

INSURING AGREEMENT I.A. OF THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLIES ONLY TO THOSE CLAIMS ARISING SOLELY AND DIRECTLY FROM ACTIVE ASSAILANT INCIDENTS TAKING PLACE ON OR AFTER THE RETROACTIVE DATE STATED IN THE DECLARATIONS, AND FOR WHICH CLAIMS ARE FIRST MADE AGAINST AN INSURED DURING THE POLICY PERIOD OR WHERE A CIRCUMSTANCE COMMENCES DURING THE POLICY PERIOD WHICH COULD REASONABLY BE EXPECTED TO GIVE RISE TO A CLAIM DURING THE POLICY PERIOD. INSURING AGREEMENTS I.B, I.C., I.D., I.E., I.F., AND I.G. PROVIDES FIRST PARTY COVERAGE FOR INCIDENTS WHICH TAKE PLACE DURING THE POLICY PERIOD. PLEASE READ THE ENTIRE POLICY.

In consideration of the payment of premium and in reliance upon the Application, and subject to all terms, conditions, and exclusions of this Policy, the **Insurer** agrees to provide coverage as follows:

I. INSURING AGREEMENTS

A. Legal Liability Coverage

The **Insurer** will indemnify the **Insured** for **Damages** and **Claim Expenses** which the **Insured** shall become legally obligated to pay as the result of a **Claim** arising solely and directly from an **Active Assailant Incident**; provided that:

1. such **Active Assailant Incident** takes places on or after the Retroactive Date stated in Item <> of the Declarations and prior to the end of the **Policy Period**;
2. such **Claim** is first made against the **Insured** during the **Policy Period** and
3. notice of such **Claim** is given to the **Insurer** in accordance with Section **IV. CONDITIONS**, Paragraph 10. of the Policy.

B. Physical Damage Coverage

The **Insurer** will indemnify the **Insured** for direct physical loss, damage, or destruction to **Insured Property** caused solely and directly by an **Incident** which occurs during the **Policy Period**.

C. Business Interruption Coverage

The **Insurer** will indemnify the **Insured** for **Business Interruption Loss** incurred during the **Period of Indemnity** due to:

1. direct physical loss, damage, or destruction to **Insured Property**;
2. bodily injury and/or death to an **Insured Person**;
3. **Denial of Access** to the **Covered Location**; or
4. a **Threat Incident** to a **Covered Location**;

solely and directly resulting from an **Incident** which occurs during the **Policy Period**.

D. Loss of Attraction Coverage

The **Insurer** will indemnify the **Insured** for **Loss of Attraction** after satisfaction of the **Franchise Deductible**.

E. Extra Expense Coverage

The **Insurer** will indemnify the **Insured** for the following reasonable and necessary extra costs and expenses incurred by the **Insured** or any **Insured Person** resulting solely and directly from an **Incident** which occurs during the **Policy Period**:

1. Brand Rehabilitation

Public relations expenses incurred by the **Insured** with a public relations firm retained to minimize the potential harm to the **Insured** from an **Incident** by maintaining and restoring public confidence in the **Insured** applicable only to such expenses incurred within ninety (90) days of the **Incident**; provided that such firm and expenses are approved by the **Insurer**.

2. Child Care

Child care costs incurred by an **Insured Person**, applicable only to such costs incurred within fourteen (14) days of the **Incident**.

3. Emergency Travel and Accommodation

Travel and accommodation costs of any **Insured Person** or of a member of an **Insured Person's** immediate family, applicable only to such costs incurred within thirty (30) days of the **Incident**.

4. Emergency Security Arrangements

Costs to secure the **Covered Location** where the **Incident** took place and the costs of increased security personnel in the aftermath of the **Incident**, applicable only to such costs incurred within thirty (30) days of the **Incident**.

5. Forensic Clean-Up

Forensic clean-up costs for human remains, applicable only to such costs incurred within thirty (30) days of the **Incident**.

6. Funeral Expenses

Burial and/or cremation costs of an **Insured Person** as a result of an **Incident**, applicable only to such costs incurred within thirty (30) days of the **Incident**.

7. Medical Expenses

Medical expenses, other than those set forth in Paragraph 8. below, for any **Insured Person** physically present during the **Incident**, applicable only to such expenses incurred within three hundred and sixty-five (365) days of the **Incident**.

8. Psychiatric Care

Psychiatric care and/or counselling costs for any **Insured Person** physically present during the **Incident** or of a member of an **Insured Person's** immediate family if the **Insured Person** is killed during the **Incident**, applicable only to such expenses incurred within three hundred and sixty-five (365) days of the **Incident**.

9. Repatriation

Costs of repatriation of the body of an **Insured Person** as a result of an **Incident** in the event of death, applicable only to such costs incurred within thirty (30) days of the **Incident**.

