

# SELF STORAGE POLICY

## INTRODUCTION

**We** encourage **you** to read the entire policy. The Table of Contents will help **you** find the major sections of the policy. Refer to Table of Contents.

For applicable limits of insurance refer to the Declarations Page and the ADDITIONAL COVERAGES section of this policy.

Throughout this policy, the words **you** and **your** refer to the person or entity named in the **Insured** section of the Declarations. **We**, **us** and **our** refer to the Company providing this insurance. In addition, certain words and phrases appearing in this policy are shown in bold faced type and have special meaning. Such words and phrases are described in SECTIONS I & II - DEFINITIONS.

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## REPRESENTATIONS

By accepting this policy **you** agree that:

1. The statements on the Declarations Page are accurate and complete.
2. Those statements are based upon representations **you** made to **us**.
3. **We** have issued this policy in reliance upon **your** representations.

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## AGREEMENT

**We** will provide the insurance described in this policy in return for the premium and **your** compliance with all provisions of this policy including endorsements.

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# SECTION I – BUSINESS PROPERTY AND LOSS OF INCOME

## LIMIT OF INSURANCE

Regardless of the number of persons **insured** under this policy, the most **we** will pay for any one loss is

the applicable limit of insurance shown herein or on the Declarations Page.

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## COVERAGE A - BUSINESS PROPERTY COVERED

**We** cover **your** structures at the described premises. **We** also cover business personal property used in

**your** self-storage business while at the described premises.

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## COVERAGE B - LOSS OF INCOME

**We** cover loss of net income directly resulting from necessary interruption of **your** self-storage business because of direct physical loss of or damage to covered property at the described premises.

repaired or replaced. This coverage is limited to a period of 180 consecutive calendar days.

**We** also cover net loss of income after damaged or destroyed covered business property has been

**We** also cover loss of accrued rental or lease charges for storage spaces rendered uncollectible because of a covered business property loss.

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## COVERED CAUSES OF LOSS

Subject to the terms, conditions and limitations of this policy, **we** insure **you** against financial loss resulting from:

1. direct physical loss of or damage to covered property caused by an **accident**; and

2. the enforcement of any ordinance, law or code which prohibits repair of a covered structure damaged by an **accident** and requires that any undamaged portion of the structure be demolished.

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## ADDITIONAL COVERAGES

**We** cover the following in addition to the limit of liability stated on the Declarations Page. The limit for each numbered category below is the total limit for each covered loss in any one **accident** for all property in that category. The coverages provided are subject to all other conditions (including the deductible) in the policy.

1. ORDINANCE OR LAW; INCREASED COST OF CONSTRUCTION AND RESULTING LOSS OF RENTS:

\$100,000 in the aggregate for all of the following unless a greater limit of insurance for Ordinance or Law is shown on the Declarations Page:

- a. any increase in the cost to repair or replace a damaged or destroyed covered structure which results from the enforcement of any ordinance, law or code regulating the use, repair or construction of that structure; and
- b. any increased loss of rents resulting from a delay caused by the enforcement of any ordinance, law or code regulating the use, repair or construction of the damaged or destroyed covered structure.

\$2,500 is the most **we** will pay because of the enforcement of any ordinance, law or code in effect at the time of the loss or damage which requires compliance even in the absence of damage to the structure.

This additional coverage applies only in the event that a covered structure is repaired or replaced at the same location.

2. DEBRIS REMOVAL: \$250,000 for increases in otherwise covered loss incurred to remove debris of covered property. This coverage includes the expense necessarily incurred to demolish and remove the debris of any undamaged portion of the damaged covered structure where such increased expenses are incurred because:

- a. of the enforcement of any ordinance, law or code requiring that the undamaged portion of the damaged covered structure be demolished; or
- b. it is not economical to repair the damaged covered structure.

## ADDITIONAL COVERAGES (CONTINUED)

3. MONEY, EVIDENCES OF DEBT, CHECKS, TRAVELERS CHECKS, MONEY ORDERS, AND STAMPS: \$5,000 in the aggregate for money, evidences of debt, money orders, checks, travelers checks, and stamps.
4. EXTERIOR SIGNS: \$10,000 for exterior signs at the described premises.
5. EMPLOYEES' PROPERTY: \$5,000 coverage for household furniture and personal effects of **your** employees while at the described premises, limited as shown below.

The special limit for each category below is the total limit for each loss for all property in that category. These sub-limits do not increase the \$5,000 limit of insurance.

- a. \$200 for money, notes, bullion, gold other than goldware, silver other than silverware, platinum, and coins;
  - b. \$1,000 for securities, accounts, deeds, evidences of debt, letters of credit, manuscripts, passports, tickets, and stamps;
  - c. \$1,000 for jewelry, watches, furs, precious and semi-precious stones;
  - d. \$2,500 for silverware, silver plated ware, gold ware, and pewter ware.
6. COMPUTER MEDIA, VALUABLE PAPERS AND RECORDS: \$10,000 in the aggregate for expenses necessarily incurred for the replacement or reproduction of **your** business records.
  7. ACCOUNTS RECEIVABLE: \$25,000 for all sums due **you** from **customers**, provided **you** are unable to collect such sums because of loss or damage to accounts receivable records.
  8. FENCES: \$25,000 for fences at the described premises.
  9. OFF PREMISES OR IN TRANSIT: \$10,000 for covered business personal property while away from the described premises.
  10. NEWLY ACQUIRED PROPERTY: \$1,000,000 under COVERAGES A and B combined for self-storage buildings and structures **you** acquire or construct during the policy period.

This coverage ceases 90 days from the date **you** begin construction or **you** acquire the

property, or the expiration or cancellation date of this policy, whichever is first. **You** agree to report such values and pay pro rata additional premium as due from the date of acquisition or construction.

11. LAWNS, OUTDOOR TREES, SHRUBS AND OTHER PLANTS: \$10,000 against direct loss in any one **accident** by fire, lightning, explosion, riot, civil commotion or aircraft. **We** will pay up to \$1,000 for any one tree, shrub or other plant, including expense of removing debris.
12. GLASS: The actual expense incurred in the repair or replacement of glass, including its lettering or ornamentation.
13. FIRE DEPARTMENT SERVICE CHARGE: When the fire department is called to save or protect covered property from a covered loss, **we** will pay up to \$5,000 for necessarily incurred fire department service charges for which **you** are liable.
14. FIRE PROTECTION DEVICES RECHARGING EXPENSE: \$5,000 in the aggregate for expenses actually and necessarily incurred as a result of a covered loss:
  - (1) to recharge **your** fire protection devices; and
  - (2) because of water discharged to fight a fire from an automatic sprinkler for which **you** are liable to the local water department system or from fire hoses which are a permanent part of a covered structure.
15. EXTRACTION OF **POLLUTANTS**: \$25,000 for expenses necessarily incurred to extract **pollutants** from land or water at the location of a covered structure.

