

STATE OF ALABAMA

DEPARTMENT OF INSURANCE

I, the undersigned as Superintendent of Insurance for the State of Alabama,
hereby certify that on the 18th day of September, 196 8, I sent
by registered mail in an envelope as follows:

Mr. Cecil A. Pool, Resident Vice President
Fireman's Fund Insurance Company
P. O. Box 18635
Atlanta, Georgia 30326

REGISTERED MAIL
RETURN RECEIPT REQUESTED

bearing sufficient prepaid postage, a copy of a summons and complaint served upon
me by the Sheriff of Montgomery County, Alabama, in a cause styled as follows:

W. P. Brown & Sons Lumber Company, a corp., Plaintiff

in the Circuit Court of Baldwin County

VERSUS

Fireman's Fund Insurance Company, Defendant
(Name of Court)

And that on the 23rd day of September, 196 8, I received
the return card showing receipt by the designated addressee of said envelope on
the 20th day of September, 196 8.

Witness my hand and official seal this the 23rd day of September,
196 8.

Walter D. Houseal
SUPERINTENDENT OF INSURANCE

STATE OF ALABAMA :

BALDWIN COUNTY :

TO ANY SHERIFF OF THE STATE OF ALABAMA :

You are hereby commanded to summon FIREMAN'S
FUND INSURANCE COMPANY, a corporation, to appear within thirty
(30) days from the service of this writ in the Circuit Court
to be held for said County at the place of holding the same,
then and there to answer the complaint of W.P. BROWN & SONS
LUMBER COMPANY, a corporation.

WITNESS my hand this 16 day of Sept.,
1968.

Alice D. Luck
CLERK

* * * * *

W.P. BROWN & SONS LUMBER COMPANY, : IN THE CIRCUIT COURT OF
a corporation,

Plaintiff, : BALDWIN COUNTY, ALABAMA

VS: : AT LAW

FIREMAN'S FUND INSURANCE :
COMPANY, a corporation,

Defendant : NO. 8320


COUNT ONE

Plaintiff claims of the Defendant the sum of, to-wit:

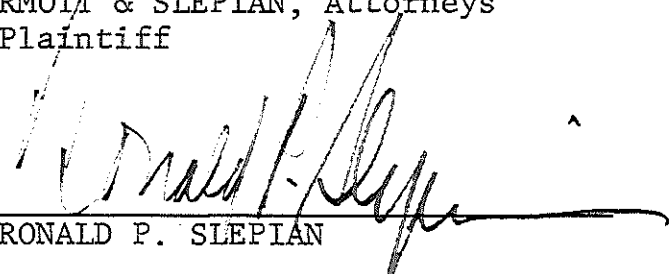
THIRTY THOUSAND AND NO/100 (\$30,000.00) DOLLARS, with interest thereon, due under the terms of a policy of insurance, Policy Number DDD 3200510, issued by the Defendant on, to-wit: March 17, 1965, and issued to the Plaintiff herein and others as their interests may appear, wherein and whereby the Plaintiff was insured, among other things, against loss of money, securities and other property which the Plaintiff shall sustain through any fraudulent or dishonest act or acts committed by any of the employees of Plaintiff, acting alone or in colusion with others, a copy of said policy being attached hereto, marked Exhibit "A", and made a part hereof as if herein set forth in detail. Plaintiff avers that it has complied with all terms of said contract of insurance and that during the life of said policy, and while it was in full force and effect, CHOYCE E. WINDHAM, an employee of RAY E. LOPER LUMBER COMPANY, INC. and of Plaintiff, alone or in colusion with others, did conspire together to unlawfully enter on lands located in Baldwin County, Alabama, and Mobile County, Alabama, upon which timber belonging to the Plaintiff was situated and to unlawfully cut and remove said timber and thereafter sell, or cause to be sold, such timber and to convert the proceeds therefrom to his or their own use. Plaintiff avers that its employee, acting individually or with others, did unlawfully cut and revove, or cause to be cut and removed, from lands in Alabama, timber belonging to Plaintiff and did sell, or cause to be sold, such timber and did convert the proceeds therefrom to his or their own use. Plaintiff avers that is has lost, through the aforesaid fraudulent and dishonest acts of its employee, the

sum of, to-wit: THIRTY THOUSAND AND NO/100 (\$30,000.00)

DOLLARS and, further, Plaintiff avers it is the owner of said policy of insurance, and has been the owner in conjunction with J. GRAHAM BROWN and others of said policy of insurance since it was issued, all premiums have been paid as required by said policy, and that the Defendant has had notice as required under the terms of said policy.


J.B. BLACKBURN, Attorney for
Plaintiff

McDERMOTT & SLEPIAN, Attorneys
For Plaintiff

By: 
RONALD P. SLEPIAN

Address of Defendant:

Please serve Defendant through
Insurance Commissioner, State
of Alabama, Montgomery, Alabama

FILED

SEP 16 1968

ALICE J. DUCK CLERK
REGISTER

FIREMAN'S FUND INSURANCE COMPANY

Home Office: San Francisco, California

(A Stock Company, herein called the Company)

DECLARATIONS

Item 1. Name of Insured: J. GRAHAM BROWN AND HIS INTERESTS AS THEY
APPEAR ON THE ATTACHED SCHEDULE "A"
(herein called the Insured)

Principal Address: LOUISVILLE, KENTUCKY
(NO., STREET, CITY, COUNTY, STATE)

Item 2. Policy Period: from noon on MARCH 17, 1965 to noon
(MONTH, DAY, YEAR)
on the effective date of the cancellation or termination of this Policy, standard time at the Principal Address as to each of said dates.