10. Temporary Premises

Costs to lease or rent temporary premises being used in place of real property that is being repaired or replaced due to direct physical loss, damage, or destruction, applicable only to such costs incurred within ninety (90) days of the **Incident**.

11. Temporary Staff Costs

Recruitment costs to replace employees of the **Insured** physically present during and unable to continue working as a result of an **Incident**, applicable only to such costs incurred within ninety (90) days of the **Incident**.

12. Reward Fee

To indemnify the **Insured** up to \$10,000 per **Active Assailant Incident** and in aggregate for the **Policy Period** for a payment made to an individual who has provided information that subsequently leads to an arrest and conviction of the **Active Assailant**

13. Salary

To indemnify salary which an **Insured** continues to pay an employee who has been the victim of an **Active Assailant Incident**; coverage shall apply to the Salary in effect at the time of such **Active Assailant Incident** and will end thirty (30) days following the date such **Active Assailant Incident** occurs. This will be limited to \$5,000 per person and \$50,000 in aggregate for the **Policy Period**

F. Bodily Injury and/or Death Benefit

The **Insurer** shall provide a **Fixed Benefit** for bodily injury and/or death sustained by an **Insured Person** solely and directly from an **Incident** up to one hundred and eighty (180) consecutive days from the date of the **Incident**.

G. Response Consultant Fees

The **Insurer** will indemnify the **Insured** for **Incident Response Consultant Fees** resulting solely and directly from an **Incident** which occurs during the **Policy Period**.

II. DEFINITIONS

A. Active Assailant means a person or group of persons actively engaged in killing or attempting to kill or cause bodily injury to a person or group of persons.

B. Active Assailant Incident means:

1. a physical attack by an **Active Assailant** at a **Covered Location** involving the use of a **Weapon**; and/or
2. any action of the **Relevant Authority** taken in suppressing, controlling, or minimizing the immediate consequences of such attack;

which occurs during the **Policy Period**, causes direct physical loss, damage or destruction to **Insured Property** and/or bodily injury or death which affects one (1) or more persons physically present during such attack (excluding the **Active Assailant**).

C. Aircraft shall mean an object intended for use for flight through the air.

D. Business Interruption Loss means the actual loss sustained by the **Insured** resulting directly from such necessary interruption of business, but not exceeding the reduction in **Gross Earnings**, less charges and expenses which are not necessary during the interruption of business, for a period up to the time that the

Insured is able to recommence operations, not to exceed eighteen (18) calendar months, or one hundred twenty (120) days in respect of **Loss of Attraction**,

commencing with the date of such direct physical loss, damage, or destruction to **Insured Property**, or bodily injury and/or death to an **Insured Person**, or **Denial of Access** to the **Covered Location**, or **Threat Incident** to a **Covered Location**, and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent reasonable and necessary to resume operations of the **Insured** at the **Covered Location** with the same operational capacity as existed immediately before the loss.

E. Claim means any:

1. written demand against the **Insured** for monetary damages;
2. civil proceeding against the **Insured** seeking monetary damages commenced by the service of a complaint or similar pleading; or
3. arbitration or mediation proceeding against the **Insured** seeking monetary damages, commenced by the receipt of a written demand, or service of a complaint or similar pleading.

F. Claim Expenses means the reasonable and necessary attorney's fees, mediation costs, arbitration expenses, and other fees and costs incurred by the **Insurer**, or by an **Insured** with the **Insurer's** prior written consent, in the investigation and defense of a **Claim**. **Claim Expenses** shall not include remuneration, salaries, overhead, fees, or benefit expenses of any **Insured**.

G. Covered Location means the location stated in the Declarations.

H. Damages means a monetary judgment, award, or settlement, which the **Insured** becomes legally obligated to pay on account of any **Claim**. **Damages** do not include:

1. taxes, fines, penalties or sanctions imposed against the **Insured**;
2. punitive or exemplary damages, or the multiple portion of any multiplied damage award;
3. costs to comply with orders granting injunctive, remedial, preventative, or other non-monetary or declaratory relief, including specific performance, or any agreement to provide such relief;
4. liquidated damages pursuant to a contract, to the extent such amount exceeds the amount the **Insured** would have been liable in the absence of such contract;
5. any amount for which an **Insured** is not financially liable or legally obligated to pay; or
6. amounts uninsurable under the laws pursuant to which this Policy is construed.

I. Denial of Access means the prevention of use of or access to a **Covered Location** as a direct result of an **Active Assailant Incident** occurring within 1 mile of a **Covered Location**, regardless of whether the **Covered Location** or **Insured Property** is physically lost or physically damaged, or whether an **Insured Person** has suffered bodily injury and/or death.