**We** will pay these expenses only if reported to **us** in writing within one hundred eighty (180) days of the date of the **accident**.

This limit of insurance is the most **we** will pay for all such expense incurred in any one twelve (12) month policy period.
16. INTERRUPTION BY CIVIL AUTHORITY: When access to the described premises is prohibited by public authority because of a covered cause of loss to adjacent property, **we** will cover the loss of income under COVERAGE B.

Coverage is limited to 60 days following the date of prohibition of access.

## PROPERTY NOT COVERED

Except as provided in the ADDITIONAL COVERAGES section **we** do not cover:

1. accounts, bills, currency, bullion, deeds, evidences of debt, stamps, money, securities, animals, aircraft, watercraft, and motor vehicles and trailers required by law to be licensed for highway use;
2. land, lawns, outdoor trees, shrubs and plants;
3. fences;
4. property belonging to **your customer(s)**;
5. computer media, valuable papers and records;
6. accounts receivable

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## LOSSES NOT COVERED

1. **We** do not insure **you** against loss of or damage to covered property resulting from or caused, directly or indirectly, proximately or remotely, by any of the following. Such loss or damage is not covered regardless of any **accident** that contributes concurrently or in any sequence to such loss or damage:

a. Earth movement other than **sinkhole collapse**.

(1) Earth movement includes earthquake, volcanic eruption, landslide, mudflow, subsidence and earth sinking, rising or shifting.

(2) **Sinkhole collapse** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations. It does not include the cost of filling sinkholes, indirect or consequential loss.

(3) If fire or explosion ensues **we** will be liable only for the ensuing direct loss or damage from the fire or explosion.

b. (1) Flood, overflow of any body of water, surface water, waves, tides, tidal waves or spray from any of them even if driven by wind; or

(2) water that backs up or overflows from a sewer, drain or sump; or

(3) underground water including water which presses on, flows or seeps through foundations, walls or floors or paved surfaces, or into unpaved basements.

But if fire or explosion or **volcanic action** ensues **we** will be liable only for the ensuing direct loss or damage from the fire or explosion.

c. Insects, vermin or rodents.

If fire or explosion ensues loss or damage caused by insects, vermin, or rodents then **we** will be liable only for the ensuing direct loss or damage from the fire or explosion.

d. Theft by **you**, **your** employee(s), **your** or any officer, director, trustee or authorized representative or, by anyone to whom covered property is entrusted whether acting alone or in collusion with others.

This exclusion does not apply to carriers for hire with whom covered property is entrusted, whether acting alone or in collusion with others.

This exclusion does not apply to COVERAGE C – EMPLOYEE DISHONESTY.

Ensuing loss by fire or explosion resulting from theft by **your** employee(s) or by anyone to whom covered property is entrusted is covered.

e. Shortage disclosed on taking inventory or unexplained or mysterious disappearance of covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

f. Seizure or destruction of property by order of government authority.

g. Pollution caused by or resulting from the presence of or the release, discharge, escape, dispersal, seepage or migration of **pollutants**.

**We** do insure **you** If the presence, release, discharge, escape, dispersal, seepage or migration of **pollutants** is caused by or results from fire, lightning, explosion, windstorm, hail, aircraft, vehicles, riot or civil commotion, vandalism or malicious mischief, sprinkler leakage, falling objects, **volcanic action** or weight of snow, sleet or ice.

## LOSSES NOT COVERED (CONTINUED)

- h. Error in design, plans or specifications; faulty or defective workmanship or materials; latent or patent defect; or mechanical breakdown.

If loss from fire, explosion, sprinkler leakage, falling objects, weight of snow, sleet or ice or **accidental** discharge of water not otherwise excluded from a plumbing, heating or air conditioning system which has cracked or broken apart ensues, **we** will pay for the ensuing loss.

**We** will not, however, pay for the cost to correct the condition which causes such ensuing loss.

- i. War, including undeclared or civil war; 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; insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
- j. 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.

2. In addition, **we** do not insure **you** against any of the following losses, however caused:

- a. Delay, loss of use, loss of market, loss of business income or other consequential loss.

This exclusion does not apply to loss of rents including accrued rents and extra expense provided for elsewhere in this policy.

- b. Wear and tear, deterioration, rust, **organic pathogens**, wet or dry rot

If fire, explosion or damage from water not otherwise excluded ensues then **we** will be liable only for the ensuing direct loss or damage from the fire, explosion or water not otherwise excluded.

- c. Settling, cracking, shrinking, bulging or expanding of covered structures

If fire, explosion or breakage of glass constituting an integral part of the structure ensues then **we** will be liable only for the ensuing direct loss or damage from the fire, explosion or breakage of such glass.

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## COVERAGE C - EMPLOYEE DISHONESTY

This coverage is optional and applies only if so stated on the Declarations Page.

**We** cover loss of **your** money, **your** business personal property and personal property of **your** tenants by dishonest or fraudulent acts of **your** employees. The word employee will not include **you**, any partner, participant in a joint venture, officer, director or trustee, whether acting alone or in collusion with others.

1. Coverage will apply to losses first discovered during the term of this policy. If this policy is not renewed and no other coverage is available to **you**, coverage will apply for one year after its

expiration, providing the loss occurred during the policy period.

2. Coverage will not apply to loss which is first discovered by **you** during the term of this policy and which would have been recoverable by **you** under a prior bond or insurance policy.
3. Acts or a series of related or similar acts of any employee acting alone or in collusion with others will be deemed one **accident**.
4. If coverage applies to more than one **insured**, the limit of **our** liability will not exceed the amount for which **we** would be liable if coverage applied to only one **insured**.

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## DEDUCTIBLE

Subject to the applicable limit of insurance, **we** will pay no more than the amount by which any loss exceeds the deductible amount shown on the

Declarations Page. This provision applies to each separately occurring loss.

## BASIS OF LOSS PAYMENT

Subject to the applicable limits of insurance, the amount to be paid for any loss insured by this policy will be determined as follows:

### UNDER COVERAGE A - BUSINESS PROPERTY:

#### 1. Structures:

- a. If a damaged or totally destroyed structure is not repaired or replaced, payment will be limited to the loss of actual cash value at the time and place of loss, with due consideration for depreciation from all sources however caused. Payment will not exceed the amount it would cost to repair or replace the damaged or totally destroyed structure with material of like kind, quality and use at the place of the loss and within a reasonable time after the loss.
- b. If a damaged structure is repaired or if a totally destroyed structure is replaced at the same location, payment will be limited to the amount actually and necessarily expended to repair the damaged structure or to replace the totally destroyed structure with a new structure of like kind, quality and use.

