ARTISANS

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Policy Fee: $50
ARTISANS PROGRAM

ALL COMMERCIAL APPLICATIONS MUST BE SUBMITTED ONLINE.

RULE 1: ELIGIBILITY

The Artisans Program Manual contains the rules, classifications, and rating information for writing liability, property, and other coverages for small to medium sized trade contractors.

The following criteria apply in order to obtain coverage under this program:

- only firms with 10 or fewer employees (including the insured)
- maximum gross annual receipts of $3,000,000 with a maximum annual payroll of $500,000
- firms regularly involved on projects exceeding $1,000,000 total construction cost are not eligible
- firms which rent or lease equipment to others are not eligible
- firms that are general contractors or who sub-contract more than 25% of their total work to others are not eligible
- buildings or business personal property occupying buildings that exceed an area of 15,000 square feet are not eligible
- firms involved in demolition or building moving activities are not eligible
- refer to company for eligibility of joint ventures
- roofers who are primarily involved in re-roofing, tear-off, etc., are ineligible; we will accept carpenters who do re-roofing

Definition of Payroll

Payroll means the total remuneration for services rendered by employees whether paid in money or substitutes for money. Do not include the payroll of individual insureds, co-partners, members of a limited liability company, or executive officers engaged in clerical operations or acting as a salesperson.

Definition of Employee

- Full-Time - Each owner, partner, active corporate officer, member of a limited liability corporation, and any person working more than 120 days in any one year.
- Part-Time - Any person who works less than 120 days in any one year. To determine the number of part-time employees for premium determination, compute the total number of days worked by all part-time employees, divide by 120 days, and round up to the next whole number.

Example:

- 9 part-time employees worked a total of 576 days
- 576 divided by 120 equals 4.8 employees
- Round 4.8 up to 5
- 5 part-time employees are used for the liability premium determination.
- Multiply the part-time liability rating information by five to determine the part-time liability premium.
Do not include inactive corporate officers and office clerical staff in determining eligibility. An inactive corporate officer is not involved in the day to day routine operations of the business.

**Definition of Gross Annual Receipts**

Gross annual receipts means the gross revenue charged for the insured’s operations in a year.

**Definition of Total Construction Cost**

Total construction cost means the total cost of completing a single project, including materials and labor.

**Definition of General Contractor**

A general contractor is one whose subcontracted costs exceeds 25% of the business' total payroll.

**RULE 2 -- PROGRAM DESCRIPTION**

The following is a general description of the coverages provided by the Contractors Special Policy. The policy contains the complete conditions.

2.1 **Form of Coverage**

**AP-100 -- Contractors Special Policy**

Includes commercial liability coverage and provides optional property coverage against all physical losses, with certain exceptions, for property on premises, loss of income, and $2,500 of business personal property off premises.

2.2 **Coverage Descriptions -- Principal Coverages**

**Liability**

Coverage L - Bodily Injury, Property Damage Liability -- Pays on behalf of the insured for damages due to bodily injury or property damage caused by an occurrence to which the insurance applies. Bodily injury and property damage that arise out of the products and completed work hazard are not included under Coverage L.

Coverage M - Medical Payments -- Pays medical expenses for bodily injury caused by an accident on premises owned by or rented to an insured or resulting from the insured’s operations.

Coverage N - Products/Completed Work -- Pays on behalf of the insured for damages due to bodily injury or property damage arising out of the products or completed work hazard and caused by an occurrence to which the insurance applies.

Coverage O - Fire Legal Liability -- Pays for property damage to buildings or parts of buildings which are rented or loaned to an insured, if the damage is caused by a fire and the insured is legally liable for the fire damage.

Coverage P - Personal Injury Liability/Advertising Injury Liability -- Personal injury pays for injury other than bodily injury and includes such offenses as slander, libel, invasion of privacy, false arrest, detention, imprisonment, malicious prosecution, wrongful entry, and eviction. The offenses can result from oral or written publication of material.
Advertising injury pays for injury other than bodily injury and includes such offenses as slander, libel, disparagement of a person's or organization's goods or services, invasion of privacy, misappropriation of advertising ideas or style of doing business, or infringement of copyright, title, slogan, trademark, or trade name.

**Property**

**Coverage A - Buildings** -- Covers buildings and structures described on the declarations.

**Coverage B - Business Personal Property** -- Covers business personal property in the described building or in the open on or within 100 feet of the described premises, with an extension of coverage for $2,500 of business personal property off premises.

**Coverage C - Loss of Income** -- Provides up to one year of earnings and extra expense coverage when the business is interrupted by a loss caused by a peril insured against.