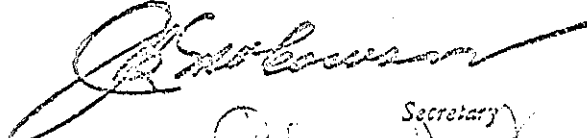
Item 3. Table of Limits of Liability

Insuring Agreement I	Employee Dishonesty Coverage—Form B	\$ 10,000.00
Insuring Agreement II	Loss Inside the Premises Coverage	\$ SEE SCHEDULE
Insuring Agreement III	Loss Outside the Premises Coverage	\$ SEE SCHEDULE
Insuring Agreement IV	Money Orders and Counterfeit Paper Currency Coverage	\$ NO COVERAGE
Insuring Agreement V	Depositors Forgery Coverage	\$ NO COVERAGE
If added by endorsement: Insuring Agreement VII—Open Stock		\$ SEE SCHEDULE

Item 4. The liability of the Company is subject to the terms of the following endorsements attached hereto:
Endorsement 48; Endorsement B810—Additional Insurance
Endorsement 78; Burglary Coverage on Merchandise & 164; Loss By Fire

Item 5. The Insured by the acceptance of this Policy gives notice to the Company terminating or canceling prior bond(s) or policy(ies) No.(s)
such termination or cancellation to be effective as of the time this Policy becomes effective.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed by its President and Secretary but this Policy shall not be valid unless countersigned by a duly authorized agent of the Company.


Secretary


President

Countersigned by

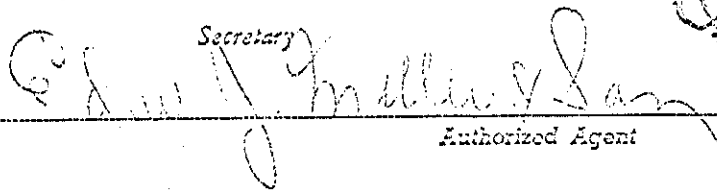

Authorized Agent

EXHIBIT "A"

The Company, in consideration of the payment of the premium, and subject to the Declarations made a part hereof, the General Agreements, Conditions and Limitations and other terms of this Policy, agrees with the Insured, in accordance with such of the Insuring Agreements hereof as are specifically designated by the insertion of an amount of insurance in the Table of Limits of Liability, to pay the Insured for:

INSURING AGREEMENTS

Employee Dishonesty Coverage—Form B

I. Loss of Money, Securities and other property which the Insured shall sustain through any fraudulent or dishonest act or acts committed by any of the Employees, acting alone or in collusion with others, the amount of insurance on each of such Employees being the amount stated in the Table of Limits of Liability applicable to this Insuring Agreement I.

Loss Inside the Premises Coverage

II. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof within the Premises or within any Banking Premises or similar recognized places of safe deposit.

Loss of (a) other property by Safe Burglary or Robbery within the Premises or attempt thereof, and (b) a locked cash drawer, cash box or cash register by felonious entry into such container within the Premises or attempt thereof or by felonious abstraction of such container from within the Premises or attempt thereof.

Damage to the Premises by such Safe Burglary, Robbery or felonious abstraction, or by or following burglarious entry into the Premises or attempt thereof, provided with respect to damage to the Premises the Insured is the owner thereof or is liable for such damage.

Loss Outside the Premises Coverage

III. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company or while within the living quarters in the home of any Messenger.

Loss of other property by Robbery or attempt thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company, or by theft while within the living quarters in the home of any Messenger.

Money Orders and Counterfeit Paper Currency Coverage

IV. Loss due to the acceptance in good faith, in exchange for merchandise, Money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, if such money order is not paid upon presentation, or due to the acceptance in good faith in the regular course of business of counterfeit United States or Canadian paper currency.

Depositors Forgery Coverage

V. Loss which the Insured or any bank which is included in the Insured's proof of loss and in which the Insured carries a checking or savings account, as their respective interests may appear, shall sustain through forgery or alteration of, on or in any check, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in money, made or drawn by or drawn upon the Insured, or made or drawn by one acting as agent of the Insured, or purporting to have been made or drawn as hereinbefore set forth, including

- (a) any check or draft made or drawn in the name of the Insured, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- (b) any check or draft procured in a face to face transaction with the Insured, or with one acting as agent of the Insured, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- (c) any payroll check, payroll draft or payroll order made or drawn by the Insured, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee;

whether or not any endorsement mentioned in (a), (b) or (c) be a forgery within the law of the place controlling the construction thereof.

Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Insuring Agreement, whether sustained by the Insured or such bank, shall be paid directly to

the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Company to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured.

If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Company shall give its written consent to the defense of such suit, then any reasonable attorneys' fees, court costs, or similar legal expenses incurred and paid by the Insured or such bank in such defense shall be construed to be a loss under this Insuring Agreement and the liability of the Company for such loss shall be in addition to any other liability under this Insuring Agreement.

GENERAL AGREEMENTS

Consolidation - Merger

A. If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become Employees or if the Insured shall thereby acquire the use and control of any additional Premises, the insurance afforded by this Policy shall also apply as respects such Employees and Premises, provided the Insured shall give the Company written notice thereof within thirty days thereafter and shall pay the Company an additional premium computed pro rata from the date of such consolidation, merger or purchase, to the end of the current premium period.

Joint Insured

B. If more than one Insured is covered under this Policy, the Insured first named shall act for itself and for every other Insured for all purposes of this Policy. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Sections 7, 8 and 15, constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance hereunder as respects any Employee as provided in Section 15 shall apply to every Insured. If, prior to the cancellation or termination of this Policy, this Policy or any Insuring Agreement hereof is canceled or terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such cancellation or termination or, as respects Insuring Agreement I, within two years thereafter. Payment by the Company to the Insured first named of any loss under this Policy shall fully release the Company on account of such loss. If the Insured first named ceases for any reason to be covered under this Policy, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Policy.