Regardless of when **you** do complete repair or replacement, the amount **we** will pay is limited to the amount required to repair or replace within a reasonable time after the loss.

- c. **You** may replace a totally destroyed structure by building a new structure elsewhere. If **you** do so, payment will be limited to the lesser of the following:
  - (1) the amount actually and necessarily expended to replace elsewhere within a reasonable time after the loss with a new structure of like kind, quality and use; or
  - (2) the amount that would be necessarily expended to replace within a reasonable time after the loss with a new structure of like kind, quality and use at the place of the loss.
- d. **You** may replace a totally destroyed structure by purchasing an existing structure elsewhere. If **you** do so, payment will be limited to the lesser of the following:
  - (1) the amount reasonably required and actually expended to purchase within a reasonable time after the loss a structure

of like kind, quality and use as the structure totally destroyed; or

- (2) the amount that would be necessarily expended to replace within a reasonable time after the loss with a new structure of like kind, quality and use at the place of the loss and within a reasonable time after the loss.

In no event will **we** pay for the value of land.

**You** may first make claim for the loss under paragraph a. and, within one (1) year from the payment of that loss, make claim for any additional amount then payable by reason of b., c. or d.

#### 2. Computer Media, Valuable Papers and Business Records:

- a. Computer media including film, tape, disc, drum, cell or magnetic recording or storage media for electronic data processing at the replacement cost of such media in unexposed or blank form.
- b. Business records including books of account, manuscripts, abstracts, drawings, card index systems and other records at the replacement cost of blank materials plus the cost of transcription.

This limitation does not apply to coverage on Computer Media, Valuable Papers and Records to the extent provided for in Paragraph 6, ADDITIONAL COVERAGES.

#### 3. Business personal property of others, at the amount for which **you** are liable.

#### 4. **Your** Personal Property and Personal Property of **Your** Employees:

- a. If lost or damaged property is not repaired or replaced, payment will be limited to the loss of actual cash value with due consideration for depreciation from all sources however caused.

Payment will not exceed the amount which it would cost to repair or replace the lost or damaged property with property of like kind, quality and use.

- b. If lost or damaged property is repaired or replaced, payment will be limited to the amount actually and necessarily expended to repair or replace the property with new property of like kind, quality and use.

## **BASIS OF LOSS PAYMENT (CONTINUED)**

**You** may first make claim for the loss under paragraph a. and, within one (1) year from the payment of that loss, make claim for any additional amount then payable by reason of b.

### 5. Trees, Shrubs and Other Plants:

**We** will pay the amount actually and necessarily spent to replace lost or damaged trees, shrubs and other plants or, if not replaced, the amount actually and necessarily spent for removal of debris of such property.

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## **UNDER COVERAGE B - LOSS OF INCOME:**

**We** will pay **your** net loss of business income actually and necessarily incurred because of the interruption of **your** business operations, including extra expenses necessary to prevent or reduce such loss of business income, resulting from direct physical loss of or damage to covered property.

In the event of loss or damage to property in the course of construction (including building materials, supplies, machinery or equipment incidental to the construction or occupancy) which delays completion to a tenantable condition, the length of time for which **we** will be liable will be the length of time by which completion to a tenantable condition is delayed by the covered loss or damage.

Coverage will be limited to the time required to repair or replace damaged or destroyed property plus any

additional loss covered by the Extended Period of Indemnity coverage, but will not be restricted by the expiration date of this policy. In no event will **we** pay for more than twenty four (24) months of incurred net loss of business income.

## **UNDER COVERAGE C - EMPLOYEE DISHONESTY:**

1. **Your** Property - Loss payment will be for replacement cost at the time of loss, but payment for securities may, at **our** option, be determined by the market value at the time of claim settlement.
2. The Property of Tenants - The amount for which **you** are liable.

## SECTION I - CONDITIONS

### BUSINESS PROPERTY AND LOSS OF INCOME

#### YOUR DUTIES FOLLOWING A LOSS

1. **You** must at **your** expense:
    - a. Give **us** written notice of any loss as soon as practicable.
    - b. File with **us** a detailed sworn statement of loss within ninety (90) days after the loss unless this time is extended by **us** in writing, setting forth to the best of **your** knowledge and belief:
      - (1) The time and cause of loss.
      - (2) **Your** interest and that of all others in the property involved.
      - (3) Other policies of insurance that may cover the loss.
      - (4) Changes in title or occupancy of the property during the term of this policy.
      - (5) Specifications of any damaged structures, detailed estimates for repair of the damage and the amount **you** claim for the repair under this policy.
    - (6) The amount claimed for replacement of trees, shrubs and other plants or for the removal of debris of such property accompanied by all exhibits necessary to support that amount.
    - (7) An inventory of damaged, covered personal property and the amount **you** claim for that property under this policy accompanied by all exhibits necessary to support that amount.
    - (8) The amount claimed for rents including accrued rents and extra expenses accompanied by all exhibits necessary to support that amount.
  - c. Do all things and produce all documents reasonably required to establish values, loss and damage and coverage for the loss.
2. **You** must at **our** expense submit and subscribe to examinations under oath by any person named by **us**.

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#### PROTECTION OF PROPERTY

In case of imminent or actual loss covered by this policy, **you** are authorized and required to make every reasonable effort to protect and recover the insured property, including legal action. The necessary

expenses so incurred will be shared proportionately by **you** and **us** to the extent of **our** respective interests.

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#### APPRAISAL

If **we** fail to agree with **you** on the amount of loss, either party may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, either of the parties may request that the choice be made by a judge of a court of record in the state where the **insured premises** are located. The appraisers will separately set the amount of loss. If

the appraisers submit a written report of an agreement to **us**, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

- a. Pay its own appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

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#### COMPANY OPTIONS

If **we** give notice within 30 days after receiving a signed, sworn statement of loss, **we** will have the option to take all or any part of the **property**

**damaged** at an agreed value, or to repair, rebuild or replace it with equivalent property.

## ABANDONMENT OF PROPERTY

**We** need not accept any property abandoned by an **insured**.

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## WHEN LOSS IS PAYABLE

Except where claim is made for damage to property of others, **we** will adjust all losses with **you**. **We** will pay **you** unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 30 days after **we** receive **your** sworn statement of loss and:

- a. reach an agreement with **you**; or
  - b. there is an entry of a final judgment; or
  - c. there is a filing of an appraisal award with **us**.
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## PRIVILEGE TO ADJUST WITH OWNER

In the event claim is made for damage to property of others, **we** reserve the right to adjust such loss or damage with the owner or owners of the property. The receipt of payment by such owner or owners in satisfaction thereof will be in full satisfaction of any claim by **you** for which such payment has been made.

