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## PROPERTY/BOILER BINDER

**June 29, 2020**

KNAPP SCHENCK & COMPANY  
ONE INDIA ST STE 204  
BOSTON, MA 02109

**ATTN:** DAVID WINSHIP

**Re:** CITY OF NEWTON  
1000 COMMONWEALTH AVE  
ATTN: SUSAN DZIKOWSKI  
NEWTON, MA 02459

**Effective from:** 07/01/2020      **to**      07/01/2021

I'm pleased to offer a Property and Boiler & Machinery Binder on the above account.

**THIS BINDER OUTLINES THE COVERAGE FORMS, LIMITS OF INSURANCE, POLICY ENDORSEMENTS AND OTHER PROVISIONS OF YOUR POLICY. THIS BINDER IS VALID UNTIL YOUR POLICY IS ISSUED OR CANCELLED. WHEN ISSUED, YOUR POLICY WILL, WITHOUT NOTICE, AUTOMATICALLY CANCEL, REPLACE AND SUPERSEDE THIS BINDER AND ANY OTHER CORRESPONDENCE THAT DOCUMENTS THE INSURANCE COVERAGE REFERENCED HEREIN. PLEASE REVIEW THIS BINDER CAREFULLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR AGENT OR BROKER.**

**Insuring Company:** The Travelers Indemnity Company (a Stock Company)

**Policy Territory:** The United States of America and Canada

The following is a summary of the limits, terms and conditions of the Binder from The Travelers. Please note that portions of this Binder may differ from your requested specifications.

**Policy Number:** KTK-CMB-9217B97-6-20

**Coverage, Limits and Deductibles:**

See the attached outline of the coverage forms, Limits of Insurance and policy amendments provided in this Binder.

**ANY COVERAGE UNDER THIS BINDER IS SUBJECT TO THE PROVISIONS OF THE ACTUAL FORMS IN CURRENT USE BY US, AS WELL AS PAYMENT OF YOUR PREMIUM. THIS BINDER DOES NOT AMEND, OR OTHERWISE AFFECT, THE PROVISIONS OR COVERAGE OF ANY RESULTING INSURANCE POLICY ISSUED BY US. IT IS NOT A REPRESENTATION THAT COVERAGE DOES OR DOES NOT EXIST FOR ANY PARTICULAR CLAIM OR LOSS UNDER ANY SUCH POLICY. COVERAGE DEPENDS ON THE APPLICABLE PROVISIONS OF THE ACTUAL POLICY ISSUED, THE FACTS AND CIRCUMSTANCES INVOLVED IN THE CLAIM OR LOSS, AND ANY APPLICABLE LAW.**

**Total Insured Values:** \$941,838,661

**Premium:** \$616,571

The premium is based on total insured value as outlined in the Binder. Any fees, taxes and/or surcharges which carriers are required to collect on behalf of local jurisdictions, are in addition to the policy premium shown.

**Rate:** .0655

**Payment Plan:** Lump sum as provided by the Agency Bill System

**Terms and Conditions:**

1. Please accept this Binder as the Broker for the captioned account.
2. The policy will be subject to all state-mandated endorsements.
3. A Claim Customer Service Representative is available 24 hours a day, 7 days a week to take the first notice of loss, or provide assistance on any existing claim. To report, ask a question or discuss a claim, please call 1-800-832-7839.

Regards,

Pranaya Bhattarai  
Account Executive

**Top 10 Reasons to Choose Travelers National Property**

1. Travelers is the #1 commercial property writer in the U.S.\*
2. Thousands of businesses insured, covering in excess of \$1 trillion in property values.
3. Significant capacity of over \$1 billion.
4. Global coverage in 120 countries for multinational companies.

5. 12,000+ person-strong claim organization.
6. Major case unit with extensive experience on large, complex property losses.
7. 700+ Risk Control consultants countrywide provide recommendations to help customers better survive events and ultimately return to business quickly.
8. A Dow 30 company since 2009.
9. A leading property/casualty insurance carrier for over 160 years.
10. Consistent, superior financial strength with an A.M. Best rating of "A++ Superior."

\*SNL Financials 2018 Direct Written Premium

For more information, go to [www.travelers.com/nationalproperty](http://www.travelers.com/nationalproperty)

### Important Notice Regarding Compensation Disclosure

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit [www.travelers.com/ProducerCompDisclosure](http://www.travelers.com/ProducerCompDisclosure).

