

New Hampshire Insurance Company
Administrative Office: 70 Pine Street
New York, NY 10270
(212) 770-7000

CERTIFICATE
DECLARATIONS 101136 (0309)

This Certificate is attached to and made a part of a Master Policy # 10467563
The Named Insured shown below has coverage under this Master Policy.

Item 1. NAMED INSURED:

Subscribers on file with the Communications Equipment Service Provider shown in **Item 4**, who have active service with such Communications Equipment Service Provider.

Named Insured mailing address: On file with Communications Equipment Service Provider

Item 2. When Coverage under Certificate is Effective

Coverage under this Certificate is effective as shown in the Coverage Effective Date Endorsement attached to these Declarations.

Item 3. Premium for Coverage Provided under this Certificate: **\$5.49 or \$6.49**

Item 4. Communications Equipment Service Provider

Name : Russell Cellular, Inc and/or The Phone Authority
Address: 5624 S. FF Highway
Battlefield, MO 65619

Item 5. Authorized Representative:

Name: eSecuritel Agency, LLC
Address: PO Box 03
Phone: Alpharetta, GA 30009

Item 5. Limits of Insurance

Aggregate Limit of Insurance: **\$2,000** per Named Insured or **02** occurrences within a **12 month period**, whichever comes first.

Occurrence Limit of Insurance: **\$1,000** per Occurrence for each Named Insured

Item 6. Deductible

The deductible will be the amount corresponding to the retail price range of the Named Insured's wireless device when initially purchased.

Retail Price Range	Deductible
Less than, or equal to \$249.99	\$50
\$250 or greater	\$90

Item 7. Accessories

- A. Accessories Included (N/A will show if coverage not applicable)
 - 1. **Standard Battery**
 - 2. **Standard Wall Charger**

- B. Maximum retail value of Accessories: **\$500.00**

Item 8. Replacement Device

Maximum full retail value of replacement to be charged: **\$1000.00**

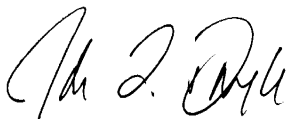
Item 9. This Certificate consists of the following forms:

- 1. Certificate Declarations [Form #101136 (0309)]
- 2. Certificate Conditions [Form #101131 (0309)]
- 3. Communications Equipment Coverage Form [Form #101123 (0309)]
- 4. Coverage Effective [Form# 101122 (0309)]
- 5. Amendatory Endorsements

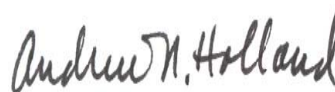
Specimen copies of the Forms referenced above are attached to this Certificate, or if not attached, are available at the following website, <http://russellcellular.esecuritel.com> or may be obtained by calling this toll free number, 866/277-6325.

By signing below, the President and the Secretary of the Insurer agree on behalf of the Insurer to all the terms of this Policy.

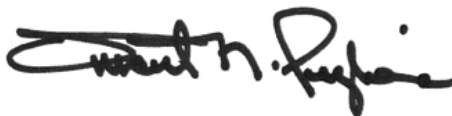
This coverage is being provided by New Hampshire Insurance Company.



John Q. Doyle
PRESIDENT



Andrew Holland
SECRETARY



AUTHORIZED REPRESENTATIVE

COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS 101131 (0309)

The Coverage Part under which Coverage is provided to you as noted in the Certificate Declarations is subject to the following conditions:

A. CANCELLATION AND MATERIAL CHANGES

1. You may cancel your coverage under this Coverage Part by mailing or delivering to us advance written notice stating when such cancellation is effective. You may send your written notice through the Communications Equipment Service Provider shown in the Declarations (hereinafter the "Communications Equipment Service Provider")
2. We may cancel your coverage under this Coverage Part by mailing or delivering to you written notice of cancellation, and by delivering notice electronically to you at least:
 - a. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. Sixty (60) days before the effective date of cancellation if we cancel for any other reason;
3. Our notice will be mailed or delivered to you at the last mailing address known to us.
4. Notice of cancellation or non-renewal will state the effective date of cancellation and all insurance for you under this Coverage Part will end on that date.
5. If this Coverage Part is cancelled, you will be refunded any unearned premium due in accordance with applicable law.
6. If cancellation notice is mailed, proof of mailing will be sufficient proof of notice.
7. The insurance provided you under this Coverage Part is provided on a month to month term basis unless you cease to be a valid, active and current subscriber of your Communications Equipment Service Provider.
8. In the event of any material change in the coverage terms, monthly premium or the deductible, you will be provided sixty (60) days advance written notice of such changes. You may cancel coverage at any time without penalty, but if you continue to pay monthly premiums after a change in monthly premiums, coverage terms or the deductible, you will be bound by those changes.