If legal proceedings are taken to enforce a claim against **you** for any such loss or damage **we** reserve the right, without expense to **you**, to conduct and control the defense on **your** behalf. No action by **us** in such regard will increase **our** liability under this policy nor increase the limits specified in the policy.

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## SUIT AGAINST US

No action can be brought unless the policy provisions have been complied with and the action is

started within one year after the date of loss.

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## MORTGAGEE INTEREST AND OBLIGATIONS

Loss will be payable to a mortgagee named on the Declarations Page subject to its mortgage interest in the covered property. As to that mortgage interest, this insurance will not be affected by any:

1. Act or neglect of the mortgagor or owner of the covered property.
2. Foreclosure or other proceeding or notice of sale relating to the covered property.
3. Change in title or ownership of the covered property.

In case the mortgagor or owner neglects to pay any premium due under this policy, the mortgagee must, on demand, pay that premium.

If **you** fail to render a statement of loss, a named mortgagee, upon notice, may do so within sixty (60) days thereafter. In that event, the mortgagee must comply with all provisions of this policy.

If **we** cancel this policy any named mortgagee will be notified in accordance with the cancellation provisions of this policy.

To the extent of any payment for loss under this policy which **we** make to any mortgagee and for which **we** claim **we** are not liable to the mortgagor or owner, **we** will be subrogated to all of the rights of the mortgagee under the mortgage. Or **we** may pay the whole mortgage debt including accrued interest in return for a full assignment and transfer of the mortgage and all other securities for that debt.

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## NO BENEFIT TO BAILEE

**We** will not recognize any assignment or grant any coverage that benefits a person or organization

holding, storing or moving property for a fee regardless of any other provision of this policy.

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## ADDITIONAL CONDITIONS

For additional conditions, refer to page 20, **COMMON POLICY CONDITIONS** Applying to

**Section I and Section II.**

## SECTION II - BUSINESS LIABILITY COVERAGES

### COVERAGE D - BUSINESS LIABILITY

**We** will pay all sums that the **insured** becomes legally obligated to pay as damages because of **bodily injury** or **property damage** arising out of the ownership maintenance or use of the **insured premises** and all operations necessary or incidental to **your** self storage business conducted at or from the **insured premises** to which this insurance applies.

This insurance applies only to **bodily injury** or **property damage**:

1. That occurs during the policy period; and
2. That is caused by an **occurrence** which takes place in the **coverage territory**.

**We** have the right and duty to defend any claim or suit seeking covered damages. **We** may investigate and settle any claim or suit at **our** discretion but:

1. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II CONDITIONS.
2. **Our** right and duty to defend ends when **we** have used up the applicable limit of insurance in the payment of judgements or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under SUPPLEMENTARY PAYMENTS of Section II - CONDITIONS

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### COVERAGE D - EXCLUSIONS

This insurance does not apply to:

1. **Bodily injury** or **property damage** expected or intended from the standpoint of any **insured**.

This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.

2. **Bodily injury** or **property damage** arising out of any contract other than an **insured contract**.

This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement.

3. **Bodily injury** or **property damage** arising out of any premises owned, rented or controlled by any **insured** other than an **insured premises**.

4. Any obligation of any **insured** under a workers compensation, disability benefits or unemployment compensation law or any similar law.

5. **Bodily injury** to:

- a. An employee of any **insured** arising out of and in the course of employment by any **insured**.

- d. The spouse, child, parent, brother or sister of an employee as a consequence of an injury to that employee.

This exclusion applies whether any **insured** may be liable as an employer or in any other capacity and applies to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by **you** under an **insured contract**.

6. **Bodily injury** or **property damage** arising out of the presence of or the actual, alleged or threatened release, discharge, escape, dispersal, seepage or migration of **pollutants** onto land or into water or the air at or from an **insured premises** or caused by or resulting from any operation necessary or incidental to **your** self storage business.

This exclusion does not apply to:

- a. **bodily injury** or **property damage** caused by heat, smoke or fumes from a hostile fire. A hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be; or

- b. **bodily injury** that is sustained within a building at an **insured premises** and that is caused by smoke, fumes, vapors or soot from equipment used to heat such building.

7. Any loss, cost or expense arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.

8. **Bodily injury** or **property damage** arising out of the presence of or the actual, alleged or threatened release, discharge, escape, dispersal, seepage or migration of any **organic pathogens** at or from any **insured premises**.

## COVERAGE D - EXCLUSIONS (Continued)

9. Any loss, cost or expense arising out of any governmental direction or request that **you** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **organic pathogens**.

10. **Bodily injury** or **property damage** arising out of the ownership, maintenance, use or entrustment to others of any aircraft, **auto** or watercraft owned or operated by or rented or loaned to any **insured**. Use includes loading or unloading.

This exclusion does not apply to:

- a. watercraft while ashore at an **insured premises**;
  - b. parking an **auto** on or on the ways next to an **insured premises**, provided that the **auto** is not owned, by or rented or loaned to any **insured**;
  - c. liability assumed under an **insured contract** for the ownership, maintenance or use of aircraft or watercraft.
11. **Bodily injury** or **property damage** arising out of nuclear reaction, radiation, or radioactive contamination, however caused.
12. **Bodily injury** or **property damage** due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
13. **Bodily injury** or **property damage** arising out of the rendering or failure to render any professional service. This includes but is not limited to:
- a. legal or accounting services;
  - b. advertising services;
  - c. engineering or architectural services

14. **property damage** to:

- a. Property **you** own, rent or occupy.

This exclusion does not apply to **property**

**damage** to structures rented to or occupied but not owned by **you** providing such damage is caused by a Covered Cause of Loss under Section I of this policy:

- b. Personal property belonging to **your customers**.
  - c. Premises **you** have sold, given away or abandoned if the **property damage** arises out of any part of those premises.
  - d. Property loaned to **you**.
  - e. Personal property in the care, custody or control of any **insured**.
15. Any amount payable by any **insured** to others as a result of a punitive or exemplary damages judgement against any **insured**.
16. **Bodily injury** or **property damage** sustained by any **insured**.
17. **Bodily injury** or **property damage** arising out of fraud committed by any **insured**.
18. **Bodily injury** or **property damage** arising out of willful injury by any **insured** to the property or person of another.
19. **Bodily injury** or **property damage** arising out of willful violation of a penal statute or ordinance committed by or with the consent of any **insured**.
20. **Bodily injury** arising out of communicable disease of any kind transmitted by any **insured** including sexually transmitted disease.
21. **Bodily injury** arising out of sexual molestation, corporal punishment or abuse.
22. **Bodily injury** to any **customer** arising directly or indirectly from the sale or other disposition of a **customer's** property by or at the direction of **you** or **your** employees.

