

Willis of New York, Inc

Brookfield Place, 7th Floor, 200 Liberty Street, New York, NY, 10281
United States
Telephone: 212-915-8888 Fax: 212-915-8511 Website: www.willis.com



The State of Ohio
4200 Surface Road
Columbus, Ohio 43228-1395

Insurance Policy

Museum Collection and Loans Insurance
Company: AXA Insurance Company
Policy Number: 01-333-34-10-00525
Policy Period: July 1, 2016 to July 1, 2017
at 12:01 a.m. Local Standard Time of Insured

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NAMED INSURED: The State of Ohio

MAILING ADDRESS: 4200 Surface Road, Columbus, Ohio 43228-1395

POLICY PERIOD: July 1, 2016 to July 1, 2017 at 12:01 a.m. Local Standard Time of Insured

NAMED LOCATION(S):

- 1) Governor's Mansion; 358 North Parkview, Bexley, OH 43209 – 1439
- 2) Capitol Square Review & Advisory Board Senate Addition, Ohio Statehouse, 1 Capitol Square, Columbus, OH 43215
- 3) Capitol Square Review & Advisory Board Senate Statehouse, Ohio Statehouse, 1 Capitol Square, Columbus, OH 43215
- 4) Capitol Square Review & Advisory Board, Ohio Statehouse, 1 Capitol Square, Columbus, OH 43215
- 5) Riffe Gallery; 77 South High Street, Columbus, OH 43215
- 6) Ohio Arts Council, 30 East Broad, 33rd Floor, Columbus, OH 43215
- 7) Judicial Supreme Court, 65 South Front Street, Columbus, OH 43215
- 8) Division of State Fire Marshal, 8895 East Main Street Reynoldsburg, Ohio 43068

INTEREST: Works of Art of all Kinds

INSURANCE COMPANY: AXA Insurance Company

POLICY NUMBER: 01-333-34-10-00525

POLICY FORM: Willis FAJS Museum Collections and Loans, as attached

POLICY TYPE: Museum Collection and Loans Insurance

PREMIUM: \$ 11,650

LIMITS OF LIABILITY:

- a. \$23,000,000 While at Named Location(s), including legal liability
- b. \$ 5,000,000 At any other Location, Worldwide
- c. \$ 5,000,000 In any one transit, per conveyance, Worldwide
- d. \$23,000,000 Terrorism, per occurrence
- e. \$23,000,000 Earthquake, per occurrence
- f. \$23,000,000 In any one loss or disaster, either in case of partial or total loss, or salvage charges or expenses or all combined

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CONDITIONS: IL 02 44 06 89 - Ohio Changes Cancellation and Non-renewal
AXA Ohio Terrorism Endorsement
AXA IL P001 01 04 - AXA OFAC Endorsement

**AUTHORIZED
SIGNATURES FOR
AND ON BEHALF
OF AXA
INSURANCE
COMPANY:**


Sandra R. Berlin, Senior Vice President


Eric S. Fischer, Senior Vice President

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POLICY WORDING

Museum Collection and Loans

COVERAGE

1. Property Covered: This policy covers fine arts and collectible objects of every description including but not limited to paintings, etchings, drawings, photographs, ceramics, sculpture, pottery, porcelain, rare book coins, manuscripts, rugs, tapestries, statuary, and other bona fide works of art, rarity, historic value, or artist merit, and all associated property including but not limited to frames, glasses, shadow boxes, crates and other display equipment, all consisting of the following:

- (a) Property of the Insured;
- (b) Property of others offered as gifts to the Insured or for sale to the Insured and while awaiting formal acceptance;
- (c) The Insured's interest in residuary gifts and jointly owned property, but only to the extent of the Insured's interest at the time of loss or damage;
- (d) Property of others loaned to the Insured.
- (e) The Insured's Reference Library, including but not limited to portfolios, books, exhibition catalogs, manuscripts, letters, documents, slides, photographs, negatives, videos and computer data.