Loss Under Prior Bond or Policy

C. If the coverage of an Insuring Agreement of this Policy, other than Insuring Agreement V, is substituted for any prior bond or policy of insurance carried by the Insured or by any predecessor in interest of the Insured, which prior bond or policy is terminated, canceled or allowed to expire as of the time of such substitution, the Company agrees that such Insuring Agreement applies to loss which is discovered as provided in Section 1 of the Conditions and Limitations and which would have been recoverable by the Insured or such predecessor under such prior bond or policy except for the fact that the time within which to discover loss thereunder had expired; provided:

- (1) the insurance under this General Agreement C shall be a part of and not in addition to the amount of insurance afforded by the applicable Insuring Agreement of this Policy;
- (2) such loss would have been covered under such Insuring Agreement had such Insuring Agreement with its agreements, conditions and limitations as of the time of such substitution been in force when the acts or events causing such loss were committed or occurred; and
- (3) recovery under such Insuring Agreement on account of such loss shall in no event exceed the amount which would have been recoverable under such Insuring Agreement in the amount for which it is written as of the time of such substitution, had such Insuring Agreement been in force when such acts or events were committed or occurred, or the amount which would have been recoverable under such prior bond or policy had such prior bond or policy continued in force until the discovery of such loss, if the latter amount be smaller.

Insuring Agreement V shall also cover loss sustained by the Insured at any time before the termination or cancellation of Insuring Agreement V, which would have been recoverable under the coverage of some similar form of forgery insurance (exclusive of fidelity insurance) carried by the Insured or any predecessor

in interest of the Insured, had such prior forgery insurance given all of the coverage afforded under Insuring Agreement V; provided, with respect to loss covered by this paragraph:

- (a) the coverage of Insuring Agreement V is substituted on or after the date hereof for such prior forgery coverage and the Insured or such predecessor, as the case may be, carried such prior forgery coverage on the office at which such loss was sustained continuously from the time such loss was sustained to the date the coverage of Insuring Agreement V was substituted therefor;
- (b) at the time of discovery of such loss, the period for discovery of loss under all such prior forgery insurance has expired; and
- (c) if the amount of insurance carried under Insuring Agreement V applicable to the office at which such loss is sustained is larger than the amount applicable to such office under such prior forgery insurance, and in force at the time such loss is sustained, then liability hereunder for such loss shall not exceed the smaller amount.

**THE FOREGOING INSURING AGREEMENTS AND GENERAL AGREEMENTS
ARE SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS:**

Policy Period, Territory, Discovery

Section 1. Loss is covered under Insuring Agreement I of this Policy only if discovered not later than two years from the end of the Policy Period. Except under Insuring Agreement I, loss is covered under this Policy only if discovered not later than one year from the end of the Policy Period.

Subject to General Agreement C:

- (a) this Policy, except under Insuring Agreements I and V, applies only to loss which occurs during the Policy Period within any of the States of the United States of America, the District of Columbia, Alaska, Hawaii, Virgin Islands, Puerto Rico, Canal Zone or Canada;
- (b) Insuring Agreement I applies only to loss sustained by the Insured through fraudulent or dishonest acts committed during the Policy Period by any of the Employees engaged in the regular service of the Insured within the territory designated above or while such Employees are elsewhere for a limited period;
- (c) Insuring Agreement V applies only to loss sustained during the Policy Period.

Exclusions

Section 2. This Policy does not apply:

- (a) to loss due to any fraudulent, dishonest, or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- (b) under Insuring Agreement I, to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation; provided, however, that this paragraph shall not apply to loss of Money, Securities or other property which the Insured can prove, through evidence wholly apart from such computations, is sustained by the Insured through any fraudulent or dishonest act or acts committed by any one or more of the Employees;
- (c) under Insuring Agreements II and III, to loss due to any fraudulent, dishonest or criminal act by an Employee, director, trustee or authorized representative of any Insured, while working or otherwise and whether acting alone or in collusion with others; provided, this Exclusion does not apply to Safe Burglary or Robbery or attempt thereof;
- (d) under Insuring Agreements II and III, to loss due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
- (e) under Insuring Agreements II and III, to loss (1) due to the giving or surrendering of Money or Securities in any exchange or purchase; (2) due to accounting or arithmetical errors or omissions; or (3) of manuscripts, books of account or records;
- (f) under Insuring Agreement II, to loss of Money contained in coin operated amusement devices or vending machines, unless the amount of Money deposited within the device or machine is recorded by a continuous recording instrument therein;
- (g) under Insuring Agreement III, to loss of insured property while in the custody of any armored motor vehicle company, unless such loss is in excess of the amount recovered or received by the Insured under (1) the Insured's contract with said armored motor vehicle company, (2) insurance carried by

- said armored motor vehicle company for the benefit of users of its service, and (3) all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service, and then this Policy shall cover only such excess;
- (b) under Insuring Agreements II and III, to loss due to nuclear reaction, nuclear radiation or radioactive contamination, or to any act or condition incident to any of the foregoing.

Definitions

Section 3. The following terms, as used in this Policy, shall have the respective meanings stated in this Section:

"MONEY" means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held for sale to the public.

"SECURITIES" means all negotiable and non-negotiable instruments or contracts representing either Money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include Money.

"EMPLOYEE" means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured's business during the Policy Period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under Insuring Agreement I, the above words "while in the regular service of the Insured" shall include the first 90 days thereafter; subject, however, to Sections 15 and 16. *Means "also 30 days after termination of"*

"PREMISES" means the interior of that portion of any building which is occupied by the Insured in conducting its business.

"BANKING PREMISES" means the interior of that portion of any building which is occupied by a banking institution in conducting its business.

"MESSENGER" means the Insured or a partner of the Insured or any Employee who is duly authorized by the Insured to have the care and custody of the insured property outside the Premises.

"CUSTODIAN" means the Insured or a partner of the Insured or any Employee who is duly authorized by the Insured to have the care and custody of the insured property within the Premises, excluding any person while acting as a watchman, porter or janitor.

"ROBBERY" means the taking of insured property (1) by violence inflicted upon a Messenger or a Custodian; (2) by putting him in fear of violence; (3) by any other overt felonious act committed in his presence and of which he was actually cognizant, provided such other act is not committed by a partner or Employee of the Insured; (4) from the person or direct care and custody of a Messenger or Custodian who has been killed or rendered unconscious; or (5) under Insuring Agreement II, (a) from within the Premises by means of compelling a Messenger or Custodian by violence or threat of violence while outside the Premises to admit a person into the Premises or to furnish him with means of ingress into the Premises, or (b) from a showcase or show window within the Premises while regularly open for business, by a person who has broken the glass thereof from outside the Premises.