J. Drone means an unmanned aerial vehicle which can be flown autonomously with or without human control.

K. Euthanasia shall mean any intentional act or omission that is intended to painlessly cause or permit the death of an incurably ill or injured person out of concern and compassion for that person's suffering, with or without that person's explicit request

L. Finished Stock means stock manufactured by the **Insured** which in the ordinary course of the **Insured's** business is ready for packing, shipment, or sale.

M. Fixed Benefit shall mean a fixed payment for bodily injury and/or death calculated as per the scale below:

1. Death USD 100,000 per **Insured Person**
2. **Permanent Total Disablement** USD 50,000 per **Insured Person**

- | | |
|---------------------------|--------------------------------------|
| 3. Loss of Limb(s) | USD 25,000 per Insured Person |
| 4. Loss of Sight | USD 25,000 per Insured Person |
| 5. Loss of Hearing | USD 25,000 per Insured Person |

N. Franchise Deductible means the **Insured** must suffer a 10% or greater loss of **Gross Earnings** at a **Covered Location** within one hundred twenty (120) days of the **Active Assailant Incident** in order to claim for **Loss of Attraction**. Once this **Franchise Deductible** has been met, the entire loss of **Gross Earnings** will be payable, subject to the terms and conditions of the Policy.

O. Gross Earnings are for the assessment of premium and for adjustment in the event of loss and means the sum of:

- a) total net sales value of production or sales of **Merchandise**,
- and
- b) other earnings derived from the operations of the business.

Less the cost of:

- c) **Raw Stock** from which production is derived,
- d) supplies, consisting of materials consumed directly in the conversion of such **Raw Stock** into **Finished Stock**, or in supplying the services sold by the **Insured**,
- e) **Merchandise** sold including packaging materials therefor,
- f) materials and supplies consumed directly in supplying the service(s) sold by the **Insured**,
- g) service(s) purchased from outsiders (not employees of the **Insured**) for resale which do not continue under contract,
- h) the difference between the cost of production and the net selling price of **Finished Stock** which has been sold but not delivered.

No other costs shall be deducted in determining **Gross Earnings**.

In determining **Gross Earnings** due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

P. Incident means **Active Assailant Incident** or **Threat Incident**.

Q. Incident Response Consultant Fees means the reasonable and necessary fees and costs of GardaWorld, or other independent consultants, provided the **Insurer** has given prior consent to use other such independent consultants, in responding to an insured **Active Assailant Incident** and/or **Threat Incident**.

R. Insured means the entity stated in the Declarations and includes any subsidiaries provided that their assets are declared as **Covered Locations**

S. Insured Person means any natural person present at the **Covered Location**, who is there for a lawful purpose.

T. Insured Property means all real and personal physical property, except as specifically included in Section III. **Exclusions**, belonging to the **Insured** or for which the **Insured** is responsible or has assumed responsibility to insure prior to the occurrence of any loss, damages, or destruction, as at the Inception Date of this Policy.

U. Insurer means the insurance company identified in the Declarations.

V. Loss of Attraction means a loss of **Gross Earnings** resulting from a loss of potential customers as a direct

result of an **Active Assailant Incident** at a **Covered Location** applicable only to such actual loss sustained by the **Insured** within one hundred twenty (120) days of the **Active Assailant Incident**, subject to the **Franchise Deductible**. **Loss of Attraction** is not covered following a **Threat Incident**.