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

### VISIT OUR WEBSITES

As a value-added service to its customers, Travelers offers a variety of online tools and resources.

#### RISK CONTROL

Travelers Risk Control offers a wealth of resources to help clients in their everyday safety and risk management needs. To see an overview, visit <https://travl.rs/2Vn2fla>.

In addition to our property Risk Control services, which include on-site surveys, consultations, and future construction and sprinkler plan reviews, customers can find valuable safety and risk management resources by logging in to the Risk Control Customer Portal at [www.travelers.com/riskcontrol](http://www.travelers.com/riskcontrol). Upon *registering* as a Travelers insured, our customers gain exclusive access to more than 1,500 products and services.

Here are just a few noteworthy tools available exclusively to registered Travelers customers:

- Travelers Virtual Risk Manager<sup>SM</sup> – an online self-assessment tool that helps identify safety performance gaps and delivers a customized action plan to assist in addressing safety needs.
- TravSources<sup>SM</sup> – a collection of safety and risk management resources packaged by industry or topic
- Inspection checklists to help you monitor and control hazards to avoid losses
- Task Manager to help you manage safety tasks throughout your organization
- Your Travelers Risk Control correspondence history

#### Risk Toolworks™



In the office or on-the-go, access our website 24/7 with our Risk Toolworks™ Mobile app.

<https://travl.rs/32oxPAL>

Available for iOS at the App Store and for Android at Google Play.

- Newsletters and alerts to stay current on safety news and emerging issues.
- Customer link to the Institute for Business & Home Safety/Travelers co-branded *Open for Business*® interactive Web-based natural hazards assessment and planning tool, plus a multitude of other natural disaster and business continuity products.

Log In Now → [www.travelers.com](http://www.travelers.com)

Not registered? Visit [www.travelers.com/register](http://www.travelers.com/register)

If you have questions, please email us at [Ask-Risk-Control@travelers.com](mailto:Ask-Risk-Control@travelers.com)

### **CLAIM**

Each year, Travelers receives more than one million claim loss notices, issues almost six million checks and pays out more than \$14 billion in claims. Travelers has approximately 12,000 skilled claim professionals in 100 claim offices and additional points of service across the country and internationally. We have a team devoted exclusively to property losses and a Major Case Unit that specializes in high-severity claims.

Dedicated catastrophe response teams are on call 24/7 to immediately respond to a disaster anywhere in the country.

For a more in-depth look at our claim services, visit our Claim Website at [www.travelers.com/claims](http://www.travelers.com/claims).

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## Supplemental Coverage Declarations

READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.

- A. POLICY LIMIT:** In no event shall liability under this policy arising out of one occurrence exceed \$500,000,000, nor shall liability in any one occurrence for any one Building, any one Structure or Business Personal Property at any one location exceed 130% of the individually stated value for such property as shown in the latest Statement of Values or other documentation on file with the Company, nor shall liability exceed any specific Limit of Insurance applying to any insured loss, coverage or location(s).

If, at the time of loss, the values shown on the latest Statement of Values or other documentation on file with the Company are not individually stated for each Building, each Structure or Business Personal Property at each location:

1. The value for each Building and Structure will be developed by multiplying the reported Building and Structure value that includes the value of the individual Building or Structure that is damaged, by the proportion that the square footage of that individual Building or Structure bears to the total square footage of all Buildings and Structures contemplated in that reported Building and Structure value.
2. The value of Business Personal Property at each location will be developed by multiplying the reported Business Personal Property value that includes the value of Business Personal Property at the individual location of damage, by the proportion that the square footage of all Buildings and Structures at that individual location bears to the total square footage of all Buildings and Structures at all locations contemplated in that reported Business Personal Property value.

