

# **EVENT CANCELLATION POLICY**

## **For Trade Shows/Conferences/Consumer Shows**

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The Named Insured is the only entity entitled to receive indemnification under this policy. The words "we", "us" and "our" refer to the company providing this insurance. Other words and phrases that appearing in boldface print have special meaning. Refer to Section V. – DEFINITIONS.

In consideration of the payment of the premium by you and in reliance upon the statements in your Application incorporated herein by reference, we agree with you subject to all of the terms, exclusions and conditions of this policy, as follows:

### **SECTION I – COVERAGE A, B, & C**

#### **A. INSURING AGREEMENTS:**

##### **COVERAGE A. EVENT CANCELLATION**

We will indemnify you, up to the combined Limit of Insurance for Coverage A, B, and C, for your loss as a direct result of **cancellation, abandonment, curtailment, postponement, or relocation** of the **insured event** to which this insurance applies.

##### **COVERAGE B. ENFORCED REDUCED ATTENDANCE**

We will indemnify you, up to the combined Limit of Insurance for Coverage A, B, and C, for your loss as a direct result of **enforced reduced attendance** of attendees and exhibitors at the **insured event** to which this insurance applies.

##### **COVERAGE C. FAILURE TO VACATE THE VENUE**

We will indemnify you, up to the combined Limit of Insurance for Coverage A, B, and C, for your failure to vacate the **venue** of the **insured event** at the termination of your leased tenancy with respect to the **insured event** to which this insurance applies.

#### **B. APPLICATION OF COVERAGES:**

In order for insurance to apply to Section I, all of the following conditions must be met:

1. the loss must be the direct result of an unexpected cause beyond your control, the control of the organizers of the **insured event**, the control of the attendees or exhibitors at the **insured event**, and the control of your financial supporters;
2. the loss must not be the direct or indirect result of any excluded cause as shown in:
  - a. Section I, Part D Exclusions; and
  - b. Section IV. – General Exclusions of this insurance; and

3. you must comply with all other terms and conditions of this policy.

c. **CALCULATION OF LOSS:**

**WITH RESPECT TO COVERAGE A:**

Subject to the limit of insurance with respect to Coverage A, we will indemnify you for the greater of:

1. The total of **expenses** incurred plus actual loss from **insured financial commitments**, less any recoveries obtained, and less **gross revenue** retained after refunds, whether such refunds are contractual or voluntary; or
2. The loss of **gross revenue** (including **gross revenue** returned, whether contractual or voluntary) that would have been received had the **insured event** taken place as originally scheduled and the loss from **insured financial commitments**, less any recoveries made and **expenses** not incurred.

**WITH RESPECT TO COVERAGE B:**

With respect to coverage provided for **enforced reduced attendance**, we will deduct from the amount of the adjusted loss the deductible shown in the Declarations. Subject to the limit of insurance, the amount of the adjusted loss with respect to Coverage B will be the **anticipated net revenue** minus **actual net revenue**.

**WITH RESPECT TO COVERAGE C:**

Subject to the limit of insurance with respect to Coverage C:

1. any claim for damages or expenses which you are legally obligated to pay the owners or management of the **venue** by reason of your failure to vacate the **venue** at the termination of your leased tenancy with respect to the **insured event**; and
2. your direct and necessary additional expenses incurred by reason of your failure to vacate the **venue** at the termination of the leased tenancy with respect to the **insured event**.

d. **EXCLUSIONS:**

In addition to the exclusions in Section IV. – General Exclusions which apply to Section I, the following exclusions also apply to this section:

1. Financial Failure
  - a. Withdrawal, insufficiency or lack of finance however caused;
  - b. The financial failure of any venture;
  - c. Lack of adequate receipts, sales or profits of any venture;
  - d. Variations in the rate of exchange, rate of interest or stability of any currency;
  - e. Financial default, insolvency, or failure to pay any person, firm or corporation.

## 2. Lack of Support

- a. Lack of adequate response, support or withdrawal of such support by any entity;
- b. Lack of, or inadequate attendance or insufficient interest prior to attendance except as covered under Coverage B – **Enforced Reduced Attendance**.

## 3. Failure to Make Necessary Arrangements

Your failure to:

- a. make all the preliminary arrangements essential to ensure that a satisfactory **insured event** can be held on the scheduled date. Preliminary arrangements shall include arrangements as a prudent organizer would have made considering the venue size, type of event and the period of time before the open date;
- b. ensure all licenses, visas, permits and authorizations are current for the term of this policy, and that all contractual arrangements have been confirmed in writing; or
- c. observe and comply with all federal, state, or local laws, ordinances and regulations.