### 2.3 Basic Limits

**Liability**

- **Each Occurrence Limit**: $100,000/occurrence
- **Medical Payments Limit**: $5,000/person
- **Fire Legal Liability Limit**: $50,000/occurrence

The Each Occurrence Limit, subject to the aggregate limits, is the most that will be paid for all injury and damages covered under Coverages L, M, N, O, and P for one occurrence.

**Aggregate Limits** -- The rating information contemplates a General Aggregate Limit equal to twice the Each Occurrence Limit and a Products/Completed Work Hazard Aggregate Limit equal to twice the Each Occurrence Limit.

**Property**

- **Coverage A**: Full replacement value of the insured buildings (unless ACV loss settlement is selected)
- **Coverage B**: Full replacement value of the insured business personal property
- **Coverage C**: 20% of Coverage A limit + 100% of Coverage B limit

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**RULE 3 -- POLICYWRITING INSTRUCTIONS**

You may quote and submit applications for the Artisans program online. It is highly recommended you contact your commercial lines underwriter before quoting any commercial business online in order to walk through the quoting process. Please note that when you reach the Premium Worksheet screen, the quote is finished. **Do not click the Accept Quoted Premium button unless you want to complete the application for submission to the company.** If you do submit an application online, you must keep a signed copy of the application in your office.

You may also request quotes from your underwriter. They are generally returned within 24 hours.

When property coverage is provided, all eligible buildings and business personal property under one ownership should be covered by the same policy. If the building and business personal property under one ownership are not covered by the same policy, refer to the company.
The property rates contemplate Coverage C written subject to a limit. Show the Coverage C limit on the declarations.

Business Personal Property -- Off Premises Coverage is included as an extension of coverage at a limit of $2,500.

Under the liability coverage the hazards of explosion, collapse, and underground property damage (XCU) are included in all eligible classifications. For classifications with a greater XCU exposure, a separate additional charge is made.

3.4 Cancellation

Coverage for liability coverage cannot be canceled unless the entire policy is canceled.

Policies canceled by either the insured or the company must be canceled in accordance with the terms of the cancellation provisions that apply. The return premium, if any, is computed on a pro-rata basis.

3.5 Scheduled Buildings, Business Personal Property, and Loss of Income

A policy cannot be issued on a blanket basis. A limit must be shown on the declarations for each covered building, for the personal property at each location, and loss of income coverage at each location.

3.9 Valuation

Unless otherwise indicated on the declarations, property losses are settled on a replacement cost basis and covered property must be insured for its full replacement value.

RULE 5 -- PREMIUM MODIFICATIONS

5.1 Protective Devices or Services

The premium can be modified to reflect protective devices. Premium credits are allowed for the installation of the following approved and properly maintained protective devices or services:

- Watchman
- Burglar Alarm System
- Sprinkler System

The company must be notified if the protective devices or services are discontinued or out of service.

Indicate the protection device on the declarations or attach endorsement BP-331 and describe the protective devices on the endorsement.

RULE 6 -- DEDUCTIBLES

6.1 Liability

Deductible options are available on a per occurrence or a per claim basis for property damage as it applies to Coverages L and N.
The policy can be issued with one of the following optional deductible amounts:

$ 250
500
1,000

### 6.2 Property

The rating information reflects a $500 all other perils / $1,000 wind hail deductible that applies to all property coverages except Loss of Income and Fire Department Service Charge.

The policy can be issued with one of the following higher deductible amounts:

$1,000 all other perils / $2,000 wind hail
$3,000
$5,000
$10,000

Show the deductible that applies on the declarations.

These deductible options also apply to all the optional property coverages except Accounts Receivable, and those listed below. No deductible applies to Accounts Receivable Coverage, when provided. Only the standard $500 deductible applies to the following optional coverages:

- Employee Dishonesty Coverage
- Glass Coverage
- Money and Securities Coverage
- Outdoor Sign Coverage
- Valuable Papers and Records

### RULE 8 -- PROPERTY COVERAGE OPTIONS

#### 8.1 Actual Cash Value

Property can be covered on an actual cash value basis instead of on a replacement cost basis by making the appropriate entry on the declarations. The property must be insured for its full actual cash value.

#### 8.3 Business Personal Property -- Off Premises

When Coverage B applies to the policy, Business Personal Property -- Off Premises coverage is included at a limit of $2,500.

#### 8.4 Artisans Property Additional Coverage Endorsements

These endorsements may be added to any artisans policy. A policy can include both an Artisans Property Additional Coverage Endorsement and an artisans optional coverage that provides the same coverage.

