CHUBB

Inland Marine Insurance

FOR

CITY OF FORT WAYNE

Producer:

WELLS FARGO INSURANCE SERVICES USA, INC (FTW) IN
301 S COLLEGE ST 19TH FL
CHARLOTTE, NC 28202-0000

Chubb Producing Office:

INDIANAPOLIS
ONE INDIANA SQUARE, SUITE 1350
211 NORTH PENNSYLVANIA STREET
INDIANAPOLIS, IN 46204

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Inland Marine Insurance

Premium Bill

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

Portion of total premium attributable for terrorism and statutory standard fire where applicable is $ 0.00

PLEASE SEND PAYMENT TO AGENT OR BROKER.

Date Payment Due	*Premium*
JULY 14, 2010	$ 41,644.00
TOTAL	$ 41,644.00
Commission Percent:	17.50

WHEN SENDING PAYMENT, PLEASE INDICATE POLICY NUMBER ON YOUR CHECK.

NOTE: PLEASE RETURN THIS BILL WITH PAYMENT AND INCLUDE ANY ADDITIONAL CHANGES.

Producer:
WELLS FARGO INSURANCE SERVICES USA, INC (FTW) IN
301 S COLLEGE ST 19TH FL
CHARLOTTE, NC 28202-0000

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Inland Marine Insurance

Insuring Agreement

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

CITY OF FORT WAYNE
ONE MAIN STREET
FORT WAYNE, IN 46802

Policy Number 0657-39-02 IND

Effective Date JULY 14, 2010

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Incorporated under the laws of INDIANA

Producer No. 0035213

Producer WELLS FARGO INSURANCE SERVICES USA, INC (FTW) IN
301 S COLLEGE ST 19TH FL
CHARLOTTE, NC 28202-0000

Company and Policy Period

Insurance is issued by the company in consideration of payment of the required premium.

This policy is issued for the period 12:01 AM standard time at the Named Insured's mailing address shown above:

From: JULY 14, 2010 To: JULY 14, 2011

Your acceptance of this policy terminates, effective with the inception of this policy, any prior policy of the same number issued to you by us.

This Insuring Agreement together with the Premium Summary, Schedule Of Forms, Declarations, Contracts, Endorsements and Common Policy Conditions comprise this policy.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

President *Secretary*

Authorized Representative

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Inland Marine Insurance

Premium Statement

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

CITY OF FORT WAYNE
ONE MAIN STREET
FORT WAYNE, IN 46802

Policy Number 0657-39-02 IND

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FEDERAL INSURANCE COMPANY

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Producer No. 0035213

Producer WELLS FARGO INSURANCE SERVICES USA, INC (FTW) IN
301 S COLLEGE ST 19TH FL
CHARLOTTE, NC 28202-0000

Policy Period

From: JULY 14, 2010 To: JULY 14, 2011
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium Payment

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay.

Contract	Flat Premium	Deposit Premium	Total Premium Due
CONTRACTORS' EQUIPMENT	$ 41,644.00		$ 41,644.00
TOTAL	$ 41,644.00		$ 41,644.00

Payment Plan

This policy premium is being billed as follows. The amounts shown are due and payable as of the dates shown below:

Date Payment Due	Amount Due	Deposit Due
JULY 14, 2010	$ 41,644.00	

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INLAND MARINE INSURANCE

Schedule of Forms

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

The following is a schedule of forms issued with the policy at inception:

Form Number		*Form Name*
04-02-0630	(Ed. 9-95)	INLAND MARINE DECLARATIONS SEPARATOR PAGE
04-02-0638	(Ed. 9-95)	PROPERTY DECLARATIONS
04-02-0582	(Ed. 9-95)	CONTRACTORS' EQUIPMENT
04-02-0687	(Ed. 9-95)	EARTHQUAKE SPECIFIC LIMITS OF INSURANCE
04-02-0689	(Ed. 9-95)	FLOOD SPECIFIC LIMITS OF INSURANCE
04-02-0859	(Ed. 6-99)	NUCLEAR EXCLUSION CLAUSES
04-02-0859	(Ed. 6-99)	WAR RISK EXCLUSION CLAUSE
04-02-0859	(Ed. 6-99)	GARAGE KEEPERS LEGAL LIABILITY INSURANCE
04-02-0859	(Ed. 6-99)	CONTRACTORS EQUIPMENT LIMIT(S)
04-02-1205	(Ed. 2-04)	SPECIAL ELECTRONIC DATA PROVISIONS
04-02-1212	(Ed. 12-07)	CAP ON CERTIFIED TERRORISM LOSSES
04-02-1294	(Ed. 11-03)	DEDUCTIBLE SECTION AMENDED
04-02-1310	(Ed. 2-04)	FUNGUS EXCLUSION ADDED

last page

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POLICY CONDITIONS

Schedule of Forms

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

The following is a schedule of forms issued with the policy at inception:

Form Number		*Form Name*
99-10-0872	(Ed. 6-07)	AOD POLICYHOLDER NOTICE
04-02-1440	(Ed. 12-08)	INSURING AGREEMENT
04-02-0827	(Ed. 9-95)	COMMON INLAND MARINE CONDITIONS
04-02-0856	(Ed. 9-95)	COMMON POLICY CONDITIONS
04-02-1307	(Ed. 1-04)	COMPLIANCE W/ APPLICABLE TRADE SANCTION LAWS

last page

COMMON POLICY CONDITIONS

Common Policy Conditions Section

Contract

Conditions

The following Conditions are included under each part of the policy, unless stated otherwise.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Cancellation

The first Named Insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first Named Insured a notice 60 days (20 days in the event of non-payment of premium) in advance of the cancellation date. Our notice of cancellation will be mailed to the first Named Insured's last known address, and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved insured have fully complied with all of the terms and conditions of the policy.

Conformance

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

Inspections And Surveys

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.

Conditions

Inspections And Surveys (continued)

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

Titles Of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

Transfer Of Rights And Duties

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first Named Insured stated in the Declarations written notice of the nonrenewal not less than 60 days before the expiration date. If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.

Inland Marine Insurance

Common Inland Marine Conditions

Table Of Contents

INLAND MARINE CONTRACT COMMON INLAND MARINE CONDITIONS

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Contract

Common Inland Marine Conditions

The following Conditions apply to all Contracts contained within the Inland Marine Insurance Section of this policy.

Appraisal

If you and us do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and us will equally share any other appraisal costs and the costs of the umpire.

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

Concealment Or Misrepresentation

This insurance is void if you or any other insured intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

Insured's Duties In The Event Of Loss Or Damage

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

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone or by telegraph at our expense.
- Notify the police if a law may have been broken.
- Take every reasonable step to protect the property from further damage, and keep a record of your expenses necessary to protect such property for consideration in the settlement of the property claim. This will not increase any Limit of Insurance. Also, if feasible, set such damaged property aside and in the best possible order for examination.
- If you intend to continue your business you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.
- Permit us to take samples of the damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

Common Inland Marine Conditions

Insured's Duties In The Event Of Loss Or Damage (continued)

- Permit us to examine any insured under oath, outside the presence of any other insured at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that he knows about will not affect the insurance afforded you by this policy.

Legal Action Against Us

No legal action may be brought against us:

- until there has been full compliance with all the terms of this insurance; and
- until the obligation of the insured has been determined by final judgment or we agree in writing to the amount of the obligation.

No person or organization has any right under this insurance to bring us into any action to determine the liability of the Insured.

No Benefit To Carrier Or Bailee

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

Transfer Of Rights Of Recovery To Us

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

You may waive your rights against another party in writing:

A. prior to direct physical loss or damage to insured property; or

B. after direct physical loss or damage to insured property only if, at the time of direct physical loss or damage, that party is one of the following:

   1. someone insured by this insurance;
   2. an individual who owns or controls the majority of capital stock of your business;
   3. related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business; or
   4. your tenant.

This will not restrict your insurance.

Pair, Set Or Parts

A. Pair or Set. In case of loss or damage to any part of a pair or set we may:

   1. repair or replace any part to restore the pair or set to its value before the loss or damage; or
   2. pay the difference between the value of the pair or set before and after the loss or damage.

B. Parts. In case of loss or damage to any part of property insured by this policy consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

Common Policy Endorsements Section

C O M M O N P O L I C Y E N D O R S E M E N T S

Inland Marine Insurance

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

COMMON POLICY CONDITIONS

The following condition is added:

Compliance With Applicable Trade Sanction Laws

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

All other terms and conditions remain unchanged.

Authorized Representative

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IMPORTANT NOTICE TO POLICYHOLDERS
TERRORISM RISK INSURANCE ACT

This Important Notice is being provided with your policy to further satisfy the disclosure requirements of the Terrorism Risk Insurance Act.

At the time you received the written offer for this policy, we provided you with an Important Notice to Policyholders indicating that the insurance provided in your policy for losses caused by certain acts of terrorism (as defined in the Terrorism Risk Insurance Act) would be partially reimbursed by the United States of America, pursuant to the formula set forth in the Terrorism Risk Insurance Act. In addition, as required by the Terrorism Risk Insurance Act, we:

- indicated that we would make available insurance for such losses in the same manner as we provide insurance for other types of losses;
- specified the premium we would charge, if any, for providing such insurance; and
- except to the extent prohibited by law, gave you the opportunity to reject such insurance and have a terrorism exclusion, sublimit or other limitation included in your policy.

This Important Notice refers back to that Important Notice and provides information about your decision and the manner in which your policy has been subsequently modified.