"SAFE BURGLARY" means (1) the felonious abstraction of insured property from within a vault or safe, the door of which is equipped with a combination lock, located within the Premises by a person making felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the felonious abstraction of such safe from within the Premises.

"LOSS", except under insuring Agreements I and V, includes damage.

Loss Caused by Unidentifiable Employees

Section 4. If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing such loss, the Insured shall nevertheless have the benefit of Insuring Agreement I, subject to the provisions of Section 2 (b) of this Policy, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more of the said Employees, and provided, further, that the aggregate liability of the Company for any such loss shall not exceed the Limit of Liability applicable to Insuring Agreement I.

Ownership of Property; Interests Covered

Section 5. The insured property may be owned by the Insured, or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable; provided, Insuring Agreements II, III and IV apply only to the interest of the Insured in such property, including the Insured's liability to others, and do not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss, in which event the third paragraph of Section 8 is applicable to them.

Books and Records

Section 6. The Insured shall keep records of all the insured property in such manner that the Company can accurately determine therefrom the amount of loss.

Prior Fraud, Dishonesty or Cancellation

Section 7. The coverage of Insuring Agreement I shall not apply to any Employee from and after the time that the Insured or any partner or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee has committed any fraudulent or dishonest act in the service of the Insured or otherwise, whether such act be committed before or after the date of employment by the Insured.

If, prior to the issuance of this Policy, any fidelity insurance in favor of the Insured or any predecessor in interest of the Insured and covering one or more of the Insured's Employees shall have been canceled as to any of such Employees by reason of the giving of written notice of cancellation by the insurer issuing such fidelity insurance, whether the Company or not, and if such Employees shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, the Company shall not be liable on account of such Employees unless the Company shall agree in writing to include such Employees within the coverage of Insuring Agreement I.

Loss — Notice — Proof — Action Against Company

Section 8. Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss, the Insured shall: (a) give notice thereof as soon as practicable to the Company or any of its authorized agents and, except under Insuring Agreements I and V, also to the police if the loss is due to a violation of law; (b) file detailed proof of loss, duly sworn to, with the Company within four months after the discovery of loss.

Proof of loss under Insuring Agreement V shall include the instrument which is the basis of claim for such loss, or if it shall be impossible to file such instrument, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss shall be accepted in lieu thereof.

Upon the Company's request, the Insured shall submit to examination by the Company, subscribe the same, under oath if required, and produce for the Company's examination all pertinent records, all at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to loss or claims with respect thereto.

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until ninety days after the required proofs of loss have been filed with the Company, nor at all unless commenced within two years from the date when the Insured discovers the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this Policy, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

Valuation — Payment — Replacement

Section 9. In no event shall the Company be liable as respects Securities for more than the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property, for more than the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the Insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The Company may, with the consent of the Insured, settle any claim for loss of property with the owner thereof. Any property for which the Company has made indemnification shall become the property of the Company.

In case of damage to the Premises or loss of property other than Securities, the Company shall not be liable for more than the actual cash value of such property, or for more than the actual cost of repairing such Premises or property or of replacing same with property or material of like quality and value. The Company may, at its election, pay such actual cash value, or make such repairs or replacements. If the Company and the Insured cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

Recoveries

Section 10. If the Insured shall sustain any loss covered by this Policy which exceeds the applicable amount of insurance hereunder, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, on account of such loss under this Policy until fully reimbursed, less the actual cost of effecting the same; and any remainder shall be applied to the reimbursement of the Company.

Limits of Liability

Section 11. Payment of loss under Insuring Agreement I or V shall not reduce the Company's liability for other losses under the applicable Insuring Agreement whenever sustained. The Company's total liability (a) under Insuring Agreement I as to each Employee or (b) under Insuring Agreement V for all loss by forgery or alteration committed by any person or in which such person is concerned or implicated, whether such forgery or alteration involves one or more instruments, is limited to the applicable amount of insurance specified in the Table of Limits of Liability or endorsement amendatory thereto. The liability of the Company for loss sustained by any or all of the Insured shall not exceed the amount for which the Company would be liable had all such loss been sustained by any one of the Insured.

Except under Insuring Agreements I and V, the applicable limit of liability stated in the Table of Limits of Liability is the total limit of the Company's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the Premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

Regardless of the number of years this Policy shall continue in force and the number of premiums which shall be payable or paid, the limit of the Company's liability as specified in the Table of Limits of Liability shall not be cumulative from year to year or period to period.

Limit of Liability Under This Policy and Prior Insurance

Section 12. This Section shall apply only to Insuring Agreements I and V.

With respect to loss caused by any person (whether one of the Employees or not) or which is chargeable to any Employee as provided in Section 4 and which occurs partly during the Policy Period and partly during the period of other bonds or policies issued by the Company to the Insured or to any predecessor in interest of the Insured and terminated or canceled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Company under this Policy and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under the applicable Insuring Agreement of this Policy on such loss or the amount available to the Insured under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

Other Insurance

Section 13. If there is available to the Insured any other insurance or indemnity covering any loss covered by Insuring Agreement I or V, the Company shall be liable hereunder only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity, except that if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Insuring Agreement V shall first be paid under Insuring Agreement V. Any loss covered under both Insuring Agreements I and V shall first be paid under Insuring Agreement V and the excess, if any, shall be paid under Insuring Agreement I. The Company waives any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Insuring Agreement V.

Under any other Insuring Agreement, if there is any other valid and collectible insurance which would apply in the absence of such Insuring Agreement, the insurance under this Policy shall apply only as

excess insurance over such other insurance; provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the Insured.

Subrogation

Section 14. In the event of any payment under this Policy, the Company shall be subrogated to all the Insured's rights of recovery therefor against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

Cancellation as to Any Employee

Section 15. Insuring Agreement I shall be deemed canceled as to any Employee: (a) immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such Employee, of any fraudulent or dishonest act on the part of such Employee; or (b) at noon, standard time as aforesaid, upon the effective date specified in a written notice mailed to the Insured. Such date shall be not less than fifteen days after the date of mailing. The mailing by the Company of notice as aforesaid to the Insured at the address shown in this Policy shall be sufficient proof of notice. Delivery of such written notice by the Company shall be equivalent to mailing.