B. DUTIES IN THE EVENT OF LOSS

You must see that the following are done in the event of loss or damage to Covered Property:

1. In the event that your Covered Property is lost or stolen, notify the Communications Equipment Service Provider as soon as possible to suspend service.
2. If a claim involves a violation of law or any loss of possession, promptly notify the law enforcement agency with jurisdiction and obtain confirmation of this notification.
3. Report the loss or damage promptly to us not later than sixty (60) days from the date of loss or damage. If the loss or damage is not reported within sixty (60) days, your claim will be forfeited. All claims must be submitted through our Authorized Representative shown in the Declarations (hereinafter our "Authorized Representative") for our approval

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prior to the delivery of replacement equipment. Any claims that are not submitted through our Authorized Representative for our approval will not be honored and fulfilled.

4. Take all reasonable steps to protect the Covered Property from further damage. Also, if feasible, set the damaged property aside and in the best possible order for examination.
5. Provide us with a detailed proof of loss statement, a police report case number, and/or a copy of the police report filed for theft, attempted theft, vandalism or lost equipment within sixty (60) days of the date the loss or damage is reported prior to receiving replacement equipment.
6. Proof of loss requirements are satisfied once all requested information has been received as outlined in these Conditions. All Covered Property that has been replaced is considered the property of the Authorized Representative.
7. If the Covered Property is damaged, the Covered Property must be retained by you until your claim is completed, and you may be required to return the Covered Property to us at our expense. If lost or stolen Covered Property is recovered, it must be returned to the "Authorized Service Facility" at our expense. The Covered Property should not remain activated nor be reactivated except with prior consent from us. If Covered Property is not returned to us within sixty (60) days of receipt of the replacement equipment, a salvage non-return fee may be billed to you. The salvage non-return fee will not exceed the value of the Covered Property that was not returned.
8. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
9. Cooperate with us in the investigation or settlement of the claim.
10. Provide a copy of the original bill of sale.
11. We may examine you under oath, at such times as may be reasonably required, about any matter relating to this insurance or the claim, including your books and records. In the event of an examination, your answers must be signed.
12. Provide us with all of the necessary information required to approve replacement of the Covered Property within sixty (60) days of the date that you report the loss or damage to us. Failure on your part to take delivery of replacement equipment within sixty (60) days of claim approval by us will result in forfeiture of your claim.

C. LOSS SETTLEMENT

1. In the event of loss or damage to Covered Property, we will arrange for the replacement of the lost, stolen or damaged Covered Property through the "Authorized Service Facility".
2. You will not be entitled to receive cash in lieu of actual replacement equipment. In no event will you be reimbursed for any out-of-pocket expenses.

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3. Replacement equipment may be refurbished equipment or equipment of like kind and quality subject to the following:
 - a. If your original make and model of equipment is no longer carried by your Communications Equipment Service Provider and is not available from its approved inventory in the "Authorized Service Facility" at the time of approval of your replacement request, you will receive comparable equipment.
 - b. Equipment failure evaluations performed by the Communications Equipment Service Provider and/or our Authorized Representative and/or the manufacturer may be required prior to approval of your request for replacement of the Covered Property.
4. All claims for covered loss or damage under this Coverage Part will be made good within thirty (30) days after presentation and acceptance of satisfactory proof of interest and loss or damage to our Authorized Representative and satisfaction by you of your Duties in the Event of a Loss. No claim shall be honored or made good if you have collected for the direct physical loss or damage from others. We will ship approved replacement equipment directly to you within the United States or you may be required to pick up your replacement at an "Authorized Service Facility".
5. Any recovery or salvage on a loss will accrue, entirely to our benefit, until the cost of the claim incurred by us has been made up. You must return to us any damaged and malfunctioning equipment as well as any recovered lost or stolen equipment.
6. If any Accessories are shown on the Declarations page, we will cover the cost associated with the repair or replacement of such Accessories up to a maximum retail value of Accessories shown in the Declarations. Any amount in excess of that maximum will be funded by you.