If:

- You rejected terrorism insurance under the Terrorism Risk Insurance Act, your policy includes the appropriate amendatory endorsement(s).
- You did not reject terrorism insurance under the Terrorism Risk Insurance Act, the premium charged for your policy, including that portion applicable to terrorism insurance under the Terrorism Risk Insurance Act, is shown in your policy. To the extent your policy includes a limitation on terrorism insurance, it has been modified so that such limitation does not apply to terrorism insurance under the Terrorism Risk Insurance Act.

Please carefully review your policy and the Important Notice previously provided to you for further details. Please remember that only the terms of your policy establish the scope of your insurance protection.

Please note that if your policy:

- ***provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium we charge for terrorism insurance under the Terrorism Risk Insurance Act, includes an amount attributable to the insurance provided pursuant to that standard fire policy. Rejection of such statutory insurance is legally prohibited.***
- ***is a workers compensation policy, rejection of insurance for terrorism is legally prohibited.***

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) 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.

IMPORTANT NOTICE TO POLICYHOLDERS

This Important Notice is not your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered. Only the provisions of your policy determine the scope of your insurance protection.

THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS.

PLEASE READ THIS NOTICE CAREFULLY.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at http://www.treas.gov/ofac.)

To the extent that you or any other insured, or any person or entity claiming the benefits of this insurance has violated any applicable sanction laws, this insurance will not apply.

We have added a condition or section that applies to the entire policy called Compliance With Applicable Trade Sanctions, which stipulates that your insurance policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

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Inland Marine Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

CITY OF FORT WAYNE
ONE MAIN STREET
FORT WAYNE, IN 46802

Policy Number 0657-39-02 IND

Effective Date JULY 14, 2010

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Incorporated under the laws of INDIANA

Producer No. 0035213

Producer WELLS FARGO INSURANCE SERVICES USA, INC (FTW) IN
301 S COLLEGE ST 19TH FL
CHARLOTTE, NC 28202-0000

Policy Period

From: JULY 14, 2010 To: JULY 14, 2011
12:01 A.M. standard time at the Named Insured's mailing address shown above.

Deductible: *$ 1,000*

The deductible shown above applies to all coverages, except Business Income and Extra Expense, contained within this policy unless a specific coverage deductible is shown below.

The following displays the coverages provided by this policy.

Coverages

Coverages at Named Premises, Unnamed Premises and Away From Premises

The following displays the coverages provided at premises which are specifically covered under this insurance, other premises and away from premises.

CONTRACTORS' EQUIPMENT

LIMIT OF INSURANCE	$ 8,000,000
DEDUCTIBLE	$ 1,000

continued

Premises Coverages
(continued)

DEBRIS REMOVAL	
LIMIT OF INSURANCE	$ 150,000
FIRE PROTECTIVE EQUIPMENT	
LIMIT OF INSURANCE	$ 10,000
INVENTORY OR APPRAISALS	
LIMIT OF INSURANCE	$ 25,000
POLLUTANT CLEAN UP OR REMOVAL	
LIMIT OF INSURANCE	$ 50,000
FIRE DEPARTMENT SERVICE CHARGES	
LIMIT OF INSURANCE	$ 25,000

Inland Marine Insurance

Contractors' Equipment

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INLAND MARINE CONTRACT CONTRACTORS' EQUIPMENT

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Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract.

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

Coverage

Contractors' Equipment

We will pay for direct physical loss or damage to **contractors' equipment** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations.

Extensions Of Coverage

The following Extensions Of Coverage are included under your coverage for **contractors' equipment**, and are subject to the Limit Of Insurance for Contractors' Equipment shown in the Declarations.

Civil Authority

We will pay for direct physical loss or damage to **contractors' equipment** caused by or resulting from actions by a civil authority in an attempt to avoid further loss or damage caused by or resulting from a peril not otherwise excluded.

Removal

We will pay for:

- any direct physical loss or damage to **contractors' equipment** while it is being moved to or while stored at another location for up to 180 days; or
- the cost to remove **contractors' equipment** from any premises,

if you must move the **contractors' equipment** from a premises to preserve it from loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided only if a Limit Of Insurance for such Additional Coverages is shown in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of damaged **contractors' equipment** caused by or resulting from a peril not otherwise excluded.

A. The most we will pay for debris removal is the lesser of:

   1. 25% of the covered direct physical loss or damage; or
   2. the remaining applicable Limit Of Insurance for Contractors' Equipment shown in the Declarations after payment of the covered direct physical loss or damage.

B. If the amount in A. above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the applicable Limit Of Insurance for Debris Removal shown in the Declarations.

Additional Coverages

Debris Removal (continued)

Debris removal will be paid only if:

- reported to us in writing within 180 days of the date of the direct physical loss or damage to the **contractors' equipment**; and
- a Limit Of Insurance applicable to the lost or damaged **contractors' equipment** is shown in the Declarations.

Debris removal does not apply to costs to:

- clean up or remove **pollutants** from air, land, or water, either inside or outside of a building or other structure; or
- clean up, remove, restore or replace polluted air, land, or water, either inside or outside of a building or other structure.