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## COVERAGE E - PERSONAL INJURY AND ADVERTISING INJURY LIABILITY

**We** will pay all sums that the **insured** becomes legally obligated to pay as damages because of **personal injury** or **advertising injury** to which this insurance applies.

This insurance applies only to **personal injury** or **advertising injury** caused by an act which:

1. Takes place in the **coverage territory** during the policy period; and
2. Arises out of the ownership, maintenance or use of an **insured premises** or operations necessary or incidental to **your** business conducted at or from an **insured premises**.

## COVERAGE E - PERSONAL INJURY AND ADVERTISING INJURY LIABILITY (Continued)

**We** have the right and duty to defend any claim or suit seeking covered damages. **We** may investigate and settle any claim or suit at **our** discretion but:

1. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II - CONDITIONS.

2. **Our** right and duty to defend ends when **we** have used up the applicable limit of insurance in the payment of judgements or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under SUPPLEMENTARY PAYMENTS of Section II - CONDITIONS.

---

## COVERAGE E - EXCLUSIONS

1. Exclusions which appear as items 1 through 22 under the heading EXCLUSIONS following the BUSINESS LIABILITY COVERAGE section also apply to **personal injury** and **advertising injury**. In addition this insurance does not apply to:

- a. **Personal injury** or **advertising injury**:

- (1) Arising out of oral or written publication of material if done by or at the direction of any **insured** with knowledge of its falsity.
- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.
- (3) Arising out of fraud committed by any **insured**.
- (4) Arising out of willful injury by any **insured** to the person or property of another.
- (5) Caused by the willful act of any **insured** but sums awarded as damages because of negligence are not excluded.
- (6) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the **insured**.
- (7) For which the **insured** has assumed liability in a contract or agreement.

This exclusion does not apply to liability for damages that the **insured** would have in the absence of the contract or agreement.

- (8) Sustained by any **insured**.

- (9) arising out of the presence of or the actual, alleged or threatened release, discharge, escape, dispersal, seepage or migration of **pollutants** onto land or into water or the air at or from an **insured premises** or caused by or resulting from any operation necessary or incidental to **your** self storage business.

- (10) Arising out of the sale or disposal of **customers'** property. Sale and Disposal Liability Coverage is available as a separate coverage.

- b. **Personal injury** arising out of advertising, publishing, broadcasting or television done by or for **you**.

- c. **Advertising injury** arising out of:

- (1) breach of contract, other than misappropriation of advertising ideas under an implied contract;
- (2) the failure of goods, products, or services to conform with advertised quality or performance;
- (3) the wrong description of the price of goods, products, or services; or
- (4) an offense committed by an **insured** whose business is advertising, broadcasting, publishing, or telecasting.

2. This insurance does not apply to any punitive or exemplary damages judgement against any **insured**.

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## COVERAGE F - HIRED AUTO AND NON-OWNED AUTO LIABILITY

This coverage is optional and applies only if so stated on the Declarations Page.

**We** will pay all sums that the **insured** becomes

legally obligated to pay as damages because of **bodily injury** or **property damage** to which this insurance applies.

## COVERAGE F - HIRED AUTO AND NON-OWNED AUTO LIABILITY (Continued)

This insurance applies only to **bodily injury** or **property damage** that:

1. Occurs during the policy period; and
2. is caused by an **occurrence** which takes place at or arises from the ownership, maintenance or use of an **insured premises**; and
  - a. arises out of the use of a **hired auto** by **you** or **your** employees in the course of **your** self storage business; or
  - b. Arises out of the use of a **non-owned auto** by any person other than **you** in the course of **your** self storage business:

**We** have the right and duty to defend any claim or suit seeking covered damages. **We** may investigate

and settle any claim or suit at **our** discretion but:

1. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II - CONDITIONS.
2. **Our** right and duty to defend ends when **we** have used up the applicable limit of insurance in the payment of judgements or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under SUPPLEMENTARY PAYMENTS of Section II - CONDITIONS.

---

## COVERAGE F - EXCLUSIONS

Exclusions which appear as Paragraphs, 1, 2, 3, 4, 5, 6, 7, 9, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, and 22 under the heading EXCLUSIONS following the PREMISES LIABILITY COVERAGE section also apply to this coverage section of the policy. In addition this insurance does not apply to:

1. **Bodily injury** or **property damage** arising out of the maintenance, operation, use, loading or unloading of any **hired auto** or **non-owned auto** involved in the **insured's** operation of any rental or lease dealership.
2. **Bodily injury** to any co-employee of any person engaged in the business of his or her employer for injury sustained in the course of employment.

3. **Property damage** to:
  - a. Property owned or being transported by, or rented or loaned to any **insured**.
  - b. Property in the care, custody or control of any **insured**.
  - c. Any person engaged in the business of his or her employer for **bodily injury** to any co-employee of such person injured in the course of employment.
4. The liability of any person engaged in the business of his or her employer for **bodily injury** to any co-employee of such person injured in the course of employment.

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## COVERAGE G - PREMISES MEDICAL PAYMENTS

**We** will pay medical and funeral expenses which result from **bodily injury** sustained at the **insured premises** and caused by an **accident** provided that:

1. The **accident** takes place during the policy period; and
2. The **accident** takes place at an **insured premises**; and
3. The expenses are incurred and reported to **us**

within one (1) year of the date of the **accident**; and

4. The injured person submits to examination, at **our** expense, by physicians of **our** choice as often as **we** require.

**We** will make these payments regardless of fault. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II - CONDITIONS.

---

## COVERAGE G - EXCLUSIONS

This insurance does not apply to **bodily injury** to any person:

1. Who is an **insured**.
2. Hired to do work for or on behalf of any **insured**.

3. Who is a tenant or an employee of a tenant of any **insured** injured while on that part of the premises that the tenant or employee normally occupies.

## COVERAGE G – EXCLUSIONS (Continued)

4. Who is an employee of any **insured**, if benefits for the **bodily injury** are payable or must be provided under a workers compensation or disability benefits law or a similar law.
5. Who is injured while taking part in athletics.
6. Who is injured due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
7. To whom the **insured** is obligated to pay damages by reason of the assumption of liability in a contract or agreement other than an **insured contract**.
8. Whose injuries arise out of the ownership, maintenance, use or entrustment to others of any aircraft, **auto** or watercraft owned or operated by or rented or loaned to any **insured**. Use includes loading or unloading.
9. Whose injuries arise out of any business or professional activities conducted by any **insured** other than the management of the **insured premises** as a rental property or held as vacant land.
10. Whose injuries arise from the presence of or the actual, alleged or threatened release, discharge, escape, dispersal, seepage or migration of **pollutants** at or from the **insured premises**.
11. Who suffers **bodily injury** from any cause set forth in the NUCLEAR EXCLUSION of Section II - CONDITIONS.