- B. LIMITS OF INSURANCE –** For application of Limits of Insurance, refer to Conditions A.2. and A.3. in the Policy Conditions, Additional Provisions and Definitions Form:

1.	Buildings, in any one occurrence: Included means, included in the Policy Limit.	Included
2.	Business Personal Property, in any one occurrence: Included means, included in the Policy Limit.	Included
3.	“Electronic Data Processing Data and Media”, in any one occurrence:	\$ 2,500,000
4.	Accounts Receivable, in any one occurrence:	\$ 250,000
5.	Valuable Papers and Records, in any one occurrence:	\$ 250,000
6.	“Fine Arts”, in any one occurrence: Subject to a maximum per item of:	\$ 500,000 \$ 10,000
7.	Newly Constructed or Acquired Property, at any one building, in any one occurrence: Number of days 120.	\$ 2,500,000
8.	“Outdoor Property” including Debris Removal, in any one occurrence: Trees, shrubs and plants are subject to a maximum per item of:	\$ 100,000 \$ 2,500

<b>9.</b>	Covered Property at Undescribed Premises, in any one occurrence:	\$	100,000
<b>10.</b>	Covered Property in Transit, in any one occurrence:	\$	100,000
<b>11.</b>	Debris Removal, in any one occurrence:		
<b>a.</b>	25% of the sum of the amount paid for Covered Property loss and the applicable deductible.		
<b>b.</b>	Additional Debris Removal Expense:	\$	250,000
<b>12.</b>	“Pollutant” Cleanup and Removal – Direct Damage, aggregate in any one policy year:	\$	250,000
<b>13.</b>	Claim Data Expense – Direct Damage, in any one occurrence:	\$	25,000
<b>14.</b>	Ordinance or Law Loss to the Undamaged Portion of Buildings, in any one occurrence: Included in Building Limit means included in the Limit of Insurance that applies to loss or damage to the affected Building(s), as limited by Endorsement MS C5 44. Demolition Cost, in any one occurrence: Increased Cost of Construction, in any one occurrence: Included means, included in the limit shown for Demolition Cost.	\$	10,000,000 Included
<b>15.</b>	Limited “Fungus”, Wet Rot and Dry Rot Coverage – Direct Damage:		
<b>a.</b>	In any one occurrence:	\$	250,000
<b>b.</b>	Aggregate in any one policy year:	\$	500,000
<b>16.</b>	Business Income, in any one occurrence: Extra Expense, in any one occurrence: Included means, included in the Limit shown for Business Income.	\$	1,000,000 Included
	Ordinary Payroll: Excluded		
	Extended Business Income at 60 days.		
	Civil Authority 30 days.		
	Ordinance or Law - Increased “Period of Restoration”, in any one occurrence:	\$	250,000
	Newly Acquired Premises – Time Element, in any one occurrence: Number of days 120.	\$	500,000
	Claim Data Expense – Time Element, in any one occurrence:	\$	25,000
	“Pollutant” Clean Up and Removal – Time Element, aggregate in any one policy year: Included means, included in the limit that applies to “Pollutant” Clean Up and Removal – Direct Damage.		Included

Limited "Fungus", Wet Rot and Dry Rot Coverage – Time Element 30 days.

- 17. Earthquake, Volcanic Eruption, Landslide and Mine Subsidence – aggregate in any one policy year, for all losses covered under this policy, commencing with the inception date of this policy:
  - a. Occurring in Alaska, Hawaii or Puerto Rico: Not Covered
  - b. Occurring in California: Not Covered
  - c. Occurring in High and Moderate Hazard Earthquake, Volcanic Eruption, Landslide and Mine Subsidence Areas as per MS C6 09: Not Covered
  - d. Occurring anywhere else in the Policy Territory: \$ 15,000,000

If more than one Annual Aggregate Limit applies in any one occurrence, the most the Company will pay is the highest involved Annual Aggregate Limit. The most the Company will pay during each annual period is the largest of the Annual Aggregate Limits shown.

- 18. Flood – aggregate in any one policy year, for all losses covered under this policy, commencing with the inception date of this policy:
  - a. Occurring in the Policy Territory resulting from Flood to buildings, structures or property in the open within Flood Zone A or Zones prefixed A as classified under the National Flood Insurance Program or to property in or on buildings or structures located within such Flood Zones: Not Covered
  - b. Occurring in the Policy Territory resulting from Flood to buildings, structures or property in the open within Flood Zone V or Zones prefixed V as classified under the National Flood Insurance Program or to property in or on buildings or structures located within such Flood Zones: Not Covered
  - c. Occurring anywhere else in the Policy Territory: \$ 15,000,000

Any loss resulting from Flood to a building, structure or property in the open which is, at the time of loss, within more than one Flood Zone will be subject to the insurance and Annual Aggregate Limit, if any, that would apply under this policy if that building, structure or property in the open was wholly located within the most hazardous of the Flood Zones, as identified in MS C2 06, in which it is located. The Flood Zone that applies to a building or structure will also apply to any property in or on such building or structure.