Fire Department Service Charges

We will pay the charges you assume by contract or agreement executed prior to loss, or charges that you are required to pay by local ordinance if the fire department is called to save or protect your **contractors' equipment** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit Of Insurance for Fire Department Service Charges shown in the Declarations.

Fire Protective Equipment

We will pay the cost you incur to refill your discharged fire protective equipment, whether or not there is direct physical loss or damage to your **contractors' equipment**.

This Additional Coverage is provided regardless of whether a Limit Of Insurance is shown in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **contractors' equipment**, not to exceed the applicable Limit Of Insurance for Inventory Or Appraisals shown in the Declarations.

Pollutant Clean Up Or Removal

We will pay the costs you incur to clean up or remove **pollutants** from air, land, or water, either inside or outside of a building or other structure, if:

- the **pollutants** were part of **contractors' equipment**; and
- the discharge, dispersal, seepage, migration, release, or escape of the **pollutants** is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **pollutants**.

The applicable Limit Of Insurance shown in the Declarations for Pollutant Clean Up Or Removal is the most we will pay for the sum of all such covered costs caused by or resulting from perils not otherwise excluded that occur during each separate 12 month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy.

Additional Coverages

Pollutant Clean Up Or Removal (continued)

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**, other than payment for testing which is performed during the clean up or removal of the **pollutants** from the air, land, or water, either inside or outside of a building or other structure.

Exclusions

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Artificial Currents

This insurance does not apply to loss or damage caused by or resulting from artificially generated electric currents.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Collapse Or Collision Of Booms Or Jibs

This insurance does not apply to loss or damage caused by or resulting from collapse or collision of booms or jibs.

This exclusion does not apply to loss or damage caused by or resulting from collapse or collision of booms or jibs directly caused by or resulting from fire or lightning, wind or hail, riot or civil commotion, or collapse of a building.

Disappearance

This insurance does not apply to loss or damage caused by or resulting from disappearance or shortage disclosed on taking inventory, where there is no physical evidence to show what happened.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, and employees or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose.

This exclusion does not apply to:

A. acts of vandalism;

B. acts committed by carriers for hire, or anyone claiming to be a carrier for hire, other than:

   1. you, your partners, directors, trustees and employees; or

   2. anyone authorized to act for you;

Dishonesty (continued)

C. acts committed by a warehouseman for hire, other than you, your partners, directors, trustees, and employees or anyone authorized to act for you; or

D. ensuing loss or damage unless another exclusion applies.

Governmental Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This exclusion does not apply to 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 insurance.

Latent Defect

This insurance does not apply to loss or damage caused by or resulting from latent defect or any quality within the **contractors' equipment** which causes loss or damage to it.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Loss of Market

This insurance does not apply to loss or damage caused by or resulting from loss of market, loss of use or delay.

This exclusion does not apply:

- to ensuing loss or damage unless another exclusion applies; or
- to the extent of any business income insurance or extra expense insurance provided by a separate contract or endorsement forming a part of this policy.

Mechanical Breakdown

This insurance does not apply to loss or damage caused by or resulting from mechanical breakdown of that property.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Exclusions

Nuclear Hazard (continued)

This exclusion does not apply to ensuing loss or damage caused by or resulting from fire, if the fire would be covered under this insurance.

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, site selection;
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- materials used in repair, construction, renovation or remodeling; or
- maintenance,

of part or all of any property wherever located.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Pollutants

This insurance does not apply to:

A. loss or damage caused by or resulting from the mixture of or contact with property and a **pollutant** when such mixture or contact causes the property to be impure and harmful to:

   1. itself or other property;
   2. persons, animals or plants;
   3. air, land or water; or
   4. any other part of an environment,

   either inside or outside of a building or other structure. This exclusion applies regardless of any other cause or event that directly or indirectly:

   1. contributes concurrently to;
   2. contributes in any sequence to; or
   3. worsens,

   the loss or damage, even if such other cause or event would otherwise be covered.

   Paragraph A. does not apply to:

   1. the mixture of or contact between property and **pollutants** if the mixture or contact is directly caused by or directly resulting from a **specified peril**;
   2. the mixture of or contact between property you own, use or operate and **pollutants** if:

      a. the **pollutants** were part of or emitted from such property; and

      b. the mixture of or contact between such property and **pollutants** is directly caused by or directly resulting from direct physical loss or damage to such property directly caused by or directly resulting from a peril not otherwise excluded;

Exclusions

Pollutants (continued)

3. a gas, water or other liquid which escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground oil tanks, underground piping or underground tubing) provided such gas, water or other liquid is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;
4. any solid, liquid or gas used to suppress fire;
5. water which:
   a. backs up or overflows through sewers, drains or sump;
   b. seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or
   c. enters doors, windows or other openings in any building or other structure.