- W. Loss of Hearing** will be deemed to have occurred in one or both ears when the **Insurer** is satisfied that the condition is permanent and without expectation of recovery on the authority of a fully qualified otologist specialist appointed by the **Insurer**.
- X. Loss of Limb** is deemed to have occurred;
- a) In the case of a lower limb loss by permanent physical severance at or above the ankle or permanent total loss of use of an entire leg of foot; and/or
 - b) In the case of upper limb loss by permanent physical severance of the entire 4 fingers through or above the metacarpal phalangeal joints or permanent total loss of use of an entire arm or hand.
- Y. Loss of Sight** will be deemed to have occurred in one or both eyes when the degree of sight remaining after correction is 3/60 or less on the Snellen chart and the **Insurer** is satisfied that the condition is permanent and without expectation of recovery on the authority of a fully qualified ophthalmic specialist appointed by the **Insurer**.
- Z. Merchandise** means goods kept for sale by the **Insured** which are not the product of manufacturing operations conducted by the **Insured**.
- AA. Occurrence** means any one loss and/or series of losses arising out of and directly occasioned by one **Active Assailant(s) Incident** and/or **Threat Incident** for the same purpose or cause. The duration and extent of any one **Occurrence** shall be limited to all losses sustained by the **Insured** at the **Covered Location** herein directly occasioned by one **Active Assailant Incident** and/or **Threat Incident** as herein defined arising out of the same purpose or cause during any period of 72 consecutive hours commencing at the time of the first such **Incident**. However, no such period of 72 consecutive hours may extend beyond the expiration of this Policy unless the **Insured** shall first sustain direct physical loss or physical damage to a **Covered Location** prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.
- BB. Period of Indemnity** means the period of time stated in the Declarations commencing on the date of the **Incident**.
- CC. Permanent Total Disablement** means a disablement caused other than by **Loss of Limb, Loss of Sight** or **Loss of Hearing** which will in all probability totally prevent the **Insured Person** from engaging in their usual occupation for the remainder of their life.
- DD. Policy Period** means the period from the Inception Date to the Expiration Date stated in Item 2. of the Declarations.
- EE. Raw Stock** means material in the state in which the **Insured** receives it for conversion into **Finished Stock**.
- FF. Relevant Authority** means a national or local government authority with jurisdiction over the **Covered Location** affected by the **Incident** and/or NYA, a GardaWorld Company.
- GG. Threat Incident** means any specific threat to inflict bodily injury to any **Insured Person**, at the **Covered Location**, or any specific threat to damage, destroy, or contaminate any property at the **Covered Location**, which is made during the **Policy Period** and validated by the **Relevant Authority**.
- HH. Vehicle** means a private or commercial land-based vehicle intended for use on public roads, including motorcycles, automobiles, construction vehicles or trucks.
- II. Weapon** means any:
- 1. hand-held instrument;

2. explosive device;
3. **Vehicle**;
4. corrosive material or corrosive substance;
5. **Drone**; or
6. **Aircraft**

used by the **Active Assailant** to cause direct physical loss, damage or destruction and/or bodily injury or death.

III. EXCLUSIONS:

This Policy does not insure loss, damage, cost, or expense of any nature directly or indirectly caused by or resulting from:

1. nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination, regardless of how such nuclear detonation, nuclear reaction, nuclear radiation, or radioactive contamination has been caused;
2. war, invasion, or warlike operations (whether war be declared or not), hostile acts of sovereign or government entities, rebellion, revolution, insurrection, civil commotion, coup d'etat, civil war, ethnic or tribal conflict, the imposition of martial law, or usurpation of power;
3. chemical or biological release or exposure of any kind, except this Exclusion does not apply to an **Active Assailant Incident** involving the use of a corrosive material or corrosive substance as a **Weapon**;
4. seepage, release, discharge, dispersal, or escape of pollutants or contaminants, including but not limited to any solid, liquid, gaseous, or thermal irritant, contaminant, or toxic or hazardous substance or any substance the presence, existence, or release of which endangers or threatens to endanger the health, safety, or welfare of persons or the environment, except this Exclusion does not apply to an **Active Assailant Incident** involving the use of a corrosive material or corrosive substance as a **Weapon**;
5. emission, release, discharge, dispersal, or escape of asbestos;
6. attacks by electronic means, including but not limited to computer hacking, the introduction of any form of computer virus, malware, ransomware, cybercrime, or the introduction of any corrupting or unauthorized instructions or code, or the use of any electromagnetic weapon;
7. temporary or permanent loss, or any impairment of functionality, of computer data or software;
8. a hoax, unless validated by a **Relevant Authority**;
9. loss of use, loss of income, increased cost of working, delay or loss of markets, depreciation, or reduction in functionality or any other consequential loss not specifically covered herein;
10. the **Insured's** obligations under any laws, statutes, or regulations concerning: (i) employers' liability; (ii) workers' compensation; (iii) unemployment compensation; (iv) social security; or (v) disability; or the **Insured's** obligations under any similar laws, statutes, or regulations;
11. any sexual misconduct, including without limitation, any physical acts, gestures, spoken or written words of a sexual nature, sexual molestation, sexual assault, sexual battery, sexual abuse, sexual harassment, or sexual exploitation; however, this exclusion does not apply if sexual molestation, sexual assault, or sexual battery occurs during an **Active Assailant Incident**;