D. ADDITIONAL CONDITIONS

1. Transfer Of Rights Of Recovery Against Others to Us

If any person or organization to or for whom we honor a claim under this Coverage Part has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss to your Covered Property.
- b. After a covered loss to your Covered Property only if, at time of loss that party is one of the following:
 - (1) someone covered under this Coverage Part;
 - (2) a business firm:
 - (a) Owned or controlled by you;
 - (b) That owns or controls you; or

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(c) Your tenant.

This will not restrict your insurance.

2. Concealment, Misrepresentation or Fraud

This coverage is void in any case of fraud, intentional concealment or misrepresentation of a material fact, at any time, concerning:

- a. This coverage;
- b. The Covered Property;
- c. Your interest in the Covered Property; or
- d. A claim under this Coverage Part.

If, when inspected by the “Authorized Service Facility”, the make/model and condition of the Covered Property does not match that as attested to in the Proof of Loss statement, or is not damaged, the Authorized Representative reserves the right to charge you the full retail value of the replacement device issued (up to a maximum amount shown in **Item 8.** of the Declarations).

3. Legal Action Against Us

No one may bring legal action against us under this Coverage Part unless:

- a. There has been full compliance with all terms of this Coverage Part; and
- b. The action is brought within two (2) years after you first have knowledge of the loss or damage.

4. No Benefit to Bailee

No person or organization, other than you, having custody of Covered Property, will benefit from this insurance.

5. Coverage Territory

The coverage territory is worldwide but the cost of replacement will be valued in U.S. currency at the time of replacement.

6. Transfer of Rights and Duties Under this Policy

Your rights and duties under this policy may not be transferred without our written consent.

7. Applicable Law

We agree that any terms of the Coverage Part not in conformity with applicable law are conformed to comply with such law. If any portion of the Coverage Part is deemed invalid or unenforceable, it shall not invalidate the remaining portions of this Coverage Part.

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8. Changes

The Coverage Part contains all the agreements between you and us concerning the insurance afforded. The Coverage Part's terms can be amended or waived only by endorsement issued by us and made a part of the Coverage Part.

9. Premiums

The Named Insured shown on the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

A monthly premium shown in the Declarations will be payable in advance and will be charged to the Named Insured's regular account with the Communications Equipment Service Provider for transmittal to us. The Named Insured has 15 days after receiving the Certificate to determine if they want to keep the coverage without any premium being earned.

10. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

If there is an appraisal, we will still retain our right to deny the claim.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout the policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotations have special meaning. Refer to Section **E. DEFINITIONS**.

A. Coverage

We will cover direct physical loss or damage to Covered Property from any of the Covered Causes of Loss.

- 1. Covered Property, as used in this Coverage Form, means the Named Insured's wireless device on record with us, and any Accessories shown in the Declarations, but only if such Accessories are lost or damaged with such wireless device.

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2. Property Not Covered

- a. Contraband or property in the course of illegal transportation or trade.
- b. Any antenna or wiring that is attached to, or protrudes from, or is on the exterior of any vehicle or watercraft.
- c. Property in transit to you from a manufacturer or seller that is not the "Authorized Service Facility".
- d. Color face plates, personalized data, or customized software, such as personal information managers (PIM's), ring tones, games, or screen savers.

3. Covered Causes of Loss

Covered Causes of Loss means risks of direct physical loss or damage to Covered Property except loss or damage recoverable under the manufacturer's warranty and those causes of loss listed in the Exclusions.

B. Exclusions

1. We will not cover loss or damage caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Governmental Action,

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

b. Nuclear Hazard

(1) Any weapon employing atomic fission or fusion; or

(2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

c. War And Military Action

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Exclusions **B.1.a.** through **B.1.c.** apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not cover loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss, interruption of business or inconvenience; an increase of loss or damage caused by or resulting from the delay in replacing Covered Property due to interference at the location of replacement by strikers, other persons or any other Cause of Loss.

- b. Rodents, insects, vermin, or other wild animals.

- c. "Intentional parting" with any property by you or anyone entrusted with the property whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.