## 4. Pre-existing Circumstances

Circumstances existing or threatened at inception of the policy which were known to you or any of your officers, directors, partners, or risk managers as being circumstances that could possibly result in a loss under this policy, unless such circumstances were advised to us in writing by you or any of your officers, directors, partners or risk managers and we agree in writing to accept such circumstances.

## 5. Non-Appearance

The non-appearance of any individual or group.

However, this exclusion shall not apply to the non-appearance of an **insured speaker or entertainer**, if any, as shown in the Declarations. Such non-appearance must be solely and directly due to **accident, sickness, or unavoidable travel delay**.

This exception does not apply to any loss, damage, cost, or expense of any nature directly or indirectly caused by, arising out of, contributed to by, resulting from, or in connection with the non-appearance of the **insured speaker or entertainer** as a direct or indirect result of:

- a. Air travel other than travel as a passenger by a regular airline or multi-engined charter aircraft on a regular air route.
- b. Any hazardous or capricious activity or lack of due care, diligence, or prudent behavior.
- c. Insufficient voice quality, unless directly due to **sickness or accident** occurring during the **insured event**.
- d. Any condition not common to both sexes.
- e. Any sexually transmitted diseases or their after effects.
- f. Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) howsoever this syndrome has been acquired or may be named.

- g. The illegal possession or illicit taking of drugs and their effects.
- h. Pre-existing conditions: No coverage shall be provided under this non-appearance exception for any sickness or injury for which the **insured speaker** received medical treatment or advice within a 12 month period prior to the commencement of the policy period shown in the Declarations unless the condition was revealed to us and we agreed to provide coverage as evidenced by the endorsement attached to and made a part of this policy, and the **insured speaker or entertainer** followed all recommended medical advice for the treatment of the condition.

e. **EXTENSIONS OF COVERAGE:**

1. **Extra Expense** – If a loss under Coverage A applies, this policy is extended to include direct and necessary additional expenses incurred by you over and above the total costs that would normally have been incurred to conduct the **insured event** in order to continue the normal operations of the **insured event**, subject to prior written approval by us. The Limit of Insurance for this coverage is included in the Combined Limit of Insurance for Coverage A, B & C shown in the Declarations. However, in the event the Combined Limit of Insurance for Coverage A, B & C is exhausted, we will pay an additional limit, up to \$100,000., or a higher amount if agreed to by us and evidenced by endorsement attached to and forming a part of this Policy.
2. **Coverage for Supplement Events** – In addition to the events listed in the schedule of insured events, this policy is extended to cover any additional events you are holding that become scheduled to take place during the policy period, subject to:
  - a. The **gross revenue or expenses per insured event** is no greater than \$50,000; and
  - b. You provide a completed and signed Event Cancellation Insurance Application to us for each **insured event** no later than (14) days prior to the start of the **insured event**.
3. **Coverage for New Events** – This policy is extended to cover any newly organized event that is scheduled to take place during the policy period, subject to:
  - a. The **gross revenue or expenses per insured event** are no greater than \$250,000; and
  - b. You provide us a fully completed and signed Event Cancellation Insurance Application no less than (14) days prior to the start of the event, we accept coverage for the new **insured event** and it is specifically endorsed onto the policy for an additional premium.
4. **Additional Marketing Expenses** – subject to a maximum limit of, but not exceeding, \$50,000, we will indemnify you for marketing expenses incurred by you for public relations and marketing of the rescheduled **insured event** or if not rescheduled, the corresponding **insured event** that is held the following year, in order to reduce the adverse effect of the **cancellation, abandonment, postponement, curtailment or relocation** of the **insured event**, subject to:
  - a. **cancellation, abandonment, postponement, curtailment or relocation** of the **insured event** for reasons covered under this policy; and

b. all of the following conditions:

- (1) The **insured event** has been held for at least three (3) consecutive years; and
- (2) There have been at least two (2) other competitors in the marketplace staging events of similar size; and
- (3) You demonstrate that the expenses incurred for the public relations and marketing are equitable and of practical benefit; and
- (4) All expenses incurred are agreed upon in writing by us.