2. Worldwide Coverage: Property of the Insured or property of others loaned to the Insured, shall be covered on a "wall to wall" basis from the time said property is removed from its normal repository, incidental to shipment, until returned or shipped to another point designated by the owner or their agent prior to return shipment. Coverage includes while in transit worldwide and while on exhibition or otherwise at any location worldwide.

3. Loss Payee and Additional Insured: All lenders insured under this policy shall be named as Loss Payee and Additional Insured for their respective rights and interests.

4. Perils Insured Against: All risks of direct physical loss or damage from any external cause, except as excluded below. Loss, if any, is payable to the Insured or order.

5. Policy Term : This policy shall attach at 12:01 A.M. Standard Time at the place of the Insured's premise as shown on the Declaration Page or 12:01 A.M. Standard Time at the place of first transit movement for exhibitions, whichever shall come first. This policy covers losses payable for the term indicated.

6. Limits of Liability: This Company shall not be liable for more than the Limits of Liability stated on the Declaration Page or elsewhere in this policy.

7. Deductible: Each claim for loss or damage separately occurring shall be adjusted separately and from the amount of such adjusted claim the sum which is stated on the Declaration Page shall be deducted. This clause shall only apply, however, to property described in Property Covered, paragraph 1(a), (b) and (c), while at the premises of the Insured.

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8. Premium: The premium for the policy term stated on the Declaration Page shall be due and payable as of the attachment date.

9. Legal Liability: This insurance covers the Insured's legal liability as bailee of all objects other than those for which the Insured has been instructed to insure. In the event of a covered loss to such property, the Company will provide a defense for legal proceedings brought against the Insured.

In the event of any action involving the Insured for loss or damage to such property, the Company will:

Pay on behalf of the Insured all sums which the Insured shall become legally obligated to pay by reason of liability imposed upon the Insured as bailee, for loss or damage to property of others occurring while this insurance remains in effect.

The Insured shall not voluntarily assume any liability nor incur any expense nor settle any claim except at the Insured's own expense. The Insured shall not interfere in any negotiation for settlement or in any legal proceedings, unless requested. At the Company's expense the Insured shall cooperate with the Company, except financially, in all matters which the Company may deem necessary in defense of any suit or in the prosecution of any appeal.

This Company shall not be liable under this section for more than the Limit of Liability for legal liability as stated on the Declaration Page.

10. U.S. Indemnity Deductible Coverage: This policy can be used to cover the deductible under the US government indemnity program up to \$500,000. The exclusions for war risks, government action and nuclear risks contained within this policy shall still be in effect under this coverage, although not excluded by the U.S. Arts & Artifacts Indemnity policy wording. The deductible amount covered is in addition to the limits of liability shown on the Declaration Page. No deductible applies to this coverage.

EXCLUSIONS

This policy does not insure against loss or damage caused by:

(A) Wear and tear, gradual deterioration or inherent vice

(B) Moths, vermin or rodents

(C) Any repairing, restoration, or retouching process. However this exclusion shall not apply where Company(s) and/or their representatives have directed, repairing, restoration or retouching following a loss.

(D) **War Risks:**

(1) Hostile or warlike action in time of peace or war, including action hindering, combating or defending against an actual, impending or expected attack by any government or sovereign power or by any authority using military personnel or other agents;

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(2) Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against any of these;

This exclusion does not apply to items while on an international transit.

(E) **Government Action:** Seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

(F) **Nuclear Risks:**

(1) Nuclear reaction or radiation or radioactive contamination from any cause however, direct loss or damage by fire resulting from nuclear reaction or radiation or radioactive contamination is covered by this policy.

(2) Any such weapon of war employing atomic fission or radioactive force whether in time of peace or war;

(G) This policy does not cover shipments by mail unless by registered first class mail.