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## COVERAGE H - CUSTOMER'S GOODS LEGAL LIABILITY

This coverage is optional and applies only if so stated on the Declarations Page.

**We** will pay those sums that the **insured** becomes legally obligated to pay as damages because of **property damage** to which this insurance applies.

This insurance applies only to **property damage**:

1. To **customers'** property, or property of others for which a **customer** is liable, while at an **insured premises**.
2. Caused by an **occurrence** at an **insured premises** during the policy period.

**We** have the right and duty to defend any claim or suit seeking covered damages. **We** may investigate and settle any claim or suit at **our** discretion but:

1. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II - CONDITIONS.
2. **Our** right and duty to defend ends when **we** have used up the applicable limit of insurance in the payment of judgements or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under SUPPLEMENTARY PAYMENTS of Section II - CONDITIONS.

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## COVERAGE H - EXCLUSIONS

This insurance does not apply to liability:

1. Assumed by **you** under any contract or agreement.
2. Arising out of misappropriation, secretion, conversion, infidelity, or any dishonest or criminal act:
  - a. by or on behalf of **you** or any of **your** employees or agents; or
  - b. by or on behalf of any other party of interest or any of their employees or agents; or
3. Arising out of the removal, sale, disposal or destruction of **your customer's** property:
  - a. by or on behalf of **you** or any of **your** employees or agents; or
  - b. by or on behalf of any other party of interest or any of their employees or agents; or
  - c. by or on behalf of any person or persons to whom **you** may entrust such property.
- c. by or on behalf of any person or persons to whom **you** may entrust such property.

## COVERAGE I - SALE AND DISPOSAL LIABILITY

**We** will pay sums to which this insurance applies that the **insured** becomes legally obligated to pay as damages for **your** acts or omissions arising from **lock-out** or the sale, removal or disposition of **customers'** property as a result of sale and disposal operations.

This insurance applies only to acts or omissions which occur at an **insured premises** during the policy period.

**We** have the right and duty to defend any claim or suit seeking covered damages. **We** may investigate and settle any claim or suit at **our** discretion but:

1. The amount **we** will pay for damages is limited as described in LIMITS OF INSURANCE of Section II - CONDITIONS.
2. **Our** right and duty to defend ends when **we** have used up the applicable limit of insurance in the payment of judgements or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided under SUPPLEMENTARY PAYMENTS of Section II - CONDITIONS.

---

## COVERAGE I - EXCLUSIONS

This insurance does not apply to liability:

1. assumed by **you** under any contract or agreement;
2. arising out of misappropriation, secretion, conversion, infidelity or any dishonest or criminal act:

- a. by or on behalf of **you** or any of **your** employees or agents; or
- b. by or on behalf of any other party of interest or any of their employees or agents; or
- c. by or on behalf of any person or persons to whom **you** may entrust such property.

---

## COVERAGE I - DEDUCTIBLE

From the amount of each adjusted claim the deductible sum indicated in the Declarations Page will be deducted. **We** may pay the amount of the

deductible on **your** behalf. If **we** pay the amount of the deductible, **you** agree to reimburse **us** promptly.

## SECTION II - CONDITIONS - BUSINESS LIABILITY COVERAGES

### SUPPLEMENTARY PAYMENTS

With respect to any claim or suit **we** defend under Section II of this policy, **we** will pay in addition to the limit of insurance shown on the Declarations Page:

1. All expenses **we** incur.
2. Up to \$1,000 for the cost of bail bonds required because of **accidents** or traffic law violations arising out of the use of any vehicle to which **bodily injury** liability coverage applies. **We** do not have to furnish or obtain these bonds.
3. The premium for bonds to release attachments but only for bond amounts within the Business Liability limit of insurance shown on the Declarations Page. **We** do not have to furnish or obtain these bonds.
4. All reasonable expenses incurred by the **insured** at **our** request to assist **us** in the investigation or

defense of a claim or suit including actual loss of earnings of up to \$250 a day because of time off from work.

5. All costs taxed against the **insured** in the suit.
6. Pre-judgement interest awarded against the **insured** on that part of the judgement **we** pay. If **we** make an offer to pay the applicable limit of insurance, **we** will not pay any pre-judgement interest based on that period of time after the offer.
7. All interest on the full amount of any judgement that accrues after entry of the judgement and before **we** have paid, offered to pay, or deposited in court the part of the judgement that is within the applicable limit of insurance.

---

### LIMITS OF INSURANCE

1. Each **Occurrence** or Act: All **bodily injury** or **property damage** resulting from any one **accident** including continuous or repeated exposure to the same harmful conditions shall be considered to be the result of one **occurrence**.

With respect to BUSINESS LIABILITY, PERSONAL INJURY AND ADVERTISING INJURY LIABILITY and HIRED AND NON-OWNED AUTO LIABILITY, the most **we** will pay for the sum of all damages to which this policy applies as a result of any one **occurrence** or any one act is the Business Liability limit shown on the Declarations Page regardless of the number of:

- a. **Insureds**.
  - b. Claims made or suits brought.
  - c. Persons or organizations making claims or bringing suits.
  - d. Policies issued by **us** to any **insured**. If such other policies exist, the maximum limit of this Company's liability shall not exceed the highest limit set forth in any one such policy.
  - e. Coverages applicable to any **occurrence** or act.
2. The most **we** will pay for medical and funeral expenses as provided under PREMISES

MEDICAL PAYMENTS COVERAGE for any one **accident** is the Premises Medical Payments limit shown on the Declarations Page.

3. The limit of liability stated on the Declarations Page as applicable to each **occurrence** is the most **we** will pay for:
  - a. Damages under **HIRED AUTO AND NON-OWNED AUTO LIABILITY COVERAGE**.
  - b. Damages under **CUSTOMER'S GOODS LEGAL LIABILITY COVERAGE**.
4. The **SALE AND DISPOSAL LIABILITY** limit shown on the Declarations Page is the most **we** will pay for the sum of all claims during each annual policy period.
5. All **Occurrences** or Acts

The most **we** will pay for all damages to which this policy applies, regardless of the number of **occurrences** or acts that take place during any consecutive policy period of twelve (12) months or less, is the aggregate limit shown on the Declarations Page for each specified coverage.

With respect to Business Liability Coverage only, this annual aggregate limit of insurance applies separately to each location described on the Declarations Page.

