unless the structure is maintained for seasonal occupancy or is under construction or repair;

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b. Without reasonable explanation, progress toward completion of permanent repairs to the structure has not occurred within 60 days after receipt of funds following satisfactory adjustment or adjudication of loss resulting from a fire;

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c. Because of its physical condition, the structure is in danger of collapse;

d. Because of its physical condition, a vacation or demolition order has been issued for the structure, or it has been declared unsafe in accordance with applicable law;

e. Fixed and salvageable items have been removed from the structure, indicating an intent to vacate the structure;

f. Without reasonable explanation, heat, water, sewer and electricity are not furnished for the structure for 60 consecutive days; or

g. The structure is not maintained in substantial compliance with fire, safety and building codes.

4. If:

a. You are an individual;

b. A covered auto you own is of the **private passenger type**; and

c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

we may cancel the Commercial Automobile Coverage Part by mailing or delivering to the first Named Insured and the first Named Insured's agent or broker written notice of cancellation, including the actual reason for cancellation, to the last mailing address known to us:

a. At least 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

b. At least 10 days before the effective date of cancellation for any other reason if the policy is in effect less than 30 days; or

c. At least 20 days before the effective date of cancellation for other than nonpayment if the policy is in effect 30 days or more; or

d. At least 20 days before the effective date of cancellation if the policy is in effect for 60 days or more or is a renewal or continuation policy, and the reason for cancellation is that your driver's license or that of any driver who customarily uses a covered **auto** has been suspended or revoked during policy period.

5. We will also mail or deliver to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of cancellation, prior to the effective date of cancellation. If cancellation is for

reasons other than those contained in Paragraph A.3. above, this notice will be the same as that mailed or delivered to the first Named Insured. If cancellation is for a reason contained in Paragraph A.3. above, we will mail or deliver this notice at least 20 days prior to the effective date of cancellation.

6. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be at least 90% of the pro rata refund unless the following applies:

a. For Division Two - Equipment Breakdown, if the first Named Insured cancels, the refund will be at least 75% of the pro rata refund.

b. If:

(1) You are an individual;

(2) A covered auto you own is of the **private passenger type**;

(3) The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards; and

(4) The first Named Insured cancels;

the refund will be not less than 90% of any unearned portion not exceeding \$100, plus 95% of any unearned portion over \$100 but not exceeding \$500, and not less than 97% of any unearned portion in excess of \$500.

The cancellation will be effective even if we have not made or offered a refund.

8. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

The policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspection and Surveys

1. We have the right to:

a. Make inspections and surveys at any time;

b. Give you reports on the conditions we find; and

c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations, and any such actions we do undertake relate only to insurability and the premiums to be charged.

We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

a. Are safe or healthful; or

b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and

2. Will be the payee for any return premiums we pay.

F. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative.

Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

G. Nonrenewal

1. We may elect not to renew this policy by mailing or delivering written notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured and the first Named Insured's agent or broker, at their last mailing addresses known to us. We will also mail to any mortgage holder, pledgee or other person shown in this policy to have an interest in any loss which may occur under this policy, at their last mailing address known to us, written notice of nonrenewal. We will mail or deliver these notices at least 45 days before the:

a. Expiration of the policy; or

b. Anniversary date of this policy if this policy has been written for a term of more than one year.

Otherwise, we will renew this policy unless:

- a. The first Named Insured fails to pay the renewal premium after we have expressed our willingness to renew, including a statement of the renewal premium, to the first Named Insured and the first Named Insured's insurance agent or broker, at least 20 days before the expiration date;
- b. Other coverage acceptable to the insured has been procured prior to the expiration date of the policy; or
- c. The policy clearly states that it is not renewable and is for a specific line, subclassification, or type of coverage that is not offered on a renewable basis.

2. If:

- a. You are an individual;
- b. A covered auto you own is of the **private passenger type**; and
- c. The policy does not cover garage, automobile sales agency, repair shop, service station or public parking place operations hazards;

the following applies to nonrenewal of the Commercial Automobile Coverage Part in place of G.1.:

- a. We may elect not to renew or continue this policy by mailing or delivering to you and your agent or broker written notice at least 20 days before the end of the policy period, including the actual reason for nonrenewal. If the policy period is more than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- b. We will not refuse to renew Liability Coverage or Collision Coverage solely because an **insured** has submitted claims under Comprehensive Coverage or Towing And Labor Coverage.
- c. If we fail to mail or deliver proper notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

The preceding specimen policy has been provided as a sample only. You may obtain a copy of the Parcel Insurance Policy issued by The American Insurance Company by sending an email request to: ShipCover-MasterPolicy@pipinsure.com