12. armed robbery, burglary, housebreaking, looting, theft, larceny, or domestic violence;
13. any act committed in furtherance of organized crime;
14. contraband or illegal transportation or trade;
15. protests, strikes, labor unrest, riots, or other form of civil commotion related thereto;
16. physical loss of or physical damage to:
 - a. land or land values;
 - b. power transmission, feeder lines, or pipelines not on the **Insured Property**;
 - c. **Aircraft** or any other aerial device or watercraft;
 - d. any land conveyance, locomotives, or rolling stock unless such land conveyance is:
 - i. specifically listed in the Declarations or by endorsement to this Policy; and
 - ii. located on a **Property Insured** at the time of an **Active Assailant Incident**;
 - e. animals, plants, and living things of all types;
17. any cash, notes, bonds, and/or marketable securities, goods, or services provided as ransom or in response to an extortion demand;
18. cessation, fluctuation, variation in, or insufficiency of water, gas, electricity supplies or telecommunications, or any other type of utility or service, including interruption to business caused by an **Incident** at a facility supplying gas, electricity, water, or telecommunications to a **Covered Location**;
19. any natural peril, including but not limited to earthquake, earthquake shock, seaquake, seismic and/or volcanic disturbance, hurricane, tornado, cyclone, typhoon, storm surge, tidal wave, Tsunami, flood, snow storm, hail, ice storm, avalanche, landslide, mudslide, forest fire, bush fire, or the threat of such events;
20. any refunds or compensation or costs of event rescheduling or relocation except for costs that may be recoverable under section E. Extra Expense Coverage, 10. Temporary Premises.
21. enforcement of any ordinance or law regulating the use, reconstruction, repair, or demolition of any property to which this Policy applies;
22. any fine, penalty, punitive damages, or other assessment incurred by the **Insured** or imposed by any court, government agency, public or civil authority, or any other person;
23. mysterious disappearance or unexplained loss;
24. any **Claim** arising solely and directly from an **Active Assailant Incident** which takes place prior to the Retroactive Date stated in the Declarations;
25. loss, injury, or damage arising out of any mental injury or mental anguish related claim where no actual bodily injury has occurred to the claimant except as covered under section **D. Extra Expense Coverage, 8. Psychiatric Care.**
26. any act of **Euthanasia**, including without limitation, passive-**Euthanasia**, active-**Euthanasia**, mercy killing, or physician-assisted suicide

IV: CONDITIONS

1. JOINT INSUREDS

The **Insurer's** total liability for any loss or losses sustained by any one or more of the **Insureds** under this Policy will not exceed the Limits of Insurance shown in the Declarations. The **Insurer** shall have no liability in excess of the Limits of Insurance whether such amounts consist of insured losses sustained by all of the **Insureds** or any one or more of the **Insureds**.

2. OTHER INSURANCE

This insurance shall be primary of any other valid and collectible insurance available to the **Insured**, whether such other insurance is stated to be primary, contributory, excess, contingent, or otherwise.

3. LIMITS OF INSURANCE

The **Insurer** shall not be liable for more than the limits of insurance stated in the Declarations in respect of each **Occurrence** and in the Policy aggregate.

4. DEDUCTIBLE

Each **Occurrence** shall be adjusted separately and from each such amount the deductible in the Declarations shall be deducted.

5. DEBRIS REMOVAL & DECONTAMINATION

Subject to the Limits of Insurance and all other terms, conditions, and exclusions, the **Insurer** will pay reasonable and necessary costs and expenses incurred in the removal of debris from a **Covered Location** directly destroyed or physically damaged during the Policy Period by an **Active Assailant Incident**.

Subject to Limits of Insurance and all other terms, conditions, and exclusions, the **Insurer** will pay reasonable and necessary costs of decontamination and/or removal of the **Insured Property** from a **Covered Location** contaminated by an **Active Assailant Incident** affecting such **Covered Location** and taking place during the Policy Period in a manner to satisfy any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material. This Coverage applies only to that part of any **Covered Location** so contaminated as a direct result of an **Active Assailant Incident**. Contamination includes, but is not limited to, the presence of pollution or hazardous material.

This Coverage does not cover the costs of removal of:

- 1) contaminated non-owned or third-party property; or
- 2) the contaminant in or on non-owned or third-party property.

The Coverage provided by this provision is not in addition to the Limits of Insurance.

6. DUE DILIGENCE

The **Insured** (or any of the **Insured's** agents, sub-contractors, or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the **Insured Property**, to avoid or diminish any loss herein insured, and to secure compensation for any such loss, including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

7. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the **Covered Location** and/or **Insured Property** shall be maintained in good order throughout the currency of this Policy and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the **Insurer** without its consent.

8. VALUATION

It is understood that, in the event of an **Active Assailant Incident**, settlement shall be based upon the cost of repairing, replacing, or reinstating (whichever is the least) the **Covered Location** and/or **Insured Property** on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

- a. The repairs, replacement, or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch;
- b. Until replacement has been effected, the amount of liability under this Policy in respect of loss shall be limited to the actual cash value at the time of an **Active Assailant Incident**;
- c. If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance, or law, any increased cost of replacement due thereto shall not be covered by this Policy;
- d. The **Insurer's** liability for loss under this Policy shall not exceed the smallest of the following amounts:
 - i. The amount of the Limits of Insurance under this Policy applicable to the destroyed or damaged **Insured Property**,
 - ii. The replacement cost of the **Insured Property** or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
 - iii. The amount actually and necessarily expended in replacing said **Insured Property** or any part thereof.