## YOUR DUTIES IN THE EVENT OF AN OCCURRENCE, ACT, CLAIM OR SUIT

1. **You** must promptly notify **us** of an incident or event that may result in a claim. Notice should include:
  - a. How, when and where the incident or event took place.
  - b. The names and addresses of any injured person and witness.
2. If a claim is made or suit is brought against any **insured**, **we** must be promptly notified in writing and **you** and any other involved **insured** must:
  - a. Immediately send **us** copies of any demands, notices, summonses or other legal papers received in connection with the claim or suit.
  - b. Authorize **us** to obtain records and other information.
  - c. Cooperate with **us** in the investigation, settlement or defense of the claim or suit.
  - d. Assist **us**, upon **our** request, in the enforcement of any right against any person or organization that may be liable to any **insured** because of injury or damage to which this insurance may also apply.
3. No **insured** shall, except at the **insured's** own cost, make a payment, assume any obligation or incur any expense, other than for first aid at the time of an **accident**, without **our** consent.

---

## TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If the **insured** has rights to recover all or part of any payment **we** have made under this policy, those rights shall be transferred to **us**. The **insured** shall do nothing to impair said rights. At **our** request, the

**insured** shall help **us** to enforce them. This condition does not apply to PREMISES MEDICAL PAYMENTS COVERAGE.

---

## TRANSFER OF YOUR RIGHTS AND DUTIES

**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.

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## BANKRUPTCY

Bankruptcy or insolvency of any **insured** or any **insured's** estate will not relieve **us** of **our**

obligations.

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## LEGAL ACTION AGAINST US

1. No person or organization has a right under this policy:
  - a. To join **us** as a party or otherwise bring **us** into a suit asking for damages from any **insured**.
  - b. To sue **us** on this policy unless all of its terms have been fully complied with.
2. A person or organization may sue **us** to recover on an agreed settlement or on a final judgment against any **insured** obtained after an actual trial but **we** will not be liable for damages that are not payable under the terms of this policy. An agreed settlement means a settlement and release of liability signed by **us**, the **insured** and the claimant or the claimant's legal representative.

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## SEPARATION OF INSUREDS

Except with respect to the Limits of Insurance, this insurance applies separately to each **insured**

against whom claim is made or suit is brought.

## SECTIONS I AND II - COMMON POLICY CONDITIONS

The following conditions apply to all coverages of this policy. Additional conditions or modifications of the

following conditions may appear in the specific coverage sections.

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### CONCEALMENT, MISREPRESENTATION OR FRAUD

This policy shall be void if any **insured** whether before or after a loss, has intentionally concealed or misrepresented any material fact or circumstance or

made false statements or engaged in fraudulent conduct relating to this insurance.

---

### CANCELLATION AND NON-RENEWAL

1. **You** may cancel this policy at any time by returning it to **us** or by notifying **us** in writing of the date cancellation is to take effect. Any pro-rata premium due **you** will be refunded within a reasonable time after the cancellation takes effect.

b. Non-renew this policy for any reason by giving **you** at least sixty (60) days, but not more than one hundred twenty (120) days, written notice to be effective at the next anniversary or expiration date of the policy whichever is first.

2. **We** may:

a. Cancel this policy for non-payment of premium by giving **you** fifteen (15) days written notice; or

**We** will also mail such notice of cancellation or non-renewal to each mortgagee or other person or entity shown on this policy to have an insurable interest in the covered property. **We** will state the reason for cancellation or non-renewal on the written notice.

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### WAIVER OR CHANGE OF POLICY CONDITIONS

This policy contains all the agreements between **you** and **us** concerning this insurance. A waiver or change

of any provision of this policy must be in writing by **us** to be valid.

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### 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 3 years afterward.

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### INSPECTIONS AND SURVEYS

**We** have the right but are not obliged to:

1. make inspections and surveys at any time;
2. give **you** reports on the conditions **we** find; and
3. recommend changes.

health or safety of workers or the public. And **we** do not warrant that conditions:

1. are safe or healthful; or
2. comply with laws, regulations, codes or standards.

Any inspections, surveys, reports or recommendations 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

This condition applies not only to **us**, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations on **our** behalf.

---

### INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, **we** will not pay more than the

actual amount of the loss or damage.

## LIBERALIZATION

If **we** adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the policy period, the

broadened coverage will immediately apply to this policy.

---

## OTHER INSURANCE

1. Section I - Business Property and Loss of Income: **We** will not pay a greater portion of any loss than the limit of insurance for the loss under this policy bears to the total of the limits of insurance for the loss under all policies which cover the loss or which would cover the loss but for the existence of this policy.

This limitation will not apply to insurance written specifically to cover as excess over the limits of insurance that apply in this policy.

2. Section II - Business Liability:
  - a. The insurance provided by this policy is

excess over any other insurance. **We** have no duty to defend any claim or suit that any other insurer has a duty to defend. If no other insurer defends, **we** will undertake to do so but **we** will be entitled to the **insured's** rights against any such other insurers.

This limitation will not apply to insurance specifically written to cover as excess over the limits of this policy

- b. All Section II coverages are excess over any other insurance that insures for direct physical loss or damage.

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## TIME OF INCEPTION

Coverage under this policy becomes effective as of 12:01 AM standard time.

However, to the extent that coverage in this policy replaces coverage in other policies terminating at

noon standard time on the inception date of this policy, coverage under this policy will not become effective until such other coverage has terminated.

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## TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

1. Applicable to COVERAGE A - BUSINESS PROPERTY coverage:

If any person or organization to or for whom **we** make payment under this policy has rights to recover damages from another, those rights are transferred to **us** to the extent of **our** payment. That person or organization must do everything necessary to secure **our** rights and must do nothing after loss to impair them. But **you** may waive **your** rights against another party in writing:

- a. prior to a loss to **your** covered property.
- b. within ninety (90) days after an **accident** to **your** covered property only if, at the time of loss, that party is one of the following:

- (1) someone **insured** by this insurance;

- (2) a business firm:

- (a) owned or controlled by **you**; or
- (b) that owns or controls **you**.
- (c) **your** tenant.

**You** may also accept the usual bills of lading or shipping receipts limiting the liability of the carriers. This will not restrict **your** insurance.

2. Applicable to Section II - BUSINESS LIABILITY COVERAGES:

If the **insured** has rights to recover all or part of any payment **we** have made under this policy, those rights are transferred to **us**. The **insured** must do nothing after loss to impair them. At **our** request, the **insured** will bring suit or transfer those rights to **us** and help **us** enforce them.

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## TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

**Your** rights and duties under this policy may not be

transferred without **our** written consent.

## SECTIONS I & II DEFINITIONS

Words which appear in bold print, other than titles and headings, have the meaning given them in this section.

**Accident** means an undesigned, unexpected and rapidly occurring event.

**Advertising injury** means injury resulting from an oral or written publication of material that disparages a person's or organization's goods, products or services.

**Auto** means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment.

**Bodily injury** means **bodily injury** and sickness or disease sustained by a person, including death resulting from any of these at any time.