Cancellation of Policy or Insuring Agreement

Section 16. This Policy or any Insuring Agreement may be canceled by the Insured by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This Policy or any Insuring Agreement may be canceled by the Company by mailing to the Insured at the address shown in this Policy written notice stating when not less than fifteen days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the Policy Period for any affected Insuring Agreement. Delivery of such written notice either by the Insured or by the Company shall be equivalent to mailing.

If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

No Benefit to Bailee

Section 17. This section shall apply only to Insuring Agreements II and III.

The insurance afforded by this Policy shall not inure directly or indirectly to the benefit of any carrier or other bailee for hire.

Assignment

Section 18. Assignment of interest under this Policy shall not bind the Company until its consent is endorsed hereon; if, however, the Insured shall die, this Policy shall cover the Insured's legal representative as Insured; provided that notice of cancellation addressed to the Insured named in the Declarations and mailed to the address shown in this Policy shall be sufficient notice to effect cancellation of this Policy.

Changes

Section 19. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy signed by an authorized agent of the Company.

By acceptance of this Policy the Insured agrees that it embodies all agreements existing between the Insured and the Company or any of its agents relating to this insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed on the Declarations page.

SCHEDULE "A"

BROWN HOTEL COMPANY, INC.

KENTUCKY HOTEL

BROWN SUBURBAN HOTEL

W. P. BROWN & SONS LUMBER COMPANY

RAY E. LOPER LUMBER COMPANY

BROWN LUMBER COMPANY

THE MOBILE & GULF RAILROAD COMPANY

REBECCA'S

BROADWAY & FOURTH AVENUE REALTY COMPANY

BROWN HOTEL FARMS

HILLS & DALES

JAY GEE REALTY COMPANY

J. GRAHAM BROWN FOUNDATION

5200 CRITTENDEN DRIVE REALTY, INC.

ENDORSEMENT 48B
Revised to May, 1957



To be attached to and form part of Policy No. 555 3200510

issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Company shall not be liable under Insuring Agreement I on account of loss through acts or defaults committed at any time, whether before or after this endorsement is effective, by any Employee, unless the amount of such loss, after deducting the net amount of all reimbursement and recovery, including any cash deposit taken by the Insured, obtained or made by the Insured, other than from any bond or policy of insurance issued by a surety or insurance company and covering such loss, or by the Company on account thereof prior to payment by the Company of such loss, shall be in excess of

ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), and then for such excess only, but in no event for more than the amount of insurance carried on such Employee under Insuring Agreement I. If more than one Employee is concerned or implicated in such loss, such deductible amount shall apply to each Employee so concerned or implicated.

2. The Company shall not be liable under Insuring Agreement II on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

3. The Company shall not be liable under Insuring Agreement III on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

4. In no event shall the Company be liable under any Insuring Agreement, as modified by this endorsement, for more than the amount specified in the Table of Limits of Liability as applicable to such Insuring Agreement subject, however, to Section 11.

5. Section 10 is deleted and the following inserted:

"Section 10. If the Insured shall sustain any loss covered by this Policy to which a deductible amount applies and such loss exceeds the applicable amount of insurance hereunder plus such deductible amount, the Insured shall be entitled to all recoveries made after payment by the Company of loss covered by this Policy (except from suretyship, insurance, re-insurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, less the actual cost of effecting such recoveries, until reimbursed for such excess loss; and any remainder, or, if there be no such excess loss, any such recoveries shall be applied first in reimbursement of the Company and thereafter in reimbursement of the Insured for that part of such loss within such deductible amount."

6. The Insured shall, within the time and in the manner prescribed in the Policy, give the Company notice of any loss of the kind covered by Insuring Agreement I, whether or not the Company is liable therefor or for any part thereof, and upon the request of the Company shall file with it a brief statement giving the particulars concerning such loss.

7. This endorsement is effective as of noon on JUNE 6, 1966? standard time as specified in the Policy.

Edw. J. Muller
Authorized Agent

Accepted: January 30, 1967
J. GRAHAM BROWN ET AL

By XER Clark Insured
Title

COMPREHENSIVE 3-D POLICY — FORM B ONLY. To provide a Deductible Amount under Insuring Agreement I, II or III.
SR 52238-5-65

Printed in U.S.A.

ENDORSEMENT

To be attached to and form part of Policy No. DDO 3200510

issued to J. GRAHAM BROWN ET AL

IT IS AGREED THAT INSURING AGREEMENT VII, BURGLARY
COVERAGE ON MERCHANDISE, APPLIES, SUBJECT TO THE
FOLLOWING PROVISIONS:

THE COMPANY SHALL NOT BE LIABLE ON ACCOUNT OF ANY LOSS,
EXCEPT TO THE EXTENT SUCH LOSS IS IN EXCESS OF
ONE HUNDRED AND NO/100-----(\$100.00)
WITH THE INSURANCE THEN APPLYING TO SUCH EXCESS ONLY,
SUBJECT OTHERWISE TO THE APPLICABLE LIMIT OF THE COMPANY'S
LIABILITY.

Nothing herein contained shall be held to vary, waive, alter or extend any of the exclusions, conditions or
other terms of this policy other than as above stated.

This endorsement is effective as of noon on June 6 1967

standard time as specified in the Policy.

ACCEPTED: June 13, 1967

J. GRAHAM BROWN ET AL

Insured

BY: X E. R. Clark, Secy

Title

Edward J. Mulheir & Son
Authorized Agent

DD 100 9/57

Printed in U.S.A.