The **Insurer** will normally expect the **Insured** to carry out repair or replacement of the **Insured Property**, but if the **Insured** and the **Insurer** agree that it is not practicable or reasonable to do this, the **Insurer** will pay the **Insured** an amount based on the repair or replacement costs, less an allowance for insured fees and associated costs which are not otherwise incurred. The **Insurer** will only pay the **Insured** up to the Limit of Insurance shown in the Declarations.

9. COINSURANCE

If a Coinsurance percentage is shown in the Declarations, the following Condition applies:

- a. We will not pay the full amount of any loss if the value for the **Covered Location**, including business income, set forth on the Declarations at the time of the **Active Assailant Incident** times the Coinsurance percentage shown for it in the Declarations is greater than the Limits of Insurance. Instead, the most we will pay will be determined by the following steps:
 - (1) Multiply the value set forth on the Declarations at the time of the **Active Assailant Incident** by the Coinsurance percentage;
 - (2) Divide the Limit of Insurance by the figure determined in step (1);
 - (3) Multiply the total amount of loss, before the application of any Deductible, by the figure determined in step (2); and
 - (4) Subtract the Deductible from the figure determined in step (3).

10. NOTIFICATION OF CLAIMS

- a. Solely with respect to Insuring Agreement I.A., as a condition precedent to payment in respect of any **Claim**, the **Insured** shall give prompt written notice to the Insurer/and or the Broker, named for that purpose in the Declarations, who is to advise **Insurer** as soon as practicable either after the **Claim** is made or after any circumstance likely to give rise to a **Claim** hereunder and in no event later than sixty (60) days after the Expiration Date of this Policy.

- b. Solely with respect to Insuring Agreements I.B., I.C., I.D., I.E., IF., and I.G., the **Insured**, upon knowledge of any **Occurrence** likely to give rise to a claim hereunder, shall give prompt written notice to the **Insurer** and/or the Broker, named for that purpose in the Declarations, who is to advise **Insurer** within seven (7) days of such knowledge of any **Occurrence**, and it is a condition precedent to the liability of **Insurer** that such notification is given by the **Insured** as provided for by this Policy.

11. INSURED'S DUTIES IN THE EVENT OF AN ACTIVE ASSAILANT INCIDENT AND/OR THREAT

INCIDENT

The **Insured** shall do the following in the event of an **Active Assailant Incident** and/or **Threat Incident**:

- a. Notify the proper authorities;
- b. Give the **Insurer** prompt written notice of the **Active Assailant Incident** and/or **Threat Incident**, in accordance with Condition 10, which must include all relevant details, including but not limited to a detailed description of the **Covered Location** and/or **Insured Property** damaged or threatened, the cause of the damage or threat, the actions of any government authority, the business interruption, the service interruption, and the time that the damage or threat occurred;
- c. Promptly provide the **Insurer** with relevant documentation, reports, and records bearing on how, when and where the **Active Assailant Incident** and/or **Threat Incident** occurred, and the matters set forth in the preceding paragraph b.;
- d. Take all reasonable steps to protect the **Covered Location** and/or **Insured Property** from further physical loss or physical damage, and to minimize cost, expense, and **Business Interruption Loss**, including without limitation those steps to:
 - i. Set damaged property aside where possible;
 - ii. Keep the damaged property in the best possible order for examination; and
 - iii. Record all expenses for emergency and temporary repairs for consideration in the settlement of the claim; and
- e. At the **Insurer's** request, provide complete inventories and records of the damaged and undamaged **Insured Property** that demonstrate to the **Insurer's** satisfaction the quantities, costs, values, and amount of loss claimed;

The foregoing duties of the **Insured** are part of its contractual agreement in consideration of the premium. Except as provided in Condition 28, all sums incurred by the **Insured** to discharge these duties or otherwise to prepare and verify its claim are for its own account and are not insured under this Policy.

12. EXAMINATION UNDER OATH

The **Insured**, as often as may be reasonably required, will submit to examinations under oath by any person named by the **Insurer**, and subscribe the same; and, as often as reasonably be required, will produce for examination all books of account, vouchers, bills, invoices, schedules, accounting information, and any documentation relating to the **Insured's** calculation of loss, and all other information related to this Policy, the loss, and/or the **Incident(s)**, and certified copies thereof if originals be lost, at such reasonable time and place as may be designated by the **Insurer** or the **Insurer's** representative, and shall permit extracts and copies thereof to be made.

13. PROOF OF LOSS

The **Insured** must provide a signed and sworn proof of loss within sixty (60) days after the **Occurrence** of any loss, damage, cost, or expense (unless such period be extended by the written agreement of the **Insurer**) stating the time, place and cause of loss, the interest of the **Insured** and all others in the property, the sound value thereof, and the amount of loss or damage thereto.