**Coverage territory** means:

1. The United States of America, its territories and possessions, Puerto Rico and Canada.
2. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above.
3. All parts of the world if:
  - a. The injury or damage arises out of the activities of a person whose home is in the territory described in a. above but is away for a short time on **your** business; and
  - b. The **insured's** responsibility to pay damages is determined in a suit on the merits in the territory described in a. above or in a settlement to which **we** agree.

**Customer** means a tenant, lessee or any person or organization leasing, renting or otherwise occupying self storage space at the self storage premises designated on the declarations.

**Hired auto** means any **auto you** lease, hire or borrow for a period less than 30 days.

**Hired auto** does not include any **auto you** lease, hire or borrow from any of **your** employees or members of their households or from any of **your** partners or executive officers

**Insured** means:

1. As to BUSINESS LIABILITY, **PERSONAL INJURY AND ADVERTISING INJURY LIABILITY, PREMISES MEDICAL PAYMENTS,**

**CUSTOMER'S GOODS LEGAL LIABILITY AND SALE AND DISPOSAL LIABILITY COVERAGES,** and only with respect to the ownership, maintenance or use of the **insured premises** as a self storage facility or the holding of the **insured premises** as vacant land:

- a. An individual shown on the Declarations Page and his or her spouse;
  - b. A partnership or joint venture shown on the Declarations Page, its partners, members and the spouses thereof;
  - c. A trust shown on the Declarations Page, its trustees, trustors and beneficiaries;
  - d. Any organization, other than a partnership, joint venture or trust, shown on the Declarations Page, its, executive officers, stockholders, and members and managers of a limited liability company;
  - e. **Your** employees, but only for acts within the scope of their employment by **you**;
  - f. Any person or organization while acting as **your** real estate manager for an **insured premises**;
  - g. Any person or organization having lawful, temporary custody of **your** property if **you** die;
  - h. **Your** legal representative if **you** die but only with respect to duties as such. That representative will have all **your** rights and duties under this policy.
2. AS TO **NON-OWNED AUTO LIABILITY COVERAGE**
    - a. **You.**
    - b. Any person using a **hired auto** with **your** permission.
    - c. **Your** partners or executive officers while using a **non-owned auto** in connection with **your** business.
    - d. Trustees, trustors, and beneficiaries of a trust shown on the Declarations Page while **using** a **non-owned auto** in connection with **your** business.
    - e. Members and managers of a limited liability company shown on the Declarations Page while using a **non-owned auto** in connection with **your** business.

## SECTIONS I & II DEFINITIONS (Continued)

- f. Any other person using a **non-owned auto**, but only for their liability because of acts or omissions of an **insured** under a., b., c., d., or e. above.

None of the following is an **insured**:

- a. Any partner or executive officer for any **auto** owned by such partner or officer or a member of his or her household.
  - b. Any trustee, trustor, or beneficiary of a trust shown on the Declarations Page for any **auto** owned by such trustee, trustor, or beneficiary or a member of his or her household.
  - c. **your** stockholders for any **auto** owned by such stockholders or members of their households.
  - d. Any member or manager of a limited liability company shown on the Declarations Page for any **auto** owned by such member or manager or a member of his or her household.
  - e. The owner of a **non-owned auto** or any agent or employee of any such owner.
3. AS TO ALL COVERAGES PROVIDED UNDER THIS POLICY

No person or organization is an **insured** for the conduct of any current or past partnership or joint venture not shown on the Declarations Page.

**Insured contract** means that part of any contract pertaining to **your** self storage business under which **you** assume the tort liability of another to pay damages because of **bodily injury** or **property damage** to a third person or organization if the contract is made prior to the **bodily injury** or **property damage**. Tort liability means a liability that would be imposed in the absence of any contract or agreement.

An **insured contract** does not include:

- 1. A contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - a. Preparation or approval of or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications.

- b. Directions or instructions, or failure to direct or instruct, if that is the primary cause of the injury or damage.
- 2. A contract that indemnifies any person or organization for damage by fire to premises rented or loaned to **you**.
  - 3. A contract or agreement that pertains to the loan, lease or rental of an **auto** to **you**.
  - 4. A contract with any other **insured**.

**Insured premises** means:

- 1. The self storage premises described on the Declarations Page.
- 2. Premises sold, given away or abandoned if possession has been relinquished to others.
- 3. Any self storage business premises which **you** newly acquire during the policy period provided that no other insurance applies.

However:

- a. this insurance ceases ninety (90) days after the date **you** acquire the premises or the end of the policy period, whichever is earlier. An additional premium, computed by **using** the rates and rules in effect at the date of acquisition, will be charged for the period of time **we** provide insurance.
- b. coverage will not apply to an **occurrence** which took place before **you** acquired the new premises.

**Lock-out** means depriving a **customer** access to the **customer's** property or rented space.

**Non-owned auto** means any **auto you** do not own, lease, hire or borrow which is used in connection with **your** business.

However, if **you** are:

- 1. a partnership, a **non-owned auto** does not include any **auto** owned by any partner of the partnership;
- 2. a trust, a **non-owned auto** does not include any **auto** owned by any trustor, trustee or beneficiary of the trust;
- 3. a limited liability company, a **non-owned auto** does not include any **auto** owned by any member or manager of the limited liability company;

## SECTIONS I & II DEFINITIONS (Continued)

- any other organization, a **non-owned auto** does not include any **auto** owned by any executive officer or stockholder of the organization.

**Occurrence** means an **accident**. With respect to Section II - Business Liability Coverages only, an **accident** includes continuous or repeated exposure to the same harmful conditions.

**Organic pathogens** means any bacteria, virus, fungus, mold, mushroom, yeast, mildew or mycotoxin or other metabolic products or their spores, scent, vapor or gas or byproducts, or any reproductive body however produced.

**Our** refers to the Company providing this insurance.

**Personal injury** means injury, other than **bodily injury** arising out of one or more of the following acts:

- False arrest, detention or imprisonment.
- Malicious prosecution.
- Wrongful entry into premises that a person occupies or eviction of a person from premises that the person occupies.
- Oral or written publication of material that slanders or libels a person or organization.
- Oral or written publication of material that violates a person's right of privacy.

**Pollutants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke,

vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**Property damage** means:

- Physical injury to tangible property including resulting loss of use of that property.
- Loss of use of tangible property that is not physically injured.

**Sinkhole collapse** means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations.

**Sinkhole collapse** does not include sinking or collapse of land into man made underground cavities nor the cost of filling sinkholes.

**Us** refers to the Company providing this insurance.

**Volcanic action** means lava flow, airborne shock waves, ash, dust or other particulate matter caused by or resulting from volcanic eruption.

**We** refers to the Company providing this insurance.

**You** refers to the person or entity shown on the Declarations Page as an **insured**.

**Yours** refer to the person or entity shown on the Declarations Page as an **insured**.