



Fulfilling the Promise Since 1876

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Policyholder Notice to New York Insureds

In accordance with the request of the New York State Department of Financial Services (NYS DFS), we are writing to explain to you the Central Mutual Insurance Company (Central) Commercial Property Insurance policy and certain coverage forms including, but not limited to, Business Interruption, Extra Expense, Civil Authority, and Business Income From Dependent Properties as they relate to the Coronavirus (COVID-19).

We are providing this notice in general terms for clarity. This notice, however, and the information contained herein, does not form a part of your insurance policy. No coverage is created or provided by this notice, nor can it be construed to replace any provisions of any policy. If there is any conflict between this notice and the policy, the provisions of the policy control.

You should always carefully read your policy, including any endorsements attached to your policy, for its complete details and coverages. Your policy has been identified as including one or more of the following forms which the NYS DFS would like us to explain. Please reference your Declarations to see which specific forms are included. Note, this may also be referred to as Business Income in the form(s):

- CP 0030 Business Income (and Extra Expense) Coverage Form
- 14-3039 Business Income and Extra Expense Amendment of Limits of Insurance
- 14-3074 NY – Central Premier Plus Property Extensions Coverage Endorsement
- CP 1509 Business Income from Dependent Properties – Limited Form
- CP 1508 Business Income from Dependent Properties – Broad Form

The CP 0030 form Business Income (and Extra Expense) Coverage pays for the actual loss of Business Income (as defined in the coverage form) you sustain due to the necessary suspension (as defined in the form) of your operations (as defined in the form) during the period of restoration (as defined in the form). The suspension must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. The form which describes the covered causes of loss on your policy is CP 1030 Causes of Loss – Special Form. The waiting period in the CP 0030 form is 72 hours. This means that Business Income coverage does not begin until 72 hours after the time of direct physical loss or damage. If you have a waiting period less than 72 hours, this will be shown on the declarations.

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The CP 0030 form also includes Civil Authority coverage. The purpose of this coverage is to provide Business Income coverage for situations where the action of civil authority prohibits access to your premises described in the Declarations. In order for this coverage to apply, there must be damage caused by a Covered Cause of Loss to property other than your property at the described premises. This coverage is also subject to a 72-hour waiting period and will apply for a period of four consecutive weeks from the date on which the coverage began.

The CP 1509 and CP 1508 forms provide Business Income coverage for dependent properties. Dependent properties are defined as a business or property operated by an entity that the named insured depends on for materials, supplies, services, or component parts. These coverage forms provide for loss of business income as a result of a direct physical loss or damage caused by a Covered Cause of Loss at the scheduled dependent property. Coverage applies only at locations that you do not own, operate, or manage. The dependent property's location must be entered on the endorsement schedule. These forms include a 72-hour waiting period.

The 14-3074 Central Premier Plus Property Extensions Coverage Endorsement – New York includes Business Income and Extra Expense with Service Interruptions with a \$25,000 limit. You must sustain direct loss or damage by a covered cause of loss at the described premises. There is a 72-hour waiting period.

The 14-3074 form also includes Business Income from Dependent Properties, Secondary Contributing Locations or Secondary Recipient Locations with a \$25,000 limit. There must be direct physical loss or damage caused by a Covered Cause of Loss to "dependent property," "secondary contributing location," or "secondary recipient location." The aforementioned words in quotes are defined in the form. There is a 72-hour waiting period for this coverage.

The 14-3074 form also includes Business Income coverage due to Food Contamination. This means the necessary "suspension" of your "operations" as a result of the "food contamination." Words in quotes are described in the form. There is a 72-hour waiting period after you receive notice of closing from the Board of Health or any other governmental authority. There is a \$25,000 Aggregate Limit for this coverage.

Central Mutual Insurance does not provide any "supply chain" coverage or endorsements to our policyholders.

Whether your policy provides coverage for direct physical loss or damage caused by or resulting from COVID-19 will be dependent on the unique factual circumstances of your claim, and will be subject to the specific coverage provided in your policy with us. We encourage you to submit any claim that you may have to us for our consideration.

The above is not intended nor should it be construed as a waiver or relinquishment of any policy term, condition, endorsement, or exclusion, nor should it be construed as an admission of coverage or liability under your policy for any claim. We expressly reserve the right to supplement the foregoing notice of policy positions in the event that additional pertinent information is brought to our attention.

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