VALUATION

1. Basis of Valuation: In event of loss or damage of property covered by this policy shall be valued and insured as follows:

- (a) On property of the Insured this Company shall not be liable beyond the current market value of the property at the time any loss or damage occurs. The loss or damage shall be estimated according to such current market value.
- (b) Property acquired or to be acquired by the Insured as a gift or under wills or similar bequests, or for sale to the Insured shall be valued at the current market value at time loss or damage occurs. In no event, however, shall this policy cover such property beyond the Insured's interest as stipulated in the will, bequest, contract or other document executed between the Insured and the donor of said property.
- (c) Property of others on loan to the Insured, and which the Insured has been instructed to insure, shall be valued at amounts agreed upon by the Insured and owners, or otherwise this Company shall not be liable beyond the current market value of the property at the time any loss or damage occurs and in no event for any amount in excess of that specified in the policy.
- (d) The Insured's reference Library shall be valued at the cost to repair or replace. If the Property cannot be repaired or replaced, it shall be valued at the current market value

The above basis of valuation applies irrespective of values declared for airfreight or other purposes.

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2. Library of Congress Valuation Clause: With respect to loans from the Library of Congress, Washington, DC: "The Library of Congress shall have the right to elect to receive Reimbursement in Kind, in case of loss or damage of any item covered by this insurance. Reimbursement in Kind means that, in lieu of cash, Covered Property will be replaced with property of comparable historical and monetary value. Should the Library of Congress and the Insurer be unable to agree as to what constitutes reimbursement in kind, each shall, on the written demand of either, made within sixty (60) days after receipt of proof of loss by the Insurer, select a competent and disinterested representative, and the matter shall be determined at a reasonable time and place. The representatives shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such an umpire, then, on request of the Library of Congress or Insurer, such umpire shall be selected by a judge of a court of record in the state or jurisdiction in which the matter is pending determination. The representatives selected by the Library of Congress and the Insurer shall then state separately their views, and failing to agree on a joint determination of the matter, shall submit their statements to the umpire. The decision of any two shall determine the matter. The Library of Congress and the Insurer shall each pay his or its chosen representative and shall bear equally the other expenses of the determination and umpire."

3. Currency Fluctuation: The values applied to this policy may be insured in foreign currency insofar as such insurance is authorized by applicable law and regulations.

For purpose of application of the maximum limits fixed in this policy in U.S. dollars, the foreign currencies shall be converted into dollars at the rates in effect on the date of the declaration of insured interest. The values thus applied shall thereafter remain covered for the amount insured in foreign currency, notwithstanding subsequent fluctuations in the rate of exchange.

4. Partial Loss: In case of partial loss due to the perils insured against, the amount of loss shall be the cost and expense of restoration including any additional charges associated with such restoration.

Depreciation if any, after restoration, is covered and shall be agreed upon between the Insured and the Company but in no event shall the Company be liable for more than the insured value of the property.

GENERAL CONDITIONS

1. Notice of Loss: The Insured shall as soon as practicable report to this Company or its agent every loss or damage which may become a claim under this policy and shall also file a detailed sworn notice of loss with the Company or its agent within ninety (90) days from the time loss is discovered. Written notice to Willis Fine Arts Jewelry Specie shall constitute notice to this Company.

2. Settlement of Claims: All adjusted claims shall be paid or made good to the Insured within thirty (30) days after presentation and acceptance by the Company of satisfactory proof of interest and loss.

3. Legal Action Against Company: No legal action may be brought against the Company unless it is commenced within twelve (12) months following the discovery of the loss by the Insured. However, if such a limit is invalidated by the laws of the state where the Insured is domiciled, then any legal action shall be void unless it is commenced within the shortest limit of time permitted by the laws of such state.

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4. Arbitration: If the Insured and the Company fail to agree as to the amount of loss, each shall, on the written demand of either made within sixty (60) days after receipt of proof of loss by the Company, select a competent and disinterested appraiser, and the appraisal shall be made at a reasonable time and place. The appraisers shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, then on the request of the Insured or the Company, such umpire shall be selected by a judge of a court of record in the state in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately the current market value at the time of loss (if applicable) and the amount of loss, and failing to agree shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. The Insured and the Company shall each pay its chosen appraiser and shall bear equally the other expenses of the appraisal and umpire. The Company shall not be held to have waived any rights by any act relating to appraisal.