## **SECTION II – COVERAGE D**

### **A. INSURING AGREEMENT:**

#### **COVERAGE D. PHYSICAL LOSS TO PERSONAL PROPERTY**

Unless otherwise excluded, we will indemnify you for direct physical loss or damage to covered personal property, up to the Limit of Insurance for Coverage D shown in the Declarations.

### **B. PROPERTY COVERED:**

Personal property owned, leased, rented by, or loaned to you to be used at the **venue** during the **insured event** or while in transit directly to or from the scheduled **venue** for the **insured event**.

### **C. PROPERTY NOT COVERED:**

The following property is not covered:

1. Property sold, leased, rented, or loaned by you to others after said property leaves your care, custody, or control;
2. Automobiles and other vehicles licensed for use on the highway unless operated within the confines of the **venue** or unless intended for display, exhibition or demonstration at the **insured event**;
3. Accounts, bills, currency, food stamps, lottery tickets or other evidences of debt, **money**, notes or securities;
4. Jewelry, fine art, precious stones, and furs;
5. Animals;
6. Contraband, or property in the course of illegal transportation or trade;
7. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
8. Electronic data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected

to it, which enable the computer or device to receive, process, store, retrieve or send data.

**D. COVERED CAUSES OF LOSS:**

We will indemnify you for loss or damage to covered property for risks of direct physical loss or damage unless the loss is excluded or otherwise limited by the terms of this policy.

**E. EXCLUDED CAUSES OF LOSS:**

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

In addition to the exclusions in Section IV. – General Exclusions which apply to Section II, the following exclusions also apply to this section:

1. Vermin, insects, inherent vice, latent defect, wear, tear or gradual deterioration.
2. Inventory shortage or unexplained disappearance.
3. Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by that fire.

4. Delay, loss of use, business interruption or any other consequential loss.
5. Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.
6. Mechanical breakdown, including rupture or bursting caused by centrifugal force.
7. Marring or scratching.
8. Rain, snow, ice or sleet to personal property in the open.

**F. COVERAGE EXTENSIONS:**

**1. Valuable Papers And Records (Other Than Electronic Data)**

- a. This insurance is extended to apply to the cost to replace or restore the lost information on your valuable papers and records for which duplicates do not exist kept at the scheduled **venue** for the **insured event**. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Section II. C. PROPERTY NOT COVERED, Paragraph 8.
- b. Under this Extension, the most we will indemnify you to replace or restore the lost information is \$2,500. Such amount is additional insurance.
- c. We will also indemnify you for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The coverage provided under this subparagraph **1.c.** is included within and does not increase the limits of insurance applicable to Coverage D.

## 2. Temporary Storage

We will indemnify you for loss or damage to covered personal property while in temporary storage if such storage is necessary (i.e. you cannot deliver such personal property directly to the **venue**) while in transit directly to the scheduled **venue** for the **insured event**. Such extended coverage will apply to covered personal property stored for a maximum of ten (10) calendar days and is included within and does not increase the limit of insurance available under Coverage D.

## **SECTION III – COVERAGE E**

### A. INSURING AGREEMENT:

#### COVERAGE E. DOOR REGISTRATION RECEIPTS

Unless otherwise excluded, we will indemnify you for any loss caused by the **theft of door registration receipts** from: (i) the **venue** of the **insured event**, or (ii) while directly enroute from the **venue** of the **insured event** to a depository institution in the vicinity of the **venue** and while in the care, custody, and control of two (2) **messengers**.

#### EXCLUSIONS:

In addition to the exclusions in Section IV. – General Exclusions which apply to Section III, the following exclusions also apply to this section:

1. Any loss when the registration desk or place where **door registration receipts** are received is closed for business or temporarily unattended, unless the **door registration receipts** are in a locked safe and all safe keys have been removed.
2. All claims not advised to us within seven (7) working days of the date of loss.
3. Any loss when outside the **venue** unless the **door registration receipts** are in the care, custody and control of two (2) **messengers**.
4. Any loss resulting from accounting or arithmetical errors and omissions.
5. Loss of **door registration receipts** after such **door registration receipts** have been transferred, deposited, or surrendered to a depository institution or armored car service.

## **SECTION IV – GENERAL EXCLUSIONS**

### **Applicable to All Coverages under Sections I, II, and III**

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

#### 1. War and Military Action

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

## 2. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

## 3. Terrorism

Any act of terrorism or threat or fear thereof regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

As used in this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat or fear thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Insurance also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism or threat or fear thereof.