Paragraphs 2 through 4 above do not apply to loss or damage involving:

1. radon or any other naturally occurring gaseous irritant or contaminant;
2. organisms or micro-organisms including bacteria, fungus, mold, or their spores or products; or
3. viruses or other pathogens; or

B. any increase in costs, loss or damage associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants** regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Paragraph B. does not apply to the Additional Coverage, Pollutant Clean Up Or Removal.

Rust, Oxidation, Corrosion Or Discoloration

This insurance does not apply to loss or damage caused by or resulting from rust, oxidation, corrosion or discoloration.

War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war;
- 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
- insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;

Exclusions

War And Military Action (continued)

- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Wear And Tear

This insurance does not apply to loss or damage caused by or resulting from wear and tear or gradual deterioration.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

Weight Load

This insurance does not apply to loss or damage caused by or resulting from the weight of a load exceeding the manufacturer's rated lifting capacity for the **contractors' equipment**, as specified in load charts, brochures and/or manuals published by the manufacturer of the **contractors' equipment**.

Coverage Territory

The coverage territory is anywhere within, and in transit within and between the continental limits of the United States of America, Hawaii, Puerto Rico, territories and possessions of the United States of America, and Canada, excluding waterborne shipments:

- to or from Alaska, Hawaii, or Puerto Rico;
- to or from territories or possessions of the United States of America; or
- which pass through, or which are intended to pass through, the Panama Canal.

Limits Of Insurance

The most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations, regardless of whether any Coverage, Extension Of Coverage or Additional Coverage appears in any other contract or contracts which form a part of this policy.

Deductible

We will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

Except for any deductible for Business Income or Extra Expense shown in the Declarations, if two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

Subject to the Limit Of Insurance for Contractors' Equipment shown in the Declarations:

A. **contractors' equipment** is valued on a replacement cost basis as described below, unless:

   1. the Loss Payment Basis shown in the Declarations is actual cash value; or
   2. otherwise stated under Loss Payment Basis Exceptions; and

B. **contractors' equipment** valuation includes costs you incur as described below under Extended Warranties.

Loss Payment Basis
(continued)

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option we will either:

- pay the covered value of the lost or damaged **contractors' equipment**;
- pay the cost of repairing or replacing the lost or damaged **contractors' equipment**, plus any reduction in value of the repaired item;
- take all or any part of the **contractors' equipment** at an agreed or appraised value; or
- repair or replace the **contractors' equipment** with another **contractors' equipment** of comparable material and quality for the same use.

Replacement Cost Basis

Lost or damaged **contractors' equipment** will be valued at the full cost to repair or replace it at the time of loss or damage, including customs duties incurred, but not more than you actually spend to repair or replace the **contractors' equipment** for the same use. There is no deduction for physical deterioration, depreciation, obsolescence or depletion.

If you do not repair or replace the **contractors' equipment**, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **contractors' equipment** within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the replacement cost at the time of loss or damage.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is actual cash value, lost or damaged **contractors' equipment** will be valued at the full cost to repair or replace it on the date of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- depreciation;
- obsolescence; and
- depletion.

Extended Warranties

Contractors' equipment valuation includes the pro-rated cost for the unused portion of non-refundable extended warranties, maintenance contracts or service contracts that you purchased, which are no longer valid on lost or damaged **contractors' equipment** that you repair or replace.

Loss Payment Basis Exception

Contractors' Equipment Of Others

Contractors' equipment not owned by you and in your care, custody or control is valued on the same basis as your **contractors' equipment**, but we will not pay more than the amount for which you are legally liable.

Conditions

Abandonment

There can be no abandonment of any **contractors' equipment** to us unless we specifically agree to such abandonment in writing.

Loss Payable

For **contractors' equipment** in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

Loss Payment

A. We will pay for covered direct physical loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:

   1. we have reached agreement with you on the amount of loss; or
   2. an appraisal award has been made.

B. We will not pay you more than your financial interest in the **contractors' equipment**.

C. We may adjust losses with the owners of lost or damaged **contractors' equipment** if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' **contractors' equipment**. We will not pay the owners more than their financial interest in such property.

D. We may elect to defend you against suits arising from claims of owners of **contractors' equipment**. We will do this at our expense.

Other Insurance

If you have other insurance against loss or damage covered by this policy, we shall not pay any amount greater than the proportion that the applicable Limit Of Insurance shown in the Declarations bears to the total applicable limits of insurance covering the loss or damage.

This insurance is excess of any other insurance for **contractors' equipment** not owned by you and in your care, custody or control.

Recovered Contractors' Equipment

If any lost or damaged **contractors' equipment** is recovered by you or us after a loss payment is made, the party making the recovery must give the other party prompt notice.

If any lost or damaged **contractors' equipment** has a salvage value, we shall control the disposition of such salvage.

When **contractors' equipment** is recovered, you may:

- keep the recovered **contractors' equipment** and return the loss payment to us; or
- keep the loss payment and we will keep the recovered **contractors' equipment**.