5. Privilege to Adjust with Owner: In the event of loss of property of others in the Insured's care, custody or control, the Company has the right to settle such loss with the owners of that property, subject to prior consent by the Insured. A receipt for payment from the owners of that property will satisfy any claim of the Insured. If legal proceedings are taken to enforce a claim against the Insured, the Company reserves the right to provide a defense, at their option, of, and in the name of, the Insured. If provided, the expense of this defense will be at the cost of the Company and will not reduce the applicable limit of liability under this insurance.

6. Examination under Oath: The Insured shall submit, and so far as is within its power, shall cause the Insured's employees to submit to examinations under oath by any persons named by the Company, relative to any and all matters in connection with a claim and produce for examination all books of account, bills, invoices, and other vouchers or certified copies, at such reasonable time and place as may be designated by the Company or its representatives. The Insured shall permit extracts and copies to be made of such material.

7. Protection of Property: In case of loss or damage, it is the duty of the Insured, its staff, representatives and agents to take measures as may be reasonable for the purpose of averting or minimizing such loss. In addition to any loss recoverable under this policy, the Company will reimburse the Insured for any charges properly and reasonably incurred in pursuance of these duties.

Measures taken by the Insured or the Company with the object of saving, protecting or recovering the insured objects shall not be considered a waiver or acceptance of abandonment or otherwise prejudice the rights of either party.

8. Misrepresentation and Fraud: This policy shall be void if the Insured has concealed or misrepresented any material fact or circumstance concerning this insurance, or in case of any fraud, attempted fraud or false swearing by the Insured regarding any matter relating to this insurance, whether before or after loss.

9. Automatic Reinstatement: The limit of liability under this policy shall not be reduced by the payment of any claim. The proportionate part of the whole policy premium represented by any such payment, however, shall then be considered fully earned by the Company.

10. Pairs and Sets: In the event of the total loss of any articles which are part of a pair or set, the Insured has the following options:

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(A) The Company agrees to pay the full amount of the value of such pair or set as determined by the Valuation Clause contained in this policy. If such option is elected, the Insured must surrender the remaining article or articles of the pair or set to the Company; or

(B) The measure of loss or damage to such property shall be a reasonable and fair proportion of the total value of the set, giving consideration to the importance of said property.

11. Loss Buy Back: The Insured shall have the right to repurchase from the Company property of the Insured that is recovered for the amount paid to the Insured for the loss, plus an amount which represents loss adjustments and recovery expense.

Damaged property of the Insured, for which a total loss has been paid, may be repurchased by the Insured at its fair market value at the time of the loss.

The Company agrees to notify the Insured of its right to repurchase damaged or recovered property and the Insured shall have sixty (60) days from date of notice to exercise the repurchase right.

12. Packing: It is a condition of this insurance that the Insured will, to the best of their ability, provide for the insured property to be packed and unpacked by competent packers.

13. Excess Insurance: Permission is granted for the Insured to purchase excess insurance over the limit of liability provided by this policy. Moreover, the existence of such excess insurance shall not reduce any liability under this policy.

14. Collection from Others: No loss shall be paid under this policy if the Insured has collected the same from others.

15. Subrogation: In the event of any payment under this policy the Company shall be subrogated to all the Insured's rights of recovery against any person or organization and the Insured shall accomplish whatever is necessary to preserve such rights.

This clause shall not apply, however, to museums in which the insured property is being exhibited or on loan, and any competent and/or professional carrier, packer, or any other bailee with whom the Insured has waived such right prior to any loss or damage.

16. Changes: The terms of this policy can only be altered by an endorsement issued with approval of the Company and forming part of this policy.

17. Cancellation: This policy may be canceled by either the Insured or the Company by giving sixty (60) days notice in writing to the other, and upon such cancellation the Insured shall pay premium to date of cancellation.

