

Cmg 301 mod slp



**ASSIGN
BUSTER**

COMMERCIAL PROPERTY POLICY DD1234 General ment of Coverage In consideration of a premium of \$10, 000 payable in full before the stated inception date, ABC Insurance Company (hereafter referred to as the insurer) agrees to insure Capital Roofing Company (hereafter referred to as the insured against all risks of direct physical loss or damage to their property of every description at the premises described below subject to the exclusions and policy conditions detailed below.

Policy Period

12: 01 a. m. July 20/2011 to 12 a. m. July 20/ 2012.

Definitions

Subrogation- The process by which an insured's right of recovery against a responsible party is transferred to an insurer upon payment of a claim.

Policy Conditions- The requirements with which the insured must comply. The insured's failure to do so could result in the insurers' termination of the policy and/or denial of a claim which could otherwise be payable.

Co-Insurance- The extent to which an insured will only be able to claim for a portion of their loss because of failing to insure for the full value of their property and paying a premium accordingly.

Sue and Labor The requirement of the insured after a loss to undertake emergency repairs to safeguard the affected property from further loss or damage.

Premises Insured

Property of every description located at 123 First Street, Seattle, Washington.

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Perils Insured

All risks of direct physical loss or damage during the policy period except as follows;

- 1) Wear and tear gradual deterioration
- 2) Damage deliberately caused by the insured and/or its' employees
- 3) Mould, contamination including radioactive. Pollution
- 4) War, armed insurrection as proclaimed by local government authorities
- 5) Riot, strike or labor disturbance
- 6) Loss caused by fraud or conversion
- 7) Damage caused by subsidence and landslip

Property Insured and Limit of Liability

This policy covers the insured's property of every description subject to a limit of \$1, 000, 000 and the following exclusions

- 1) Humans, animals and other living creatures
- 2) Stolen property and other property illegally in the possession of the insured
- 3) Loss or damage to computer equipment caused by cyber attack
- 4) Property stolen from the insured's premises which had been vacated and where there is no evidence of forced entry
- 5) Cost to repair damage to pipes and or water tanks which have burst or leak. However resulting damage to surrounding property is covered

Co-Insurance Clause

The insured must insure at least 90% of the total value of the insured property and pay a premium accordingly in order to recover based on the full value of their loss. If the insured fails to do so they will self insure proportionally. For example, if only 50% of the property value is insured and

a loss of \$100, 000 is suffered the claim will be based on insurance limit carried divided by insurance limit required times the loss, that is \$1, 000, 000 divided by \$1, 800, 000 times \$100, 000 equals \$55, 555. 55.

Deductible

Each claim shall be adjusted separately and from each valid claim \$1000 shall be deducted.

Debris Removal

The insured shall be entitled to claim for the cost of debris removal of property damaged by an insured peril. This coverage is subject to a separate limit of \$50, 000

Salvage

Upon paying the insured its' claim the insurer is entitled to retain and dispose of the salvage as it sees fit.

Sue and Labor Clause

After a loss which may give rise to a claim under this policy, the insured may and indeed is required to take immediate steps to protect the affected property from further loss or damage before the arrival of the adjuster. Any reasonable costs incurred will be included in the insured's claim.

Subrogation

In the event of a claim under this policy which results from the negligence or deliberate action of a third party the insured agrees that upon payment of the claim, the insurer may pursue recovery against the responsible party in the insured's name. The insured may join the insurer to pursue recovery of any uninsured loss. Any recoveries and costs involved will be shared in proportion to the parties' financial interests.

Insurer's Pledge

The insurer pledges to investigate all claims thoroughly and promptly after notification and to pay all valid claims within 30 days of receipt of the insured's properly completed Proof of Loss. In the event the insurer denies the claim or disagrees with the insured's quantum calculation, the insured will be advised in writing within 30 days of receipt of their Proof of Loss and provided with a full explanation of the insurers' position

Policy Conditions

The insured must comply in full with the following conditions or risk invalidating any claim they may have.

- 1) They must immediately advise the insurer of any situation that could increase the risk borne by the insurer such as for example the absence of fire fighting services.
- 2) They must immediately advise the insurer of any new building construction and/or any equipment valued over \$10,000 which could affect the risk borne by the insurer and the premium charged.
- 3) They must co-operate fully and with complete honesty the insurer at all times the policy is in effect. When requested they must allow the insurer to inspect the premises and provide any information required by the insured material to its assessment of the risk.
- 4) They must report all events which could result in a claim to the insurer as quickly as possible. They must make emergency repairs if necessary to protect the affected property from further loss or damage prior to the arrival of the adjuster. They must not make any other repairs until the adjuster is able to inspect the damage

Additional Services

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Included in the premium is an annual risk inspection to identify potential hazards. The insured will be provided with a copy of the resulting report, whether it identifies hazards relating to coverage under this policy or not. However, it is a condition of this policy that the insured take steps as required by the insurer to reduce the risk of a claim under this policy.

Disputes

Any dispute that may arise between the insured and insurer regarding claim coverage and/or quantum must initially be referred to the mediation panel of the Insurance Institute of the United States by either party within 30 days of the insured's filing of a Proof of Loss and the insured being notified in writing of the insurer's position. If this panel fails to resolve the outstanding issues within 60 days of being notified either party is free to litigate.

Ruling Law

This policy is subject to the laws of the State of Washington.

Insured's Acceptance of Policy Terms

The terms of this policy were negotiated between the insurer, insured and its' insurance broker. They were provided with a copy of the wording 30 days prior to the inception of the policy. In the absence of any subsequent changes agreed to by the parties in writing and payment of the agreed premium by the insured , it is assumed that the insured has accepted all the terms of this policy and is bound by them.

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