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- d. Obsolescence, including technological obsolescence of the Covered Property.
- e. Dishonest or criminal act committed by:
 - (1) You, or any of your authorized representatives;
 - (2) Anyone else with an interest in the property or their authorized representatives;
or
 - (3) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons.
- f. Change or enhancement in color, texture, finish, expansion, contraction, or any cosmetic damage of Covered Property however caused, including, but not limited to, scratches, marring, and cracked displays that occur to Covered Property that does not affect the mechanical or electrical function of the Covered Property.
- g. Faulty repair, adjusting, installation, servicing, or maintenance unless fire or explosion ensues and then only for loss or damage by ensuing fire or explosion.
- h. The presence, discharge, dispersal, seepage, migration, release or escape of "Pollutants."
- i. Unauthorized repair or replacement.
- j. Preventative maintenance or preferential adjustments.
- k. Use of the Covered Property in a manner for which it was not designed or intended by the manufacturer, or failure to follow the manufacturer's installation, operation or maintenance instructions. Any damage that is the result of abuse or of any intentional act.
- l. Error or omission in design, programming, system configuration, faulty construction, or any original defect in any Covered Property or recall by the manufacturer.
- m. Loss or damage to batteries (unless batteries are listed as an Accessory on the Declarations page), personalized data, or customized software, such as personal information managers (PIM's), ring tones, games, or screen savers; or loss or damage to antennas, external housings or casings that does not affect the mechanical or electrical function of the Covered Property.
- n. Normal wear and tear, gradual deterioration, inherent vice or latent defect.
- o. Malfunction including "Mechanical and/or Electrical Failure" occurring during the term of the manufacturers warranty.
- p. "Computer Virus," whether intentional or unintentional, and whether such loss be direct or indirect, proximate or remote or be in whole or in part caused by, contributed to or aggravated by the Covered Causes of Loss insured against under this Coverage Form.

C. Limits of Insurance

The Aggregate Limit of Insurance is the most we will pay for all loss or damage under this policy or the maximum number of occurrences for a designated period of time, shown in the Declarations. Subject to the Aggregate Limit of Insurance, the most we will pay for loss or damage in any one occurrence to each Named Insured is the applicable Occurrence Limit of Insurance shown in the Declarations.

D. Deductible

Each occurrence is subject to a nonrefundable deductible. Such deductible must be paid prior to repair or replacement of any Covered Property.

COMMUNICATIONS EQUIPMENT COVERAGE 101123(0309)

E. Definitions

1. "Authorized Service Facility" means the location or locations that serve as a replacement facility for the program and supply replacements for Covered Property. Selection of the "Authorized Service Facility" will be at the sole discretion of us or our authorized representative.
2. "Computer Virus" means any unauthorized intrusive code or programming that is entered by any means into covered data processing equipment, media, software, programs, systems or records and interrupts the operations of Covered Property.
3. "Intentional Parting" means any act done purposely that contributes to the loss or theft of the Covered Property. Such acts include but are not limited to voluntary parting with the Covered Property in a community shared or public space by you or anyone entrusted with the Covered Property, surrendering the Covered Property to any non-governmental authority regardless of inducement to do so and entrusting or issuing the Covered Property to any of your authorized representatives.
4. "Mechanical or Electrical Failure" means failure of Covered Property to operate due to a faulty part or workmanship when operated according to the manufacturer's instructions.
5. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including but not limited to bodily fluids, condensation, smoke, vapor, soot, fumes, acid, alkalis, chemicals, artificially produced electric fields, magnetic field, electromagnetic field, sound waves, microwaves, and all artificially produced ionizing or non-ionizing radiation and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

COVERAGE EFFECTIVE DATE ENDORSEMENT 101122(0309)

This endorsement modifies insurance provided under the following:

CERTIFICATE DECLARATIONS

Item 2. When Coverage under Certificate is Effective of the Declarations is amended to include the following:

Coverage under the Certificate is effective immediately following the submission of request for enrollment of new Covered Property purchased from the Communications Equipment Service Provider.