If, at the time of loss resulting from Flood, the community in which property is located has been suspended from the National Flood Insurance Program, the Flood Zone(s) that applied prior to the suspension will be used in determining the Flood Zone(s) that apply to the property.



If more than one Annual Aggregate Limit applies in any one occurrence, the most the Company will pay is the highest involved Annual Aggregate Limit. The most the Company will pay during each annual period is the largest of the Annual Aggregate Limits shown.

<b>19.</b>	Boiler and Machinery (Insured's Premises only):		
	Property Damage, in any one Accident:		Included
	Business Income and Extra Expense, in any one Accident:		Included
	Hazardous Substance, in any one Accident:		
	Ammonia Contamination:	\$	100,000
	Any other substance:	\$	100,000
	Water Damage, in any one Accident:	\$	100,000
	Included means, included in the Limit of Insurance that otherwise applies under this policy to the coverage for which included is indicated.		
	Boiler and Machinery (Insured's Premises only) all coverages combined, maximum in any one Accident:	\$	50,000,000
<b>20.</b>	Limited Electronic Vandalism Cause of Loss Coverage, aggregate in any one policy year:	\$	50,000
<b>21.</b>	Contractors Equipment - specific amounts of insurance, per item, as per schedule on file with the Company, not to exceed in any one occurrence:	\$	500,000
	Newly Acquired Contractors Equipment, in any one occurrence:	\$	25,000
	Equipment Rental Expense, in any one occurrence:	\$	25,000
<b>22.</b>	Expediting Expenses, Boiler & Machinery only, in any one occurrence:	\$	100,000
<b>23.</b>	Utility Services – in any one occurrence:		
	Utility Services, combined Direct Damage and Time Element, including Boiler and Machinery:	\$	1,000,000
<b>24.</b>	Underground Tanks, Pipes, Flues, Drains or Tunnels - Direct Damage, as per Endorsement 1, in any one occurrence:	\$	1,000,000

**C. DEDUCTIBLES:** For application of Deductibles, refer to the Application of Deductibles conditions in the Policy Conditions, Additional Provisions and Definitions Form.

1.	To Fine Arts on loan, as per schedule on file with the Company, in any one occurrence:	\$	100,000
	Except occurring at the following insured premises, in any one occurrence:	\$	1,000
	Jackson Homestead & Museum 527 Washington St., Newton, MA 02458		
2.	To Business Income Coverage for which no other deductible is stated, in any one occurrence:	Hours	48
3.	By Earthquake, Volcanic Eruption, Landslide and Mine Subsidence, in any one occurrence:	\$	100,000
	As respects Business Income, the deductible is included in the occurrence deductible.		
	As respects Extra Expense, the deductible is included in the occurrence deductible.		
4.	By Flood, in any one occurrence:	\$	100,000
	As respects Business Income, the deductible is included in the occurrence deductible.		
	As respects Extra Expense, the deductible is included in the occurrence deductible.		
	Any loss resulting from Flood to a building, structure or property in the open which is, at the time of loss, within more than one Flood Zone will be subject to the Flood deductible, if any, that would apply under this policy if that building, structure or property in the open was wholly located within the most hazardous of the Flood Zones, as identified in MS C2 06, in which it is located. The Flood Zone that applies to a building or structure will also apply to any property in or on such building or structure.		
	If, at the time of loss resulting from Flood, the community in which property is located has been suspended from the National Flood Insurance Program, the Flood Zone(s) that applied prior to the suspension will be used in determining the Flood Zone(s) that apply to the property.		
5.	By Boiler and Machinery, in any one Accident: Applicable to Direct Damage only.	\$	100,000
6.	By Boiler and Machinery to Business Income, in any one Accident:	Hours	48
7.	To Contractors Equipment, in any one occurrence:	\$	10,000
8.	To Utility Services - Direct Damage, including Boiler and Machinery, in any one occurrence:	\$	100,000