ENDORSEMENT

To be attached to and form part of Policy No. DDO 3200510
 Issued to J. GRAHAM BROWN, ET AL

It is agreed that:

1. The Premises covered under Insuring Agreement II are those listed in the Schedule.
2. The Messengers or armored motor vehicles covered under Insuring Agreement III are those listed in the Schedule; provided, no Messenger or armored motor vehicle shall be deemed to be simultaneously operating from or serving more than one premises location.
3. General Agreement A is amended by deleting "or if the Insured Shall thereby acquire the use and control of any additional Premises" and the words "and Premises" appearing therein. As respects any new Premises of the Insured, additional to the Premises indicated in the Schedule, Insuring Agreement II shall apply subject to a limit of \$1,000.00; and, as respects Messengers or armored motor vehicles, additional to the Messengers or armored motor vehicles indicated in the Schedule, Insuring Agreement III shall apply subject to a limit of \$1,000.00; provided the Insured shall give the Company written notice of the occupancy of such new Premises and the employment of such additional Messengers or armored motor vehicles within sixty days thereafter and shall pay the Company an additional premium computed pro rata from such date to the end of the current premium period.
4. Subject to the foregoing provisions, the insurance provided by Insuring Agreements II and III shall apply as indicated below:

SCHEDULE

LOCATION OF PREMISES	INSURING AGREEMENT II (LOSS INSIDE THE PREMISES)	INSURING AGREEMENT III (LOSS OUTSIDE THE PREMISES)	NUMBER OF MESSENGERS	NUMBER OF ARMORED MOTOR VEHICLES
	AMOUNT	AMOUNT		
Brown Lumber Co., 500 E. Burnett, Louisville, Kentucky	\$1,000.00	\$1,000.00		
405 Brown Bldg., 321 W. Broadway, Louisville, Kentucky	\$1,000.00	\$1,000.00		
Fayette Alabama Location	\$1,000.00	\$1,000.00		
Live Oak, Florida Location	\$1,000.00	\$1,000.00		
5200(rear)Crittenden Drive Louisville, Kentucky	\$1,000.00	\$1,000.00		
Brown Farm, Browns Lane, St. Matthews, Kentucky	\$1,000.00	\$1,000.00		
Brown Farm, Watterson Trail, Buechel, Kentucky	\$1,000.00	\$1,000.00		
Brown Garage, 410 W. Broadway Louisville, Kentucky	\$1,000.00	\$1,000.00		
Rebecca's, 675 S. 4th Street Louisville, Kentucky	\$1,000.00	\$1,000.00		
Bay Minette, Alabama Location	\$2,500.00	\$2,500.00		
Tuscaloosa, Alabama, 1400 15th St.	\$2,500.00	\$2,500.00		
Brownville, Alabama Location	\$15,000.00	\$15,000.00		
Brown Hotel, 675 S. 4th Street Louisville, Kentucky	\$20,000.00	\$3,000.00		
Kentucky Hotel, 430 W. Walnut Louisville, Kentucky	\$20,000.00	\$3,000.00		
Brown Suburban Hotel, 3300-3326 Bardstown Road, Louisville, Kentucky	\$10,000.00	\$3,000.00		

5. THIS ENDORSEMENT IS EFFECTIVE AS OF NOON ON MARCH 17, 1965 STANDARD TIME AS SPECIFIED IN THE POLICY

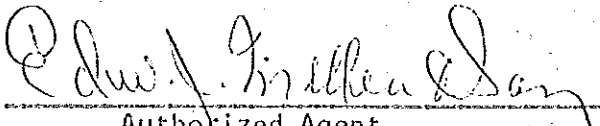
[Signature]
 Authorized Agent

ENDORSEMENT 810
ADDITIONAL INSURANCE FOR SPECIFIED PERIODS

IT IS AGREED THAT THE POLICY APPLIES, SUBJECT TO THE FOLLOWING PROVISION:
 THE APPLICABLE LIMITS OF INSURANCE FOR INSURING AGREEMENTS II AND III ARE INCREASED FOR THE PERIODS DESIGNATED FROM THE AMOUNTS SPECIFIED IN COLUMN 1 TO THE AMOUNT SPECIFIED IN COLUMN 2, AS TO LOSS WHICH OCCURS DURING SUCH DESIGNATED PERIODS: PROVIDED, THE AMOUNT BY WHICH ANY COVERAGE IS INCREASED DURING A DESIGNATED PERIOD SHALL APPLY ONLY TO LOSSES AS AFORESAID WHICH ARE DISCOVERED PRIOR TO THE EXPIRATION OF ONE YEAR FROM THE END OF SUCH DESIGNATED PERIOD. THIS INCREASE APPLIES ONLY TO THE FOLLOWING LOCATIONS: THE BROWN HOTEL, THE KENTUCKY HOTEL AND THE BROWN SUBURBAN HOTEL.

DESIGNATED PERIOD (12:01 A.M. to Each Date)	INSURING AGREEMENT	BROWN HOTEL		KENTUCKY HOTEL		BROWN SUBURBAN HOTEL	
		Column 1	Column 2	Column 1	Column 2	Column 1	Column 2
From April 27, 1965 to May 4, 1965	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From April 27, 1965 to May 4, 1965	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.
From May 3, 1966 to May 10, 1966	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From May 3, 1966 to May 10, 1966	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.
From May 2, 1967 to May 9, 1967	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From May 2, 1967 to May 9, 1967	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.

THIS ENDORSEMENT IS EFFECTIVE AS OF NOON ON MARCH 17, 1965 STANDARD TIME AS SPECIFIED IN THE POLICY.


 Authorized Agent



The Fidelity Insurance Company
FIDELITY FUND INSURANCE COMPANY
HOME FIRE & MARINE INSURANCE COMPANY
NATIONAL SURETY CORPORATION

ENDORSEMENT 78

Revised to May, 1959

To be attached to and form part of Policy No. DDO 3200510

Issued to J. GRAHAM BROWN, ET AL

It is agreed that:

1. The Policy is amended as follows:

(a) By adding to the Table of Limits of Liability the following:

"Insuring Agreement VII

Burglary Coverage On Merchandise

\$4,500.00

(b) By adding to the Insuring Agreements an additional Insuring Agreement as follows:

"BURGLARY COVERAGE ON MERCHANDISE

"VII. Loss by Burglary or by Robbery of a Watchman, while the Premises are not open for business, of merchandise, furniture, fixtures and equipment within the Premises or within a showcase or show window used by the Insured and located outside the Premises but inside the building line of the building containing the Premises or attached to said building.