All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

ARKANSAS CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

- A. Paragraph 5. of Section A. **CANCELLATION AND MATERIAL CHANGES** is deleted and replaced by the following:
5. a. If this policy is cancelled, we will send the first Named Insured any premium refund due.
 - b. We will refund the pro rata unearned premium if the policy is:
 - (1) Cancelled by us or at our request;
 - (2) Cancelled but rewritten with us or in our company group;
 - (3) Cancelled because you no longer have an insurable interest in the property or business operation that is the subject of this insurance; or
 - (4) Cancelled after the first year of a prepaid policy that was written for a term of more than one year.
 - c. If the policy is cancelled at the request of the first Named Insured, other than a cancellation described in b.(2), (3) or (4) above, we will refund 90% of the pro rata unearned premium. However, the refund will be less than 90% of the pro rata unearned premium if the refund of such amount would reduce the premium retained by us to an amount less than the minimum premium for this policy.
 - d. The cancellation will be effective even if we have not made or offered a refund.
 - e. If you cancel the policy, we will retain no less than \$100 of the premium.
- B. Paragraph 9. is added to Section A. **CANCELLATION** as follows:
9. **Cancellation Of Policies In Effect More Than 60 Days**
 - a. If this policy has been in effect more than 60 days, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
 - (3) The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance;
 - (4) Violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or its occupancy which substantially increases any hazard insured against under the policy;
 - (5) Nonpayment of membership dues in those cases where our by-laws, agreements or other legal instruments require payment as a condition of the issuance and maintenance of the policy; or
 - (6) A material violation of a material provision of the policy.
- C. Paragraph 10. of Section D. **ADDITIONAL CONDITIONS** is deleted in its entirety and replaced with the following:
10. **Appraisal**

AMENDATORY ENDORSEMENTS

ARKANSAS CHANGES (CONTINUED)

- a.** If we and you disagree on the value of the property or the amount of loss ("loss"), either party may make a written request for an appraisal of the loss ("loss"). However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss ("loss") appraised. If so agreed, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire.
 - b.** An appraisal decision will not be binding on either party.
 - c.** If there is an appraisal, we will still retain our right to deny the claim.
 - d.** Each party will:
 - (1)** Pay its chosen appraiser; and
 - (2)** Bear the other expenses of the appraisal and umpire equally.
- D.** Subparagraph **3. b.** of Section **D. Additional Conditions** is deleted and replaced with the following:
- b.** The action is brought within five (5) years after you first have knowledge of the loss or damage.
- All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT COVERAGE FORM COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

1. The COMMUNICATIONS EQUIPMENT COVERAGE FORM is modified as follows:

Section **B. Exclusions** is amended to include the following:

A. We will not pay for loss or damage arising out of any act committed:

1. By or at the direction of any insured; and
2. With the intent to cause a loss.

B. However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:

1. The loss arose out of a pattern of criminal domestic violence; and
2. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

C. If we pay a claim pursuant to Paragraph **B.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

2. The COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS is modified as follows:

A. Section **A. CANCELLATION AND MATERIAL CHANGES** is deleted in its entirety and replaced with the following:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation. You may send your written notice through the Communications Equipment Service Provider shown in the Declarations (hereinafter the "Communications Equipment Service Provider")

2.
 - a. We may cancel this policy by mailing to you written notice stating the reason for cancellation.

- b. If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.

- c. If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:

- (1) 30 days prior to the effective date of cancellation if the policy has been in effect for less than 60 days.

- (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.

3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:

- a. Nonpayment of premium;

- b. The policy was obtained through a material misrepresentation;

- c. Any insured has violated any of the terms and conditions of the policy;

- d. The risk originally accepted has measurably increased;

- e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

AMENDATORY ENDORSEMENTS

ILLINOIS CHANGES

- f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.
 4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
 5. If this policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.
 6. A copy of the notice will also be sent to your agent or broker.
 7. The insurance provided you under this Coverage Part is provided on a month to month term basis unless you cease to be a valid, active and current subscriber of your Communications Equipment Service Provider.
 8. In the event of any material change in the coverage terms, monthly premium or the deductible, you will be provided sixty (60) days advance written notice of such changes. You may cancel coverage at any time without penalty, but if you continue to pay monthly premiums after a change in monthly premiums, coverage terms or the deductible, you will be bound by those changes.
- D. Paragraph 3. of Section D. **ADDITIONAL CONDITIONS** is deleted and replaced with the following:
3. **Legal Action Against Us**
No one may bring a legal action against us:
 1. Until there has been full compliance with all terms of this Coverage Part; and
 2. More than 2 years after you first have knowledge of the direct loss or damage. But we will extend this 2 year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

MISSOURI CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT COVERAGE FORM COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

1. The COMMUNICATIONS EQUIPMENT COVERAGE FORM is modified as follows:

Section B. Exclusions is amended to include the following:

1. We will not pay for loss or damage arising out of any act committed:

- a. By or at the direction of any insured; and
- b. With the intent to cause a loss.