The following is a general description of the coverages provided by these endorsements.
8.4.1 Artisans Property Additional Coverage Endorsement - 1

<table>
<thead>
<tr>
<th>Coverage</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Glass</td>
<td>Replacement Cost</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$10,000</td>
</tr>
<tr>
<td>Computers</td>
<td>$10,000</td>
</tr>
<tr>
<td>Contractors' Equipment</td>
<td>$10,000</td>
</tr>
<tr>
<td>Rental Reimbursement</td>
<td>$2,500</td>
</tr>
<tr>
<td>Installation Floater</td>
<td>$10,000</td>
</tr>
<tr>
<td>Outdoor Signs</td>
<td>$10,000</td>
</tr>
<tr>
<td>Valuable Papers</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

Contractors' Equipment valuation is actual cash value unless indicated as being replacement cost on the declarations.

8.4.2 Artisans Property Additional Coverage Endorsement - 2

<table>
<thead>
<tr>
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<td>Valuable Papers</td>
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</tbody>
</table>

8.4.3 Artisans Property Additional Coverage Endorsement - 3

<table>
<thead>
<tr>
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</tr>
<tr>
<td>Valuable Papers</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

8.6 Ordinance or Law Extension

Limited coverage for increased costs resulting from the enforcement of any ordinance or law is provided under the building and business personal property coverage following a covered loss.

Additional coverage can be provided for loss to the undamaged portion of a building that results from the enforcement of an ordinance or law following a covered loss.

When the coverage described above applies, the policy can be further extended to provide additional coverage for other costs associated with the enforcement of an ordinance or law, including increased demolition and debris removal costs and/or increased cost of construction.

Specify the additional limit for Demolition and Debris Removal and/or Increased Cost of Construction for the buildings.

8.7 Back Up of Sewers and Drains

Coverage for loss caused by water that backs up through sewers or drains can be added for property covered under Coverage A or Coverage B.

Identify the covered property and show the limits on the schedule.
8.8 Employee Dishonesty

Limits ranging from $5,000 to $50,000 can be provided for loss or damage to real property and business personal property, including money and securities, resulting from dishonest acts committed by the insured’s employees.

This coverage is not subject to deductible amounts greater than $500.

8.9 Money and Securities

Coverage can be provided for loss to money and securities resulting from theft, disappearance, or destruction.

This coverage is not subject to deductible amounts greater than $500.

8.10 Theft Exclusion

Coverage for loss resulting from theft can be excluded.

8.11 Accounts Receivable

Coverage against physical loss, with certain exceptions, can be provided for accounts receivable. This includes sums that cannot be collected from customers because the records were damaged or destroyed, the cost to reconstruct damaged or destroyed records, increased collection costs, and interest on loans used to offset losses prior to receipt of insurance proceeds.

This coverage is not subject to a deductible.

8.12 Valuable Papers and Records

Limited coverage for valuable papers is provided in the policy. Additional coverage against physical loss, with certain exceptions, can be provided for valuable papers and records. This optional coverage includes loss caused by earthquake, flood, seepage, or water damage.

This coverage is not subject to deductible amounts greater than $500.

8.13 Computers

Coverage against physical loss, with certain exceptions, can be provided for computer hardware, software, and extra expense related to the loss of or damage to electronic data processing equipment. This option includes coverage for loss caused by mechanical breakdown, earthquake, flood, and water damage.

8.14 Outdoor Signs

Limited coverage for signs is provided in the policy. Additional coverage against physical loss, with certain exceptions, can be provided for outdoor signs. This option includes coverage for losses resulting from earthquake, flood, or water damage.

This coverage is not subject to deductible amounts greater than $500.

8.15 Glass

Limited glass coverage is provided; coverage for the breakage of building glass that results from vandalism or from any other cause except one of the specified perils (other than vandalism) is limited to $100 per pane and $500 per occurrence. The special limits do not apply to glass building blocks.
Coverage against all physical losses, with certain exceptions, can be provided for glass. Only glass indicated on the declarations is covered.

This coverage is not subject to deductible amounts greater than $500.

8.17 Installation Floater

Coverage against physical loss, subject to certain exceptions and limitations, can be provided for materials, supplies, machinery, fixtures, equipment, and similar property which will become a permanent part of a construction, installation, or erection project. Coverage is provided for covered property at a job site, at a storage location, and while in transit.

A separate catastrophe limit applies whenever property at more than one location (either more than one job site, more than one storage location, or any combination of job sites and storage locations) is damaged in a single occurrence.

The Installation Floater automatically provides separate limits of up to $5,000 per occurrence for property in transit and for property at a storage location. Other limits can be provided by showing the revised limits on the Installation Floater Schedule.