## 4. Biological / Chemical / Nuclear

The actual or threatened malicious use of pathogenic or poisonous nuclear, biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

## 5. Fraudulent, Dishonest or Criminal Acts

Any loss resulting from, or arising out of, fraudulent or dishonest or criminal act or acts committed by you or any of your employees and also others to whom property may be entrusted.

This exclusion shall not apply to loss or damage to personal property while such property is in the custody of common carriers.

## SECTION V – DEFINITIONS

1. **Abandonment** means your inability to keep open the **insured event** during a period subsequent to regularly scheduled date and time of commencement of the **insured event**.
2. **Accident** means the sudden, unforeseen, and unexpected event occurring during the **insured event** or within thirty (30) days prior to the start of the **insured event** which, in the opinion of an independent medical practitioner, approved by us, entirely prevents the **insured speaker** from being able to participate in the **insured event** due to death or injury.
3. **Actual net revenue** means actual **gross revenue** received less: a) all incurred **expenses** and b) refunds made, whether contractual or voluntary.
4. **Anticipated net revenue** means **gross revenue** less all budgeted **expenses**.
5. **Cancellation** means your inability to commence the **insured event** at the regularly scheduled date and time of commencement of the **insured event**.
6. **Curtailment** means your inability to open or keep open the **insured event** for its original published duration, size or scope.



7. **Door registration receipts** means **money** collected at the **venue** for **insured event** registration or for tickets to the **insured event** and directly associated with the **insured event**.
8. **Enforced reduced attendance** means an abnormal and substantial reduction in the projected attendance for the **insured event**, of either attendees or exhibitors, based upon historical data for such **insured event**. Such reduction in attendance must be solely and directly the result of the same proximate cause and must be beyond your control, the organizers of the **insured event**, the attendees or exhibitors at the **insured event**, and your financial supporters.
9. **Expenses** means your costs and charges in organizing, running and providing services for the **insured event**. **Expenses** do not include **insured financial commitments**.
10. **Gross revenue** means all monies paid or payable to you from every source arising out of the **insured event**.
11. **Insured event(s)** means the event or events covered by this policy as shown in the Declarations or in the attached schedule of insured events.
12. **Insured financial commitments** means, your written financial commitments unless you are released or discharged from such financial commitments, which meet all of the following conditions:
  - a. Such commitments are necessary for the operation or commencement of the **insured event** and are intended to be discharged by a third party;
  - b. Such commitments are made prior to any incident which could give rise to a covered loss with respect the **insured event** for which the **insured financial commitment** is undertaken; and
  - c. Such commitments have been declared by you and approved by us.
13. **Insured speakers(s) or entertainer(s)** means an individual person or persons scheduled to participate in the **insured event** as a principal speaker or entertainer as shown in the Declarations or in the attached schedule of insured speakers.
14. **Messenger** means you, or any of your partners, or any employee while having care and custody of your **door registration receipts** outside the **venue**.
15. **Money** means:
  - a. Currency, coins and bank notes in current use and having a face value; and
  - b. Travelers checks, register checks and money orders held for sale to the public.
16. **Postponement** means the unavoidable deferment of the **insured event** to another time.
17. **Relocation** means the removal of the **insured event** to an alternative **venue**.
18. **Sickness** means a sickness first manifesting in the **insured speaker** during the **insured event** or within thirty (30) days prior to the start of the **insured event** which, in the opinion of an independent medical practitioner, approved by us, entirely prevents the **insured speaker** from being able to participate in the **insured event** due to death or injury.
19. **Theft** means the unlawful taking of **money** to the deprivation of you.

- 20. Unavoidable travel delay** means an unexpected delay in pre-scheduled travel plans provided always that adequate time for arrival prior to the **insured event** has been allowed. Such unexpected delay in pre-scheduled travel plans must be the sole and direct result of adverse weather or mechanical failure of a plane, train, or vehicle and result in the **insured speaker** being unable to participate in the **insured event**.
- 21. Venue** means the location corresponding to the **insured event** where the **insured event** is scheduled to occur as shown in the Declarations.

## **SECTION VI – CONDITIONS**

### **1. Limits of Insurance**

The most we will pay for loss or damage is the applicable Limit of Insurance shown in the Declarations.