2. However, this exclusion will not apply to deny coverage to an innocent co-insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this policy and the loss arose out of domestic violence. Such coverage will be provided only if the innocent co-insured files a police report and completes a sworn affidavit indicating both:

- a. The cause of the loss; and
- b. A pledge to cooperate in any criminal prosecution of the person committing the act causing the loss.

3. If we pay a claim pursuant to Paragraph 2., our payment to the innocent co-insured will be limited to that insured's ownership interest in the property as reduced by any payment to a mortgagee or other secured interest; however, we shall not be required to make any subsequent payment for any loss for which the innocent co-insured has received payment. In no event will we pay more than the Limit of Insurance.

3. The COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS is modified as follows:

A. Paragraph 4. of Section C. **Loss Settlement** is deleted in its entirety and replaced with the following:

4. In the event of loss or damage covered under this Coverage Part, we will give you notice, within 15 working days after we receive a properly executed proof of interest and loss or damage to our Authorized Representative and satisfaction by you of your duties in the event of loss, that we:

- a. Accept your claim;
- b. Deny your claim; or
- c. Need more time to determine whether your claim should be accepted or denied.

If we deny your claim, such notice will be in writing, and will state any policy provision, condition or exclusion used as a basis for the denial.

If we need more time to determine whether your claim should be accepted or denied, the written notice will state the reasons(s) why more time is needed.

If we have not completed our investigation, we will notify you again in writing, within 45 days after the date the initial notice is sent as provided in Paragraph c. above, and thereafter every 45 days. The written notice shall state why more time is needed to investigate your claim.

No claim shall be honored or made good if you have collected for the direct physical loss or damage from others. We will ship approved replacement equipment directly to you within the United States or you may be required to pick up your replacement at an "Authorized Service Facility".

AMENDATORY ENDORSEMENTS

MISSOURI CHANGES (CONTINUED)

- B.** The following is added to paragraph **1. Transfer of Rights of Recovery Against Others To Us** of Section **D. ADDITIONAL CONDITIONS**:

If we pay an innocent co-insured for loss arising out of an act of domestic violence by another insured, the rights of the innocent co-insured to recover damages from the abuser are transferred to us to the extent of our payment. Following the loss, the innocent co-insured may not waive such rights to recover against the abuser.

- C.** Paragraph **3. Legal Action Against Us** of Section **D. ADDITIONAL CONDITIONS** is deleted in its entirety and replaced by the following:

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 10 years after you first have knowledge of the direct loss or damage.

- D.** Paragraph **10. Appraisal** of Section **D. ADDITIONAL CONDITIONS** is deleted in its entirety and replaced by the following:

10. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser and notify the other of the appraiser selected within 20 days of the written demand for appraisal. The two appraisers will select an umpire. If they cannot agree upon an umpire within 15 days, we or you may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. The umpire shall make an award within 30 days after the umpire receives the appraisers' submissions of their differences. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

OHIO CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

- A.** Paragraphs **4.** and **5.** of Section **A. CANCELLATION AND MATERIAL CHANGES** are deleted in their entirety and replaced with the following:
- 4.** The notice of cancellation will:
 - a.** State the effective date of cancellation. The policy period will end on that date.
 - b.** Contain the date of the notice and the policy number, and will state the reason for cancellation.
 - 5.** If this policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- B.** Paragraph **9.** is added to Section **A. CANCELLATION AND MATERIAL CHANGES** as follows:
- 9.** For a policy in effect over 90 days, we may cancel such policy only for one or more of the following reasons:
 - 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 to comply with reasonable written loss control recommendations; 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.
- C.** Paragraph **4.** of Section **C. LOSS SETTLEMENT** is deleted in its entirety and replaced with the following:
- 4.** In the event of loss or damage to Covered Property, we will give you notice, within 21 days after we receive a properly executed proof of interest and loss or damage to our Authorized Representative and satisfaction by you of your duties in the event of loss, that we:
 - a.** Accept your claim;
 - b.** Deny your claim; or
 - c.** Need more time to investigate your claim.