Optional coverage for loss caused by testing may also be provided under the Installation Floater. Testing includes start-up; performance; stress; pressure; or overload testing of materials, supplies, machinery, fixtures, and equipment that will become a permanent part of a covered installation, construction, or erection project.

Show the testing limit on the Installation Floater Schedule.

8.18 Contractors' Equipment

Coverage against physical loss, subject to certain exceptions and limitations, can be provided for covered equipment involved in contracting, installation, erection, repair, or moving operations or projects. Coverage is provided for covered equipment at a job site, at a storage location, and while in transit. Coverage includes owned, leased, or rented equipment. Coverage for contractors’ equipment applies on an actual cash value basis, unless a replacement cost entry is made on the Contractors' Equipment Schedule.

Blanket
Coverage may be provided on a blanket limit basis for all owned equipment. Individual equipment need not be identified and described on a schedule. A limit of $2,500 per item applies. Non-owned or leased equipment is not eligible for blanket coverage.

Show the Blanket Limit on Contractors' Equipment Schedule. Also make an entry on the schedule, if applicable, to show that coverage applies on a replacement cost basis.

Scheduled
Coverage for owned equipment may be provided on a scheduled basis. Coverage may also be provided for leased and non-owned equipment in the care, custody, or control of the insured if scheduled. Each item of covered equipment must be scheduled and a limit must be shown for each item.

List each item of equipment on Contractors' Equipment Schedule. Also make an entry, if applicable, to show that an item is covered on a replacement cost basis.

8.19 Contractors' Tools

Coverage against physical loss, subject to certain exceptions and limitations, can be provided for contractors’ tools. Coverage is provided on a blanket basis for owned, leased, or rented tools at a job site, at a storage location, or while in transit. Coverage for contractors' tools applies on
an actual cash value basis, unless a replacement cost entry is made on Contractors’ Tools schedule. A limit of $2,500 per item applies.

Describe the type of tools covered and show the limit on the schedule. Also make an entry, if applicable, to show that coverage applies on a replacement cost basis.

RULE 9 -- LIABILITY COVERAGE OPTIONS

9.1 Higher Limits

9.1.1 Higher Each Occurrence Limit
Limits can be increased up to $1,000,000.

9.1.2 Aggregate Limits & Products/Completed Work Hazard Aggregate Limit
The General Aggregate and the Products/Completed Work Hazard shall be equal to twice the Each Occurrence Limit.

9.1.3 Higher Fire Legal Liability Limit
The basic Fire Legal Liability Limit, which applies to Coverage O, is $50,000. The Fire Legal Liability Limit can be increased to $100,000, $250,000, or $500,000.

Show the Fire Legal Liability Limit on the declarations.

9.2 Additional Insureds

The liability section of the artisans policy may require modification in order to extend the insured’s liability protection to other persons or entities. This can be accomplished by the use of additional insured endorsements. Contact your underwriter for a list of these endorsements.

9.3 Care, Custody, or Control

This coverage pays property damage to property of others that is in the care, custody, or control of an insured. Limits up to $10,000 can be chosen. The limit should be shown on the endorsement.

When the Care, Custody, or Control Exception is selected, the policy can not be endorsed to include Voluntary Property Damage Coverage.

9.4 XCU -- Explosion, Collapse, and Underground Property Damage Hazards Exclusion

The Artisans Program includes coverage for explosion, collapse, and underground property damage hazards (XCU). The classification table identifies which classifications require a separate charge for this exposure.

9.5 Non-owned/Hired Automobiles Coverage

Non-owned auto liability coverage and hired auto liability coverage can be provided as an extension of Coverage L.

Non-owned auto liability provides coverage for bodily injury or property damage caused by an auto the named insured does not own, lease, hire, or borrow, but is used in connection with the named insured’s business. The non-owned auto must be used by someone other then the named insured.

Hired auto liability provides coverage for bodily injury or property damage caused by an auto the named insured leases, hires, or borrows on an occasional basis. It does not include autos
that the named insured leases, hires, or borrows from its employees or its partners or executive officers.

9.8 Personal and Advertising Injury Coverage Exclusions

Coverage P -- Personal and Advertising Injury Coverage can be excluded from the policy.

9.15 Pesticide or Herbicide Applicator Coverage

When an artisans policy is issued to cover landscape gardening risks, the portion of the pollution exclusion that applies to pollutants that are brought on to a premises, site, or location in connection with an insured's work can be deleted. The insured's operations must meet all the standards of any statute, ordinance, regulation, or license requirements that may apply.

Describe the pesticide or herbicide applicator operations.

9.16 Missouri Cyber Coverage Endorsement

Available on certain class codes. Commercial underwriter will determine eligibility and premium charge.