### **2. Duties in the Event of a Loss**

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

- a. Upon the discovery of any event likely to give rise to a claim under this policy you shall give us prompt notice. Include a description of such loss;
- b. You shall at all times do all things necessary to avoid or diminish a loss under this policy;
- c. You shall cooperate with us and, upon our request and expense, shall attend hearings and trials and shall assist in effecting settlements, in securing and giving evidence, in obtaining the attendance of witnesses, in the investigation or settlement of the claim;
- d. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 30 days after our request. We will supply you with the necessary forms;
- e. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

### **3. Concealment, Misrepresentation or Fraud**

This policy is void in the case of fraud by you as it relates to this policy at any time. It is also void if you, at any time, intentionally conceal or misrepresent a material fact concerning, this policy or application, or any proof of loss.

### **4. Subrogation**

We shall be subrogated to your right of recovery from any party, whether before or after payment of a loss, at our sole discretion. In the event of any payment under this policy, we shall be subrogated to the extent of such payment to all of your rights of recovery and the you shall execute all papers required and shall do everything that may be necessary to secure such rights.

### **5. Other Insurance**

No other insurance shall be effected by you to protect the interest insured hereunder without our prior written approval. In the event that such other insurance is effected, this insurance shall be excess of such other policy of insurance.

## 6. Premium

As a condition precedent to coverage provided under this policy, the premium must be paid on or before the premium due date shown on the Declarations corresponding each **insured event**. The premium is fully earned as of the commencement date of the **insured event** under the policy and will not be returned by the us.

## 7. Cancellation

This policy may not be cancelled by you or us, except that we may cancel in the event of your failure to pay the premium when due. In the case of such cancellation, all premium previously received by us shall be deemed earned and no return premium shall payable to you.

## 8. Assignment

This policy may not be assigned in whole or in part without our prior written consent.

## 9. Records

You shall keep accurate records containing all relevant information and particulars of the **insured event**. We reserve the right to audit your books and records in the event of a loss.

## 10. Premium Not an Expense

The premium paid on this policy is deemed not to be an **expense** in the assessment of any claim hereunder.

## 11. Salvage and Recoveries

All salvages, recoveries and payments excluding proceeds from subrogation recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and shall accrue entirely to us until the sum paid by us has been recovered.

## 12. Conformity to Statute

Terms of this policy in conflict with the written laws of any state in which this policy is issued, which are applicable to this policy, are changed to conform to such laws.

## 13. Territory

This policy covers **insured events** for which the **venue** is located within the 50 states comprising the United States of America, the District of Columbia and Canada.

## 14. Appraisal

With respect to Section II. – Coverage D only, if you and we fail to agree on the amount of loss, either may make written for an appraisal of the loss. In this event, each party shall select a competent and impartial appraiser. The two appraisers shall select an umpire.

If the appraisers cannot agree upon an umpire, the selection of the umpire shall be submitted to the Judicial Arbitration and Mediation Services (hereinafter, "JAMS"). The umpire shall be selected in accordance with Rule 15 (as may be amended from time to time) of the JAMS Comprehensive Arbitration Rules and Procedures for the selection of a sole arbitrator/appraiser.

The appraisers will state separately the amount of loss. If the appraisers fail to agree, they shall submit their differences to the umpire. An award in writing of any two shall determine the amount of loss. Each party shall pay its chosen appraiser and shall bear equally the other expense of the appraisal and of the umpire. If there is an appraisal, we will still retain our right to deny the claim.

#### **15. Suit Against the Company**

No suit or action on this policy for the recovery of any claim shall be sustainable in any court of law unless you have complied with all the provisions of this policy and unless commenced suit within twelve months after the loss occurs.

#### **16. Service of Suit**

In the event of our failure to indemnify any amount claimed to be due hereunder, we, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, Lexington Insurance Company, 100 Summer Street, Boston, Massachusetts 02110 or his or her representative, and that in any suit instituted against us upon this policy, we will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, we hereby designate the Superintendent, Commissioner or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successors in office, as our true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by you or on your behalf or any beneficiary hereunder arising out of this policy of insurance, and hereby designates the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Notwithstanding the foregoing, this endorsement does not cover any loss, cost or expense directly or indirectly arising out of, contributed to or caused by, or resulting from or in connection with:

1. any fear of a potential act of **terrorism**
2. any threat of an act of **terrorism**, except if the following box is checked  then this policy is extended to include loss or damage as a result of a threat of an act of **terrorism** in which such threat of an act of **terrorism** results in a public safety civil authority issuing a written order resulting in your inability to hold the **insured event** as scheduled, or
3. any act of **terrorism** involving a nuclear weapon or device or the emission, discharge, dispersal, release or escape of any chemical or biological agent.

