SELF STORAGE OPERATOR’S LEGAL LIABILITY POLICY

Introduction

We encourage you to read the entire policy.

For applicable limits of insurance refer to the Declarations Page 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 the DEFINITIONS section of this policy.

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.

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.

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.
COVERAGE A - CUSTOMER’S GOODS LEGAL LIABILITY

THIS COVERAGE SECTION APPLIES ONLY WHEN A LIMIT OF INSURANCE FOR CUSTOMER’S GOODS LEGAL LIABILITY IS SHOWN ON THE DECLARATIONS PAGE.

CUSTOMER’S GOODS LEGAL LIABILITY

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 which takes place 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 the LIMITS OF INSURANCE section of this policy.
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 the SUPPLEMENTARY PAYMENTS section of this policy.

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.

EXCLUSIONS

This insurance does not apply to liability for property damage:

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.
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.
4. Arising out of nuclear reaction or radiation, or radioactive contamination, however caused.
5. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
COVERAGE B - SALE AND DISPOSAL LEGAL LIABILITY

THIS COVERAGE SECTION APPLIES ONLY WHEN A LIMIT OF INSURANCE FOR SALE AND DISPOSAL LEGAL LIABILITY IS SHOWN ON THE DECLARATIONS PAGE.

SALE AND DISPOSAL LEGAL LIABILITY

We will pay those sums that the insured becomes legally obligated to pay as damages because of the insured’s acts or omissions arising from lock-out or the sale, removal or disposal of customers’ personal 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 the LIMITS OF INSURANCE section of this policy
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 the SUPPLEMENTARY PAYMENTS section of this policy.

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.

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.
3. Arising out of nuclear reaction or radiation, or radioactive contamination, however caused.
4. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.
SUPPLEMENTARY PAYMENTS

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

1. All expenses we incur.
2. The premium for bonds to release attachments but only for bond amounts within the applicable limit of insurance shown on the Declarations Page. We do not have to furnish or obtain these bonds.
3. 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.
4. All costs taxed against the insured in the suit.
5. 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.
6. 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. COVERAGE A – CUSTOMER’S GOODS LEGAL LIABILITY
   a. Each Occurrence or Act: All 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.
   b. The limit of Liability stated on the Declarations page as applicable to each occurrence is the most we will pay for damages under customer goods legal liability coverage.
   c. 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.

2. COVERAGE B - SALE AND DISPOSAL LIABILITY
   The limit shown of the Declarations Page is the most we will pay for the sum of all claims during each annual policy period.

YOUR DUTIES IN THE EVENT OF AN OCCURRENCE, 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 without our consent.

OTHER INSURANCE

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.

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 must do nothing to impair said rights. At our request, the insured shall help us enforce them.

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 and temporary custody of your property will have your rights and duties but only with respect to that property.

BANKRUPTCY

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

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.

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.
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.

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.
2. We may:
   a. Cancel this policy for non-payment of premium by giving you fifteen (15) days written notice; or
   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, advance written notice to be effective at the next anniversary or expiration date of the policy whichever is first.
   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.

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 (3) years afterward.

INSPECTION 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.
4. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums charges. 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. We do not warrant that conditions:
   a. are safe or healthful; or
   b. comply with laws, regulations, codes or standards.
This conditions applies not only to us, but also 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 of this policy’s coverages apply to the same loss or damage, we will not pay more than the actual amount of loss or damage.
LIBERALIZATION

If we adopt any revision that would broaden the coverage under this policy without additional premium within sixty (60) days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

TIME OF INCEPTION

Coverage under this policy becomes effective as of 12:01 AM standard time at the mailing address shown for the insured.

If coverage in this policy replaces coverage in other policies terminating at 12:01 AM standard time on the inception date of this policy, coverage under this policy will not become effective until such other coverage has terminated.

CONFORMITY TO STATUTE

If any provision in this policy and its endorsements are in conflict with the laws of the state where this policy was issued, they are hereby amended to conform with such laws.
DEFINITIONS

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

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

2. **Customer** means any person or entity storing personal property at a location shown on the Declarations Page subject to a written storage agreement issued by you.

3. **Insured** means:
   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.

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.

4. **Insured Premises** means:
   a. The self storage premises described on the Declarations Page.
   b. Premises sold, given away or abandoned if possession has been relinquished to others.
   c. Any self storage business premises which you newly acquire during the policy period provided that no other insurance applies.

   However:
   
   (1) 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 the acquisition, will be charged for the period of time we provide insurance.
   
   (2) coverage will not apply to an occurrence which took place at the premises before you acquired the new premises.

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

6. **Occurrence** means an accident including continuous or repeated exposure to the same harmful conditions.

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

8. **Property damage** means:
   a. Physical injury to tangible personal property, including resulting loss of use of that property.
   b. Loss of use of tangible property that is not physically injured.

10. **Sale and disposal operations** shall mean activities and procedures which you conduct in your self storage business to reclaim rented space in self-storage units at the insured premises for which rental or other charges are delinquent and unpaid.

11. **Us** refers to the company providing this insurance.

12. **We** refers to the Company providing this insurance.
13. You and yours refer to the person or entity shown on the Declarations Page as an insured.