If the **Insurer** has not received such proof of loss within two years of the expiry date of this Policy, the **Insurer** shall be discharged from all liability hereunder.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this Policy, the burden of proving that the loss is recoverable under this Policy shall fall upon the **Insured**.

14. INSPECTION AND AUDIT

The **Insurer** or its agents shall be permitted but not obligated to inspect the **Covered Location** and/or **Insured Property** at any reasonable time.

Neither the **Insurer's** right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the **Insured** or others, to determine or warrant that such property is safe.

The **Insurer** may examine and audit the **Insured's** books and records at any reasonable time up to two years after the final termination of this Policy, as far as they relate to the subject matter of this Policy.

The **Insurer** may record and take samples related to the **Active Assailant Incident** and/or **Threat Incident, Loss of Attraction**, and any **Business Interruption Loss**.

15. SUBROGATION

In the event of any payment under this Policy, the **Insurer** shall be subrogated to all the **Insured's** rights of recovery against any person or organization, and the **Insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights, including but not limited to attending hearings and trials, assisting in effecting settlements, securing and giving evidence, attaining the attendance of witnesses, and in the conduct of any suit shall do anything that may be necessary to secure the **Insured's** rights of recovery. If any amount is recovered as a result of any such proceedings, such amount shall be distributed in the following priorities:

- a. The **Insured** shall be reimbursed for any covered losses which exceed the amount of coverage provided by this Policy less the Deductible amount;
- b. Out of the balance remaining, the **Insurer** shall be reimbursed to the extent of its payment under this Policy;
- c. The remaining balance, if any, shall be paid to the **Insured**.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the **Insured**, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of the **Insurer**, the expense thereof shall be borne by the **Insurer**.

16. SALVAGE AND RECOVERIES

All salvages, recoveries, and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement, and all necessary adjustments shall be made by the parties hereto.

17. FALSE OR FRAUDULENT CLAIMS

If the **Insured** shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims and benefit hereunder shall be forfeited.

18. MISREPRESENTATION

If the **Insured** has concealed or misrepresented any material fact or circumstance relating to this insurance, including concealing or misrepresenting any material fact or circumstance in the Application of insurance, this Policy shall become void.

19. ABANDONMENT

There shall be no abandonment to the **Insurer** of any **Insured Property**.

20. ASSIGNMENT

Assignment or transfer of this Policy shall not be valid except with the prior written consent of the **Insurer**.

21. RIGHTS OF THIRD PARTIES EXCLUSION

This Policy is effected solely between the **Insured** and the **Insurer**.

This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy.

This clause shall not affect the rights of the **Insured**.

22. CANCELLATION

This Policy shall be non-cancellable by the **Insurer** or the **Insured** except in the event of non-payment of premium where the **Insurer** may cancel the Policy at its discretion.

In the event of non-payment of premium, this Policy may be cancelled by or on behalf of the **Insurer** by delivery to the **Insured** or by mailing to the **Insured** or the Broker by registered, certified, or other first class mail, at the **Insured's** address as shown in this Policy, written notice stating when, not less than fifteen (15) days thereafter, the cancellation shall be effective. The mailing of such notice shall be sufficient proof of notice, and this Policy shall terminate at the date and hour specified in such notice.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

23. ARBITRATION

In the event a dispute arises out of this Policy, either the **Insurer** or the **Insured** may commence a judicial proceeding or binding arbitration proceeding, provided that in the event that both the **Insurer** and the **Insured** commence either a judicial proceeding or binding arbitration, the party commencing first shall be entitled to have its proceeding take precedence over the party not filing first, and such party not filing first shall withdraw its judicial or binding arbitration proceeding until such time the proceeding filed by the party filing first has received a final determination. In the event of a binding arbitration, such proceeding shall be pursuant to such rules and procedures as the parties may agree. If the parties cannot agree, the arbitration shall be administered by the American Arbitration Association in accordance with its then prevailing Commercial Arbitration Rules. The arbitration panel shall consist of one arbitrator selected by the **Insurer**, one selected by the **Insured**, and the third independent arbitrator selected by the two party-appointed arbitrators. In any such arbitration, each party will bear its own legal fees and expenses. The arbitration or any court proceeding shall take place in New York, New York, and New York law shall apply, without application of any applicable conflict of law analysis.