If we need more time to investigate your claim, we will provide an explanation for our need for more time. We will continue to notify you again in writing, at least every 45 days, of the status of the investigation and of the continued time needed for the investigation.

AMENDATORY ENDORSEMENTS

OHIO CHANGES (CONTINUED)

Provided you have complied with all the terms of this policy, we will pay for covered loss or damage within:

- a. 10 days after we accept your claim if such acceptance occurs within the first 21 days after we receive a properly executed proof of loss, unless the claim involves an action by a probate court or other extraordinary circumstances as documented in the claim file; or
- b. Five days after we accept your claim if such acceptance occurs more than 21 days after we receive a properly executed proof of loss, and
 - (1) An appraisal award has been made; or
 - (2) We have reached an agreement with you on the amount of loss that was in dispute.

No claim shall be honored or made good if you have collected for the direct physical loss or damage from others. We will ship approved replacement equipment directly to you within the United States or you may be required to pick up your replacement at an "Authorized Service Facility".

All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

TEXAS CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

- A. Paragraph 2. of Section A. CANCELLATION AND MATERIAL CHANGES** is amended to include the following:

We may cancel this policy for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

- B. Section C Loss Settlement** is amended to include the following:

Catastrophe Claims

If a claim results from weather related catastrophe or a major natural disaster, the claim handling and claim payment deadlines described in Subparagraph **B. 4. of Section C. Loss Settlement** are extended for an additional 15 days.

Catastrophe or Major Natural Disaster means a weather related event which is:

- (1) Declared a disaster under the Texas Disaster Act of 1975; or
- (2) Determined to be a catastrophe by the State Board of Insurance.

- C. Paragraph 10 of Section D. Additional Conditions** is deleted in its entirety and replaced with the following:

10. Appraisal

1. If we and you disagree on the value of the property or the amount of loss, either may make written demand, within 60 days after our receipt of a signed, sworn proof of loss, for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree for 15 days upon such umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:
 - a. Pay its chosen appraiser; and
 - b. Bear the other expenses of the appraisal and umpire equally.
2. If there is an appraisal:
 - a. You will still retain your right to bring a legal action against us, subject to the provisions of the Legal Action Against Us Commercial Inland Marine Condition; and
 - b. We will still retain our right to deny the claim.

- D. In Paragraph 5. of Section C Loss Settlement** insert ninety one (91) days in place of sixty (60) days.

All other terms and conditions of the policy remain the same.

AMENDATORY ENDORSEMENTS

WEST VIRGINIA CHANGES

This endorsement modifies insurance provided under the following:

COMMUNICATIONS EQUIPMENT CERTIFICATE CONDITIONS

- A. Paragraph 6. of Section A. **CANCELLATION AND MATERIAL CHANGES** is deleted in its entirety.
- E. Paragraph 4. of Section C. **LOSS SETTLEMENT** is deleted in its entirety and replaced with the following:
 - 4. All claims for covered loss or damage under this Coverage Part will be made good within fifteen (15) working days after presentation and acceptance of satisfactory proof of interest and loss or damage to our Authorized Representative and satisfaction by you of your Duties in the Event of a Loss. No claim shall be honored or made good if you have collected for the direct physical loss or damage from others. We will ship approved replacement equipment directly to you within the United States or you may be required to pick up your replacement at an "Authorized Service Facility".
- F. Paragraph 10. of Section D. **ADDITIONAL CONDITIONS** is deleted in its entirety and replaced with the following:

11. Appraisal

If we and you shall fail to agree as to the actual cash value or the amount of loss, then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty days of such demand. The appraisers shall first select a competent and disinterested umpire; and failing for fifteen days to agree upon such umpire, then on request of you or us, such umpire shall be selected by a judge of a court of record in the state in which the property covered is located. The appraisers shall then appraise the loss, stating separately the actual cash value and amount of loss to each item; and, failing to agree, shall submit their differences, only, to the umpire.

A written decision agreed to by any two will be binding.

Each party will:

- 1. Pay its chosen appraiser; and
- 2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

All other terms and conditions of the policy remain the same.