If any recovered **contractors' equipment** has salvage value, or if there is any money recovered through subrogation, we will reimburse you, from the amount recovered for:

- the deductible amount that was paid;
- the penalties you paid as a result of Coinsurance, if applicable; and

Conditions

Recovered Contractors' Equipment (continued)

- any uninsured loss or damage resulting from an insufficient Limit Of Insurance.

If there are any expenses in recovering any lost or damaged **contractors' equipment**, or through subrogation, we will share the expenses with you in proportion to the amount we are each reimbursed.

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Contractors' Equipment

Contractors' equipment means the contractors' machinery, equipment, and tools including accessories, and spare parts for the contractors' machinery, equipment and tools, usual to your business which you own, or which is owned by others and in your care, custody or control.

Contractors' equipment does not mean:

A. accounts, bills, deeds, evidences of debt or other valuable papers or records;

B. aircraft or watercraft, except as may be provided by an endorsement forming a part of this policy;

C. furniture, fixtures, furnishings, office machinery and equipment, stationery and tenants' improvements and betterments;

D. jewelry, watches, furs, garments trimmed with fur, bullion, precious metals, precious or semi-precious stones or gems, or stamps or coins whose value exceeds face value;

E. money, notes or securities;

F. motor vehicles, trailers and semi-trailers which are designed for highway use unless:

   1. a. unlicensed;

      b. not used to transport persons or property; or

      c. used principally for storage at construction sites; or

   2. shown in the Declarations;

G. property which you have leased, rented or loaned to others, except as may be provided by an endorsement forming a part of this policy;

H. property while on any platform which is either temporarily or permanently anchored in any body of water, except as may be provided by an endorsement forming a part of this policy. But **contractors' equipment** does mean such property on a dock, wharf or pier which is attached at one end to dry land;

I. property while underground, except:

   1. while in transit through railroad or vehicular tunnels; or

   2. as may be provided by an endorsement forming a part of this policy; or

J. property while waterborne, or while being loaded or unloaded for waterborne transportation, except:

   1. while in transit on public ferries or car floats for hire;

   2. watercraft operated by other waterborne carriers for hire; or

   3. as may be provided by an endorsement forming a part of this policy.

Definitions
(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Flood

Flood means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not.

Pollutants

Pollutants means:

- any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed;
- organisms or micro-organisms including bacteria, fungus, mold, or their spores or products; or
- viruses or other pathogens.

Specified Peril

Specified peril means:

- aircraft or self-propelled missiles;
- explosion;
- fire or lightning;
- leakage from fire protection equipment;
- mine subsidence;
- riot or civil commotion;
- sinkhole collapse;
- smoke;
- vandalism;
- vehicles;
- volcanic action; or
- wind or hail.

CHUBB

Inland Marine Insurance

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

SCHEDULE

Property:

LIMIT OF INSURANCE:	$8,000,000
DEDUCTIBLE:	$25,000
WAITING PERIOD:	N/A

Limits Of Insurance

Under Limits Of Insurance, and only with respect to the forms shown above, the following is added:

The most we will pay in any one occurrence for direct physical loss or damage and actual **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **earthquake** is the Limit Of Insurance shown in the Schedule above.

If any Limit Of Insurance shown in the Schedule above is stated as an Annual Aggregate, this is the most we will pay during any consecutive twelve month period beginning with the effective date of this policy shown in the Declarations for direct physical loss or damage and actual **business income** loss and **extra expense**, if such coverage is provided.

continued

Inland Marine Insurance
(continued)

Deductible

Under Deductible, and only with respect to the forms shown above, the following is added:

We will pay the amount of loss or damage in excess of the deductible amount or after the waiting period shown in the Schedule above, if such loss or damage is caused by or results from **earthquake**.

Except for any deductible for Business Income or Extra Expense, if two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Definitions

Under Definitions, and only with respect to the forms shown above, the following is added.

Earthquake

Earthquake means earthquake, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Earthquake does not mean:

- loss or damage to Property shown in the Schedule above; or
- ensuing loss or damage caused by or resulting from a **specified peril**.

All earthquake shocks that occur within a 168-hour period will constitute a single occurrence.

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

SCHEDULE

Property:

LIMIT OF INSURANCE:	$8,000,000
DEDUCTIBLE:	$25,000
WAITING PERIOD:	N/A

Limits Of Insurance

Under Limits Of Insurance, and only with respect to the forms shown above, the following is added:

The most we will pay in any one occurrence for direct physical loss or damage and actual **business income** loss and **extra expense**, if such coverage is provided, caused by or resulting from **flood** is the Limit Of Insurance shown in the Schedule above.

If any Limit Of Insurance shown in the Schedule above is stated as an Annual Aggregate, this is the most we will pay during any consecutive twelve month period beginning with the effective date of this policy shown in the Declarations for direct physical loss or damage and actual **business income** loss and **extra expense**, if such coverage is provided.