24. APPRAISAL

If the **Insured** and the **Insurer** fail to agree as to the amount of any insured losses, then on the written demand of either, each will select a competent and disinterested appraiser, and will notify the other of the appraiser selected within twenty (20) days of the demand. The appraisers will select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, upon the request of the **Insured** or the **Insurer**, such umpire will be selected by a judge of the court of record in the applicable jurisdiction. The appraisers will then appraise the insured losses, stating separately the amount of each item comprising the insured losses, and failing to agree, will submit their differences only to the umpire. An award in writing from

the umpire so itemized will determine the amount of the insured losses. Each appraiser will be paid by the party selecting him, and the expenses of the appraisal and the umpire will be paid by the parties equally.

25. COOPERATION

The **Insured** will cooperate with the **Insurer** in all matters relating to this insurance, including but not limited to attending hearings and trials, securing and giving evidence, obtaining the attendance of witnesses, assisting in effecting settlements, and in conducting litigation, arbitration, or other proceedings.

26. LEGAL ACTION AGAINST THE INSURER

No suit, action, or proceeding against the **Insurer** will be sustainable in any court of law, equity, or other tribunal unless:

- a. There has been full compliance by the **Insured** with all of the terms, conditions, and requirements of this Policy; and
- b. The action is brought within two (2) years after the expiry or cancellation of this Policy.

27. MATERIAL CHANGES

The **Insured** shall notify the **Insurer** of any change of circumstances which would materially affect this Policy.

28. EXPERT(S) AND/OR CONSULTANT(S) FEES

This Policy covers within the Limits of Insurance the necessary and reasonable fees of architects, surveyors, consulting engineers, and other professional experts which are incurred in reinstating or repairing the **Insured Property** following damage insured under this Policy. Expert Fees do not include the costs or fees of any attorneys, public adjusters, accountants, or any other person retained in adjustment of the claim, unless otherwise agreed to in writing by the **Insurer**.

29. CHOICE OF LAW AND FORUM

The construction, validity, and performance of this Policy will be governed by the laws of the State of New York without giving effect to provisions regarding choice of law. The **Insurer** and the **Insured** agree that all claims and disputes will be brought for adjudication either in the Supreme Court of the State of New York in and for the County of New York or in the U.S. District Court for the Southern District of New York.

This provision shall not be read to conflict with the requirement to arbitrate disputes between the **Insurer** and the **Insured** arising under this Policy as provided in paragraph 23, ARBITRATION above.

30. SERVICE OF SUIT

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy.

Pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the **Insurer** hereby designates the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his successor or successors in office, as its agent for service of process upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the **Insured** or any beneficiary hereunder arising out of this contract of insurance, and the **Insurer** hereby designates the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

The filing of any suit does not supersede or otherwise preclude the **Insured** or the **Insurer** from invoking and pursuing appraisal of any disagreement as to the adjusted amount of any loss or arbitration under this Policy.

31. CONFIDENTIALITY

The **Insured** will use all reasonable efforts not to disclose the existence of this Policy, except as may be required by law or with the **Insurer's** written consent.

32. CHANGES

This Policy contains all of the agreements between the **Insured** and the **Insurer** concerning this insurance. The terms of this Policy may not be waived or changed, except by a signed endorsement issued by the **Insurer** to form a part of this Policy.

33. EXCESS INSURANCE

The **Insured** can place excess insurance over the Limits of Insurance set forth in the Declarations without prejudice to this Policy, and the existence of such insurance, if any, shall not reduce any amount otherwise payable under this Policy.

34. NON-ACCUMULATION OF INSURANCE

Regardless of the number of years this Policy may continue in force, and of the number of premiums that may be payable or paid, or of any other circumstances, the aggregate Limit of Insurance under this Policy with respect to any **Incident(s)** will not be cumulative from year to year or period to period.

35. SEVERABILITY, CONSTRUCTION AND CONFORMANCE TO STATUTE

- a. If any provision contained in this Policy is, for any reason, held to be invalid, illegal, or unenforceable in any respect, it is deemed to be severed and to have no effect on any other valid, legal, and enforceable provision of this Policy.
- b. If any provision contained in this Policy can be construed as being invalid, illegal, or unenforceable for any reason, it will be construed by limiting it so as to be valid, legal, and enforceable to the extent compatible with applicable law.
- c. Any provisions of this Policy which are in conflict with the statutes or regulations of the state or country wherein this Policy is issued are hereby amended to conform to such statutes or regulations.

36. INTERIM PAYMENTS

In the event that the **Insurer** determines that a claim presented by the **Insured** is covered, in whole or in part, then the **Insurer** agrees to consider interim payment(s) subject to Policy terms, conditions, and exclusions. To obtain such interim payment(s), the **Insured** must submit a signed, sworn Proof of Loss that is accepted by the **Insurer**. The **Insured's** claim must be presented in accordance with the Valuation provisions in this Policy, and must be within any applicable Policy Limits of Insurance. The Deductible must be satisfied before any said interim payment will be considered or allowed.