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18. Each Company: The interest of each Company providing coverage under this policy is individual and not joint, and whenever the right or privilege is retained by the Companies, such right or privilege may be exercised by each Company independently.

19. Required By Law: Any provisions required by law to be stated in policies issued by the Company shall be deemed to have been stated as part of this policy.

20. Other Insurance: If there is any other valid and collectible insurance covering the same property insured under this policy, which in the absence of this insurance would cover the loss or damage, then this Company shall not be liable for more than the excess over and above the other insurance.

This clause, however, shall not apply to insurance effected by owners of property loaned to the Insured and the existence of such insurance or payment of a loss shall not affect any claim payable under this policy, nor shall such insurance be called on to contribute to any loss payable under this policy.

21. Liberalization Clause: If a revision of this policy form agreed by the Company(s) which would broaden coverage without an additional premium is adopted during this policy period, or within 6 months before Museum Collection and Loans coverage is effected, the broadened coverage will apply.

22. Prevailing Terms and Conditions: All matters not provided for herein or by endorsement hereon shall be covered by the terms and conditions of the Company(s) printed policy form to which this form is attached and which has been issued in conjunction herewith. The forgoing clauses contained in this policy form are to supersede and take the place of all other clauses in the printed Company(s) form of the policy wherein they may conflict.

EXTENSION OF COVERAGE

1. Debris Removal: This policy covers expenses incurred for the removal of all debris of the property covered hereunder which may be occasioned by loss by any of the covered perils except that the Company shall not be liable under this policy or clause for such cost amounting to more than 25% of the insured value of the property lost and/or damaged, it being agreed that this indemnity is included in the overall limits agreed hereunder.

2. Registration Papers and Records: The Company will pay up to \$50,000 in any one loss for the Insured's cost to research, replace or restore lost or damaged papers and records used to conduct the administrative functions of the registrar's office (or similar office), including those that are on computer software, for which there are no duplicates. The amount payable is in addition to the limits of liability shown in the Declaration Page. No deductible applies to the coverage.

3. Cost of Preparing Inventory: In the event of loss by a covered cause of loss to covered property, the Company will pay the Insured's necessary expense to prepare a complete inventory of the damaged and undamaged property including: (1) Quantities (2) Costs (3) Values and (4) Amount of loss claimed.

The most that the Company will pay under this extension is \$50,000. The amount payable is in addition to the limits of liability shown on the Declaration Page. No deductible applies to this coverage.

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4. Fire Department Service Charge: When the fire department is called to save or protect covered property from a covered cause of loss, the Company will pay up to \$25,000 for the Insured's liability for the Fire Department Service Charges: (1) Assumed by contract or agreement prior to loss; or (2) Required by local ordinance.

The amount payable is in addition to the limits of liability shown on the Declaration Page. No deductible applies to this additional coverage.

5. Fire Extinguishing System Discharge Coverage: This Company shall pay up to \$25,000 in any one occurrence for the cost to refill the Insured's fire extinguishing systems which protect the covered property when they discharge as intended to control a loss covered by this policy. In addition, the Company agrees to pay up to \$25,000 in any one occurrence for the cost to refill these systems should they accidentally discharge. The Company shall not be liable for discharge that happens at the time of installation, testing, repair or recharging of the fire extinguishing system. The amount payable is in addition to the limits of liability shown on the Declaration Page. No deductible applies to this coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OHIO CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
BUSINESSOWNERS POLICY
COMMERCIAL AUTO COVERAGE PART
COMMERCIAL CRIME COVERAGE PART *
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

* This endorsement does not apply to coverage provided for employee dishonesty (Coverage Form A) or public employee dishonesty (Coverage Forms O and P).