If the we allege for any reason that a loss is not covered by this endorsement the burden of proving the contrary shall be upon you.

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



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Authorized Representative

THIS INSURANCE POLICY HAS BEEN PLACED WITH AN INSURER APPROVED BY THE STATE CORPORATION COMMISSION FOR ISSUANCE OF SURPLUS LINES INSURANCE IN THE COMMONWEALTH BUT NOT LICENSED OR REGULATED BY THE STATE CORPORATION COMMISSION OF THE COMMONWEALTH OF VIRGINIA. THEREFORE, YOU, THE POLICYHOLDER, AND PERSONS FILING A CLAIM AGAINST YOU ARE NOT PROTECTED UNDER THE VIRGINIA PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION ACT (§§ 38.2-1600 et seq.) OF THE CODE OF VIRGINIA AGAINST DEFAULT OF THE COMPANY DUE TO INSOLVENCY. IN THE EVENT OF INSURANCE COMPANY INSOLVENCY, YOU MAY BE UNABLE TO COLLECT ANY AMOUNT OWED TO YOU BY THE COMPANY REGARDLESS OF THE TERMS OF THIS INSURANCE POLICY, AND YOU MAY HAVE TO PAY FOR ANY CLAIMS MADE AGAINST YOU.

## INCREASED LIMIT FOR SUPPLEMENTAL EVENTS TO \$75,000

This endorsement modifies insurance provided by the policy:

Number Two (Coverage for Supplement Events) of Part e (Extensions of Coverage) of Section I is amended to read as follows:

2. **Coverage for Supplement Events** – In addition to the events listed in the schedule of insured events, this policy is extended to cover any additional events you are holding that become scheduled to take place during the policy period, subject to:
  - a. The **gross revenue** or **expenses** per **insured event** is no greater than \$75,000; and
  - b. You provide a completed and signed Event Cancellation Insurance Application to us for each **insured event** no later than (14) days prior to the start of the **insured event**.

All other terms and condition remain the same.

## **AUTOMATIC COVERAGE FOR INSURED FINANCIAL COMMITMENTS FOR UP TO 20% OF THE LIMIT OF INDEMNITY**

This endorsement modifies insurance provided by the policy:

Number Twelve (Insured Financial Commitments) of Section V – Definitions is amended to read as follows:

- 12. Insured financial commitments** means, your written financial commitments unless you are released or discharged from such financial commitments, which meet all of the following conditions:
- a.** Such commitments are necessary for the operation or commencement of the **insured event** and are intended to be discharged by a third party;
  - b.** Such commitments are made prior to any incident which could give rise to a covered loss with respect the **insured event** for which the **insured financial commitment** is undertaken; and
  - c.** Such commitments which have an aggregate value greater than 20% of the Limits of Insurance for Coverage A, B, and C as shown on the Declarations have been declared by you and approved by us. It is understood and agreed that commitments which have an aggregate value less than 20% of the Limits of Insurance for Coverage A, B, and C as shown on the Declarations do not need to be reported and agreed by us and are automatically covered under this policy.

All other terms and condition remain the same.



# AUDITABLE LIMITS OF INSURANCE CONDITION

This endorsement modifies insurance provided by the policy:

Paragraph 17. is added to **SECTION VI – CONDITIONS** as follows:

## 17. Auditable Limits of Insurance

With respect to loss covered under Coverages A and B only, if the actual **gross revenue** earned from an **insured event(s)** is greater than five percent (5%) higher or lower than the **gross revenue** reported by you to us at the inception date of this policy for the same **insured event**, then you shall report such variance to us within sixty (60) days after the completion of the **insured event** to which the variance applies.

Upon reporting this variance to us, we will amend the Combined Limit of Insurance for Coverage A, B, & C for such **insured event** to the actual **gross revenue** earned from the **insured event** as reported by you. In addition, we will apply the rate used for calculating the premium for this **insured event** at the inception date of this policy to the amended Combined Limit of Insurance for Coverage A, B, & C for the **insured event** and determine if a return premium is due from us or an additional premium is due from you. Such premium shall be paid by you or us, as applicable, within thirty (30) days after receipt of notice.

Failure to report a variance in the **gross revenue** with respect an **insured event** within sixty (60) days after the completion of the **insured event** to which the variance applies will result in a forfeiture of your right to an adjustment in the Combined Limit of Insurance for Coverage A, B, & C for such **insured event** and the corresponding premium adjustment.

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