- |     |  |       |         |
|-----|--|-------|---------|
| 9.  | To Utility Services - Time Element, including Boiler and Machinery, in any one occurrence: | Hours | 48      |
| 10. | To any other covered loss, in any one occurrence:  | \$    | 100,000 |
- D. VALUATION PROVISION:** Replacement Cost applies as per MS C5 05, except as otherwise stated within endorsement MS C5 05, within this Supplemental Coverage Declarations or elsewhere in this policy.
- E. SOLE AGENT PROVISION:** For any insurance afforded by this policy, CITY OF NEWTON shall act on behalf of all insureds with respect to the giving and receiving of notice of cancellation or nonrenewal, the payment of premiums, the receiving of return premiums, and the acceptance of any endorsement issued to form a part of this policy.
- F. CANCELLATION PROVISION:** All references to 60 days or greater notice of cancellation in the General Conditions or in any State Changes - Cancellation and Nonrenewal endorsement, other than for nonpayment of premium, is amended to read 90 days.
- G. NON-RENEWAL PROVISION:** All references to 60 days or greater notice of nonrenewal in the General Conditions or in any State Changes - Cancellation and Nonrenewal endorsement is amended to read 90 days.
- H. PREMIUM ADJUSTMENT:** This policy will be adjusted as needed for any changes in values and premiums.
- I. ISSUING COMPANY:** Travelers Indemnity Company (a Stock Company)

## FEDERAL TERRORISM RISK INSURANCE ACT DISCLOSURE

This endorsement provides supplementary information regarding the insurance provided under this policy.

The federal Terrorism Risk Insurance Act of 2002 as amended ("TRIA") establishes a program under which the Federal Government may partially reimburse "Insured Losses" (as defined in TRIA) caused by "Acts Of Terrorism" (as defined in TRIA). "Act Of Terrorism" is defined in Section 102(1) of TRIA to mean any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States Mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The Federal Government's share of compensation for such Insured Losses is established by TRIA and is a percentage of the amount of such Insured Losses in excess of each Insurer's "Insurer Deductible" (as defined in TRIA), subject to the "Program Trigger" (as defined in TRIA). Through 2020, that percentage is established by TRIA as follows:

85% with respect to such Insured Losses occurring in calendar year 2015.

84% with respect to such Insured Losses occurring in calendar year 2016.

83% with respect to such Insured Losses occurring in calendar year 2017.

82% with respect to such Insured Losses occurring in calendar year 2018.

81% with respect to such Insured Losses occurring in calendar year 2019.

80% with respect to such Insured Losses occurring in calendar year 2020.

In no event, however, will the Federal Government be required to pay any portion of the amount of such Insured Losses occurring in a calendar year that in the aggregate exceeds \$100 billion, nor will any Insurer be required to pay any portion of such amount provided that such Insurer has met its Insurer Deductible. Therefore, if such Insured Losses occurring in a calendar year exceed \$100 billion in the aggregate, the amount of any payments by the Federal Government and any coverage provided by this policy for losses caused by Acts Of Terrorism may be reduced.

The charge for such Insured Losses is included in the total premium for this policy. The charge that has been included for such Insured Losses under this policy is the amount indicated below, and does not include any charge for the portion of such Insured Losses covered by the Federal Government under the TRIA:

\$ 10,000

## PROPERTY COVERAGES FORM - CHANGES

This endorsement modifies the insurance provided under the Property Coverage Form.

The following coverage is added:

### **Underground Tanks, Pipes, Flues, Drains or Tunnels – Direct Damage**

1. The Company will pay for direct physical loss of or damage to underground tanks, pipes, flues, drains or tunnels, all whether or not connected to buildings, at the Insured's premises where Building or Business Personal Property coverage applies caused by or resulting from a Covered Cause of Loss.
2. The Limits of Insurance that apply to Buildings and Business Personal Property do not include underground tanks, pipes, flues, drains or tunnels as covered by this additional coverage.
3. Item 12. under Section C., Property and Costs Not Covered, does not apply to insurance specifically provided by this additional coverage.
4. The most the Company will pay in any one occurrence for direct physical loss of or damage to underground tanks, pipes, flues, drains or tunnels is the Limit of Insurance shown in the Supplemental Coverage Declarations for Underground Tanks, Pipes, Flues, Drains or Tunnels – Direct Damage.

No other Covered Property Limits of Insurance stated in the policy apply to underground tanks, pipes, flues, drains or tunnels as provided by this additional coverage.

5. The Limit of Insurance for Underground Tanks, Pipes, Flues, Drains or Tunnels – Direct Damage does not apply to loss or damage to underground pipes, flues or drains caused by Flood, Earthquake, Volcanic Eruption, Landslide or Mine Subsidence, as otherwise provided for in the Flood, or Earthquake, Volcanic Eruption, Landslide or Mine Subsidence endorsements.