- A. With respect to a policy which has been in effect for more than 90 days, or is a renewal of a policy we issued, the CANCELLATION Common Policy is replaced by the following:
1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
 2. We may cancel this policy only for one or more of the following reasons, except as provided in paragraph 6. below.
 - a. Nonpayment of premium;
 - b. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;
 - c. Discovery of a moral hazard or willful or reckless acts or omissions on your part which increases any hazard insured against;
 - d. The occurrence of a change in the individual risk which substantially increases any hazard insured against after the insurance coverage has been issued or renewed except to the extent the insurer could reasonably have foreseen the change or contemplated the risk in writing the contract;
 - e. Loss of applicable reinsurance or a substantial decrease in applicable reinsurance, if the Superintendent has determined that reasonable efforts have been made to prevent the loss of, or substantial decrease in, the applicable reinsurance, or to obtain replacement coverage;
 - f. Failure of an insured to correct material violations of safety codes; or
 - g. A determination by the Superintendent of Insurance that the continuation of the policy would create a condition that would be hazardous to the policyholders or the public.
 3. We will mail written notice of cancellation to the first Named Insured, and agent if any, at the last mailing addresses known to us. Proof of mailing will be sufficient proof of notice.

4. We will mail the notice of cancellation at least:
 - a. 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation, if we cancel for a reason stated in 2.b. through 2.g. above.
5.
 - a. The notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 - b. The notice will also contain the date of the notice and the policy number and will state the reason for cancellation.
6. Policies written for a term of more than one year or on a continuous basis may be cancelled by us for any reason at an anniversary date, upon 30 days written notice of cancellation.
7. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

B. The following is added to the Common Policy Conditions and supersedes any provisions to the contrary:

NONRENEWAL

1. If we elect not to renew this policy, we will mail written notice of nonrenewal to the first Named Insured, and agent if any, at the last mailing addresses known to us. The notice will contain the date of the notice and the policy number, and will state the expiration date of the policy.
2. We will mail the notice of nonrenewal at least 30 days before the expiration date of the policy.
3. Proof of mailing will be sufficient proof of notice.

- C. 1. Paragraph A.2.a. of the BUSINESSOWNERS Common Policy Conditions is deleted.
2. Paragraph E.2. of the Cancellation Common Policy Condition in the STANDARD PROPERTY POLICY is deleted. Paragraph E.2. is replaced by the following (unless item A. of this endorsement applies):

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- a. 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- b. 30 days before the effective date, if we cancel for any other reason.



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Terrorism Endorsement

This endorsement changes the policy. Please read it carefully.

A. Disclosure of Federal Participation In Payment of Terrorism Losses

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States Federal Government under a formula established by Federal Law. Under this formula, the United States Government pays 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

B. Cap on Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of Insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

Coverage for "certified acts of terrorism" is subject to the policy's full limits applicable to non-terrorism events, unless the insured rejects our offer for coverage for "certified acts of terrorism" to the policy's full limits. If the insured rejects such offer, the coverage for "certified acts of terrorism" shall be stated on the Declarations. Further, wherever the term terrorism appears on the Declarations, the term will be defined to mean "certified acts of terrorism".

C. Limitation on Losses from Other Acts of Terrorism

"Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the Terrorism Risk Insurance Act.

We will not pay for loss or damage caused directly or indirectly by an "other act of terrorism", when one or more of the following are attributed to such act. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any subsequence to the loss.



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Policy Document for: Policy Number

1. The "other act of terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "other act of terrorism" was to release such material; or
3. The "other act of terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical material; or
4. Pathogenic or poisonous biological or chemical material is released, and it appears that one purpose of the "other act of terrorism" was to release such material.

Coverage for "other acts of terrorism" is subject to the policy's full limits applicable to non-terrorism events.

D. Exception Covering Certain Fire Losses

The following exception to the limitation in C. above applies only to property located in the States of California, Illinois, Maine, Missouri, Oregon and Wisconsin:

If a "certified act of terrorism" or an "other act of terrorism" is excluded under Paragraph C. results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property.

E. Application of Limitations

The terms and limitations of any terrorism limitation, or the inapplicability or omission of a terrorism limitation, do not serve to create coverage for any loss which would otherwise be excluded under this Policy, such as losses excluded by the War and Military Action Exclusion.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.