Deductible

Under Deductible, and only with respect to the forms shown above, the following is added:

We will pay the amount of loss or damage in excess of the deductible amount or after the waiting period shown in the Schedule above, if such loss or damage is caused by or results from **flood**.

Except for any deductible for Business Income or Extra Expense, if two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated.

Definitions

Under Definitions, and only with respect to the forms shown above, the following is added.

Flood

Flood means:

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

Flood does not mean:

- loss or damage to Property shown in the Schedule above; or
- ensuing loss or damage caused by or resulting from a **specified peril.**

All other terms and conditions remain unchanged.

Authorized Representative

Inland Marine Insurance

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

Contractors Equipment Limit(s)

$8,000,000 BLANKET COVERAGE
$500,000 ON ANY ONE ITEM
$2,500,000 ANY ONE OCCURRENCE
$25,000 MISCELLANEOUS UNSCHEDULED EQUIPMENT (INCLUDING HAND TOOLS)

CONTRACTORS EQUIPMENT DEDUCTIBLES:

$1,000 PER OCCURRENCE
$1,000 EQUIPMENT LEASED FROM OTHERS
$ 250 MISCELLANEOUS UNSCHEDULED EQUIPMENT (INCLUDING HAND TOOLS)

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

Additional Coverages

Under Additional Coverages, the following is added:

Electronic Data Recovery Costs

We will pay for **electronic data recovery costs** as a result of direct physical loss or damage to **electronic data** or a **system** caused by or resulting from **malicious programming.**

The most we will pay at all premises for the sum of such **electronic data recovery costs** that occur during each separate 12-month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form a part of this policy is $10,000.

Exclusions

Under Exclusions, the following exclusions apply to Electronic Data Recovery Costs Additional Coverage and are described in the Exclusions section of the forms shown above or any endorsement included in this policy:

Electronic Data Recovery Costs

Governmental Action

Nuclear Hazard

Terrorism

War And Military Action

Under Exclusions, the following is added:

Exclusions

Electronic Data

This insurance does not apply to loss or damage to **electronic data** caused by or resulting from **malicious programming**, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Electronic Data exclusion does not apply to the extent insurance is provided under the Electronic Data Recovery Costs Additional Coverage.

Under Definitions, the definition of Electronic Data Processing Media is deleted and replaced with the following:

Definitions

Electronic Data Processing Media

Electronic data processing media means:

- punch cards, tapes, discs, diskettes, drums, cells;
- other magnetic or optical recording or storage devices;
- **electronic data** recorded on such media; and
- any original source material used to enter or program such information,

you own or in your care, custody or control.

Electronic data processing media does not mean:

- accounts, bills, deeds or evidences of debt;
- aircraft, motor vehicles, trailers, semi-trailers or watercraft;
- equipment held for sale or distribution;
- jewelry, watches, furs, garments trimmed with fur, bullion, precious metals, precious or semiprecious stones or gems, or stamps or coins whose value exceeds face value;
- money, notes or securities;
- prepackaged software programs;

continued

Endorsement

Effective Date JULY 14, 2010

Policy Number 0657-39-02 IND

- media held for sale or distribution;
- media that has been sold;
- property in course of manufacture; or
- **telephone equipment**.

Under Definitions, the following are added:

Definitions

Electronic Data

Electronic data means software, data or other information that is in electronic form.

Electronic Data Recovery Costs

Electronic data recovery costs means the reasonable and necessary costs you incur to:

- copy, re-create, replace or retrieve **electronic data** you own or use, or which resides on a system you own or lease; and
- restore a system you own or lease to the functionality that existed prior to the **malicious programming**.

Electronic data recovery cost does not mean the cost to repair or replace **electronic data processing equipment** or **telephone equipment** which suffers direct physical loss or damage.

Malicious Programming

Malicious programming means an illegal or malicious entry into **electronic data** or a **system** which results in functions that:

- distort;
- corrupt;
- manipulate;
- copy;
- delete;
- destroy; or
- slow down,

such **electronic data** or **system**.

continued

Malicious programming does not mean loss resulting from theft of telephone services.

Sinkhole Collapse

Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite.

Sinkhole collapse does not mean:

- the cost of filling land; or
- the sinking or collapse of land into man-made cavities.

System

System means a computer and all input, output, processing, storage, off-line media library, and communication facilities which are connected to such computer, provided such computer and facilities are:

- owned and operated by you;
- leased and operated by you; or
- utilized by you pursuant to a written contract.

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

Terrorism Provisions

A new section titled Terrorism Provisions is added to the end of this contract.

Cap On Certified Terrorism Losses

If:

- aggregate insured losses attributable to one or more **certified acts of terrorism** under the **terrorism law** exceeds $100 billion in a Program Year (January 1 through December 31); and
- we have met our insurer deductible under the **terrorism law**,

we will 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.

Terrorism Definitions

A new section titled Terrorism Definitions is added.