"Damage to the Premises, and to the insured property within the Premises or within such showcase or show window, by such Burglary, Robbery of a Watchman, or attempt thereof, provided with respect to damage to the Premises the Insured is the owner thereof or is liable for such damage."

2. As respects each Premises designated below, the protection or service described below as applicable thereto will be maintained by the Insured while this Policy is in force.

Location of Premises

Protection or Service Afforded

COMMISSARY, BROWNVILLE, ALABAMA

3. The foregoing Insuring Agreement is subject to the Special Agreements set forth on the reverse side hereof.

4. This endorsement is effective as of noon on MARCH 17, 1965
standard time as specified in the Policy.

Edward J. Miller & Son
Authorized Agent

COMPREHENSIVE 3-D POLICY. To add Burglary
Coverage on Merchandise — Blanket Coverage.
H-DD 78B 6-55

(over)

Printed in U.S.A.

The following Special Agreements referred to in Paragraph 3 hereof apply to Insuring Agreement VII:

- (a) General Agreement C does not apply to Insuring Agreement VII. Section 1 is amended to read: "This Policy applies only to loss which occurs during the Policy Period within any of the States of the United States of America, the District of Columbia, Hawaii, Virgin Islands, Puerto Rico, Canal Zone or Canada." Divisions (c), (d) and (h) of Section 2, and Section 5, shall apply to Insuring Agreement VII exactly as they apply to Insuring Agreement II.
- (b) The insurance under Insuring Agreement VII does not apply (1) to loss of manuscripts, books of account or records; (2) to loss of furs or articles containing fur which represents their principal value, by removal of such property from within a showcase or show window by a person who has broken the glass thereof from outside the Premises or by an accomplice of any such person; (3) to loss occurring while there is any change in the condition of the risk or during a fire in the Premises; (4) to damage by vandalism or malicious mischief.
- (c) The definition of "Premises" in Section 3 is amended to read:
"Premises" means the interior of that portion of any building which is occupied solely by the Insured in conducting its business, but shall not include (1) showcases or show windows not opening directly into the interior of the Premises, or (2) public entrances, halls or stairways.
- (d) "Burglary" means the felonious abstraction of insured property (1) from within the Premises by a person making felonious entry therein by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon, or physical damage to, the exterior of the Premises at the place of such entry, or (2) from within a showcase or show window outside the Premises by a person making felonious entry into such showcase or show window by actual force and violence, of which force and violence there are visible marks thereon.
"Robbery of a Watchman" means the taking of insured property by violence or threat of violence inflicted upon a private watchman employed exclusively by the Insured and while such watchman is on duty within the Premises.
"Jewelry" means jewelry, watches, gems, precious or semiprecious stones and articles containing one or more gems.
- (e) Subject to Section 11: (1) the actual cash value of any one article of jewelry shall be deemed not to exceed \$50; (2) the limit of the Company's liability for loss of the contents of any showcase or show window not opening directly into the interior of the Premises is \$100; and (3) subject to the applicable limit of liability, the actual cash value of property held by the Insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.
The occurrence of any loss shall reduce the applicable limit of liability by the extent of the Company's liability for such loss until the Premises are restored to at least the same condition of safety as immediately prior to the loss; but such reduction shall not occur with respect to loss occurring subsequent to the receipt by the Company of notice of loss for which the Company is liable under this Policy, if the Insured shall maintain within the Premises at least one watchman while the Premises are not open for business.
- (f) In the event of loss hereunder, upon the Company's request the Insured shall furnish a complete inventory of all property within the Premises not stolen or damaged, stating the original cost and actual cash value and quantity thereof.
- (g) If for reasons beyond the Insured's control (1) it fails to maintain the alarm system stated in this endorsement but, until such alarm system has been fully restored to proper working condition, it provides at least one watchman within the Premises at all times when the Premises are not open for business and such watchman is in addition to any number of watchmen as are promised in this endorsement, or (2) it fails to maintain any other service or equipment as stated in this endorsement, the insurance hereunder shall apply only in the reduced amount which the premium for this endorsement would have purchased, in accordance with the Company's manual as of the commencement of such failure, in the absence of any agreement of the Insured to maintain such service or equipment.

Endorsement 164 :

To be attached to and form part of Policy No. DDD 3200510

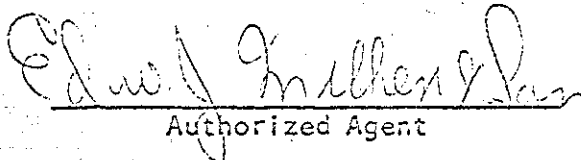
issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Policy is amended by substituting a semi-colon for the period after sub-section (h) of Section 2 and by adding the following:

- (i) under Insuring Agreement II, to loss, other than to money, securities, a safe or vault, by fire whether or not such fire is caused by, contributed to by or arise out of the occurrence of a hazard insured against.

2. This endorsement is effective as of noon on MARCH 17, 1965 standard time as specified in the policy.


Authorized Agent

Comprehensive 3-D-Blanket Crime Policies. To exclude from Insuring Agreement II, loss by fire other than to money, securities, a safe or vault.

H-DD 164 2-63

ENDORSEMENT 46B
Revised to May, 1957

To be attached to and form part of Policy No. DDD 3200510

issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Company shall not be liable under Insuring Agreement I on account of loss through acts or defaults committed at any time, whether before or after this endorsement is effective, by any Employee, unless the amount of such loss, after deducting the net amount of all reimbursement and recovery, including any cash deposit taken by the Insured, obtained or made by the Insured, other than from any bond or policy of insurance issued by a surety or insurance company and covering such loss, or by the Company on account thereof prior to payment by the Company of such loss, shall be in excess of

ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), and then for such excess only, but in no event for more than the amount of insurance carried on such Employee under Insuring Agreement I. If more than one Employee is concerned or implicated in such loss, such deductible amount shall apply to each Employee so concerned or implicated.

