MICHIGAN CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. The Conditions of this Coverage Part that are in conflict with the statutes of the State of Michigan are amended to conform to such statutes.

B. Loss Condition B. Appraisal in the Commercial Inland Marine Conditions is replaced by the following:

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and independent appraiser and notify the other of the appraiser's identity within 20 days after receiving a written request from the other. The two appraisers will select a competent and impartial umpire. If they cannot agree upon an umpire within 15 days, we or you may request that selection be made by a judge of the circuit court for the county in which the loss occurred or in which the property is located. The appraisers will state separately the value of the property and amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree within a reasonable time, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss. Each party will:

1. Pay its chosen appraiser; and

2. Bear the other expenses of the appraisal and umpire equally.

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

C. General Condition A. Concealment, Misrepresentation Or Fraud in the Commercial Inland Marine Conditions is replaced by the following:

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact by you concerning:

1. This Coverage Part;

2. The Covered Property;

3. Your interest in the Covered Property; or

4. A claim under this Coverage Part.

D. Wherever it appears, the phrase minimum annual premium is replaced by the phrase minimum written premium.

E. With respect to the:

⚫ Commercial Articles Coverage Form

⚫ Camera And Musical Instrument Dealers Coverage Form

⚫ Equipment Dealers Coverage Form

⚫ Physicians And Surgeons Equipment Coverage Form

⚫ Signs Coverage Form

⚫ Theatrical Property Coverage Form

⚫ Film Coverage Form

⚫ Floor Plan Coverage Form

⚫ Jewelers Block Coverage Form

⚫ Accounts Receivable Coverage Form

⚫ Valuable Papers And Records Coverage Form

The exclusion for dishonest or criminal act (including theft) under **B.2. Exclusions** is replaced by the following:

Dishonest or criminal act (including theft) committed by a "perpetrator".

This exclusion applies whether or not an act occurs during your normal hours ofoperation.

This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

However, with respect to loss or damage caused by or resulting from a criminal act, this exclusion only applies to the extent that a "perpetrator":

(1) Admits, under oath; or

(2) Is determined in any legal proceeding;

to have committed or directed the criminal act. For purposes of this exclusion, a determination in any legal proceeding includes, but is not limited to, a criminal conviction, a judgment, decree, ruling or order pronounced by any court of competent jurisdiction or an order or ruling pronounced by any administrative agency.

F. The following definition is added to the following:

⚫ Commercial Articles Coverage Form

⚫ Camera And Musical Instrument Dealers Coverage Form

⚫ Equipment Dealers Coverage Form

⚫ Physicians And Surgeons Equipment Coverage Form

⚫ Signs Coverage Form

⚫ Theatrical Property Coverage Form

⚫ Film Coverage Form

⚫ Floor Plan Coverage Form

⚫ Jewelers Block Coverage Form

⚫ Accounts Receivable Coverage Form

⚫ Valuable Papers And Records Coverage Form

"Perpetrator" means:

a. You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees or authorized representatives;

b. A manager or a member if you are a limited liability company; or

c. Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party who commits the dishonest or criminal act.