Certified Act Of Terrorism

Certified act of terrorism means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act:

A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and

B. that results in damage:

1. within the **United States**; or
2. outside of the **United States** in the case of:
   a. an air carrier or vessel as described in the **terrorism law**; or
   b. the premises of a mission of the United States of America,

which was committed by an individual or individuals as part of an effort to:

- coerce the civilian population; or
- influence the policy or affect the conduct of the Government,

of the **United States**.

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed $5 million in the aggregate and are attriibutable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any terroritory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 (Pub.L.107-297) as amended by the Terrorism Risk Insurance Extension Act of 2005 (Pub.L.109-144) and the Terrorism Risk Insurance Program Reauthorization Act of 2007 (Pub.L.110-160)

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

Endorsement

Effective Date JULY 14, 2010

Policy Number 0657-39-02 IND

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

SCHEDULE

PROPERTY: As respects to Contractor's Equipment as defined in the Policy to which this endorsement is attached.
Waived deductible amount shall not exceed $10,000 for each occurrence.

Under Deductible, and only with respect to the form shown above, the Deductible section is deleted and replaced by:

Deductible

We will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence.

Except for any deductible for Business Income or Extra Expense shown in the Declarations, if two or more deductibles apply to the same occurrence, only the largest single deductible shall apply, unless otherwise stated.

The applicable deductible will not apply to the property shown in the Schedule above, provided that, such property is:

- equipped with a professionally installed stolen vehicle recovery system that is in good working condition and acceptable to us;
- reported stolen to law enforcement authorities as soon as possible; and
- not recovered within 30 days of being reported stolen to law enforcement authorities.

All other terms and conditions remain unchanged.

Authorized Representative

Endorsement

Policy Period	JULY 14, 2010 TO JULY 14, 2011
Effective Date	JULY 14, 2010
Policy Number	0657-39-02 IND
Insured	CITY OF FORT WAYNE
Name of Company	FEDERAL INSURANCE COMPANY
Date Issued	JULY 22, 2010

This Endorsement applies to the following forms:

CONTRACTORS' EQUIPMENT

Under Exclusions, the Pollutants exclusion is deleted and replaced by the following:

Exclusions

Pollutants

This insurance does not apply to:

A. loss or damage caused by or resulting from the mixture of or contact between property and a **pollutant** when such mixture or contact causes the property to be impure and harmful to:

1. itself or other property;
2. persons, animals or plants;
3. land, water or air, or
4. any other part of an environment,

either inside or outside of a building or other structure. This exclusion applies regardless of any other cause or event that directly or indirectly:

1. contributes concurrently to;
2. contributes in any sequence to; or
3. worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

But paragraph A. does not apply to:

1. the mixture of or contact between property and **pollutants** if the mixture or contact is directly caused by or directly results from a **specified peril**;

continued

2. the mixture of or contact between property you own, use or operate and **pollutants** if:

   a. the **pollutants** were part of or emitted from such property; and

   b. the mixture of or contact between such property and **pollutants** is directly caused by or directly results from direct physical loss or damage to such property directly caused by or directly resulting from a peril not otherwise excluded;

3. a gas, water or other liquid that escapes from processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems (other than underground oil tanks, underground piping or underground tubing) provided such gas, water or other liquid is intended to be contained in such processing equipment, plumbing systems, refrigeration systems, cooling systems or heating systems;

4. any solid, liquid or gas used to suppress fire;

5. water that:

   a. backs up or overflows through sewers, drains or sump;

   b. seeps or leaks through basements, foundations, roofs, walls, floors or ceilings of any building or other structure; or

   c. enters doors, windows or other openings in any building or other structure.

Paragraphs 2. through 4. immediately above do not apply to loss or damage involving radon or any other naturally occurring gaseous irritant or contaminant; or

B. any increase in costs, loss or damage associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

But paragraph B. does not apply to the Additional Coverage, Pollutant Clean Up Or Removal.

Exclusions

Under Exclusions, the following is added:

Fungus

This insurance does not apply to loss or damage:

- which is **fungus**;
- which is in anyway attributed to the presence of **fungus**; or

continued

Endorsement

Effective Date JULY 14, 2010

Policy Number 0657-39-02 IND

- caused by or resulting from **fungus**,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to;
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

This Fungus exclusion does not apply when the presence of **fungus** results from:

- explosion;
- fire;
- leakage from fire protection equipment; or
- lightning.

Definitions

Under Definitions, the definition of Pollutants is deleted and replaced with the following:

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fibers, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

Pollutants does not mean **fungus**.

Definitions

Under Definitions, the following definition is added:

Fungus

Fungus means any:

A. 1. mildew, mold, or other fungi;

2. other microorganisms; or

3. mycotoxins, spores, or other by-products of any of the foregoing; or

B. colony or group of any of the foregoing.

continued

All other terms and conditions remain unchanged.

Authorized Representative