2. The Company shall not be liable under Insuring Agreement II on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

3. The Company shall not be liable under Insuring Agreement III on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

4. In no event shall the Company be liable under any Insuring Agreement, as modified by this endorsement, for more than the amount specified in the Table of Limits of Liability as applicable to such Insuring Agreement subject, however, to Section 11.

5. Section 10 is deleted and the following inserted:

"Section 10. If the Insured shall sustain any loss covered by this Policy to which a deductible amount applies and such loss exceeds the applicable amount of insurance hereunder plus such deductible amount, the Insured shall be entitled to all recoveries made after payment by the Company of loss covered by this Policy (except from suretyship, insurance, re-insurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, less the actual cost of effecting such recoveries, until reimbursed for such excess loss; and any remainder, or, if there be no such excess loss, any such recoveries shall be applied first in reimbursement of the Company and thereafter in reimbursement of the Insured for that part of such loss within such deductible amount."

6. The Insured shall, within the time and in the manner prescribed in the Policy, give the Company notice of any loss of the kind covered by Insuring Agreement I, whether or not the Company is liable therefor or for any part thereof, and upon the request of the Company shall file with it a brief statement giving the particulars concerning such loss.

7. This endorsement is effective as of noon on JUNE 6, 1966, standard time as specified in the Policy.

Edw. J. Miller & Son
Authorized Agent

Accepted:

J. GRAHAM BROWN ET AL

Insured

By

E. J. Brown

Title

COMPREHENSIVE 3-D POLICY — FORM B ONLY. To provide a Deductible Amount under Insuring Agreement I, II or III.

SR 52238-5-65

Printed in U.S.A.

ENDORSEMENT _____

To be attached to and form part of Policy No. DDD 3200510
issued to J. GRAHAM BROWN ET AL

IT IS AGREED THAT INSURING AGREEMENT VII, BURGLARY
COVERAGE ON MERCHANDISE, APPLIES, SUBJECT TO THE
FOLLOWING PROVISIONS:

THE COMPANY SHALL NOT BE LIABLE ON ACCOUNT OF ANY LOSS,
EXCEPT TO THE EXTENT SUCH LOSS IS IN EXCESS OF
ONE HUNDRED AND NO/100-----(\$100.00).
WITH THE INSURANCE THEN APPLYING TO SUCH EXCESS ONLY,
SUBJECT OTHERWISE TO THE APPLICABLE LIMIT OF THE COMPANY'S
LIABILITY.

Nothing herein contained shall be held to vary, waive, alter or extend any of the exclusions, conditions or
other terms of this policy other than as above stated.

This endorsement is effective as of noon on 6/6-1966
standard time as specified in the Policy.

ACCEPTED:

J. GRAHAM BROWN ET AL

Insured

BY: [Signature]

Title

[Signature]
Authorized Agent

Received to day of Sept 1968
 and on _____
 I served a copy to _____
 on _____
 By service on _____
 TAYLOR WILKINS, Sheriff
 D. S.

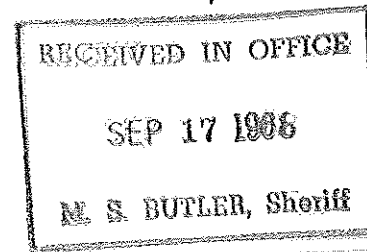
8320

W. P. Brown & Sons
 Lumber Co. a corp.
 Ppty.

vs.

Fireman's Fund
 Insurance Co. a corp.
 Dept

3774



Executed by serving 2 copies of
 the within on Walter House
 _____ Superintendent
 of Insurance, State of Alabama
 This The 18 day of Sept 1968
 Sheriff of Montgomery County
 M. S. Butler
 By W. L. Moser D. S.

RECEIVED
 SEP 16 1968
 TAYLOR WILKINS
 Sheriff

FILED

SEP 16 1968

ALICE J. DUCK CLERK
 REGISTER

J. B. Blackmon

M. S. Butler, Sheriff of Montgomery
 County, Alabama, Claim \$1.50 each for
 serving 1 process(es) and \$1.00
 travel expense on each of
 process(es) or a total of \$2.50

W. L. Moser Deputy Sheriff

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

W. P. BROWN & SONS LUMBER :
COMPANY, a Corporation, :

Plaintiff :

vs. :

CIVIL ACTION NO. _____

FIREMAN'S FUND INSURANCE :
COMPANY, a Corporation, :

Defendant. :

PETITION OF DEFENDANT FOR REMOVAL TO
UNITED STATES DISTRICT COURT

Comes now the defendant and shows unto this Honorable
Court the following:

1. The plaintiff is now and was at the time of the
commencement of this suit a corporation incorporated under
the laws of the State of Kentucky with its principal place
of business in the State of Kentucky. The defendant is now
and was at the time of the commencement of this suit a
corporation incorporated under the laws of the State of
California with its principal place of business in the
State of California. This action is, therefore, wholly
between resident citizens of different states and is one
which can be fully determined between them.

2. This is a suit for the recovery of Thirty
Thousand Dollars (\$30,000.00) from the defendant,

this being the amount claimed by the plaintiff in the suit filed in the Circuit Court of Baldwin County, Alabama, case number 8320 on the docket of said court, which suit is for money due under a policy of insurance.

3. The amount sued for and involved in this suit exceeds the sum of \$10,000.00, exclusive of interest and costs. The defendant has not filed any pleadings in the Circuit Court of Baldwin County, Alabama, in said cause. Less than thirty days have expired since the defendant was purportedly served with the complaint in this cause. Attached hereto as Exhibit A and made a part hereof are copies of all process and pleading purported to have been served in this cause upon the defendant.

4. The defendant desires to remove this action to this Court on the grounds of diversity of citizenship existing between the parties pursuant to the Act of Congress concerning removal. The defendant therefore files and offers herewith bond with good and sufficient surety in the penal sum of Five Hundred and No/100 Dollars (\$500.00) conditioned that the defendant will pay all costs and disbursements incurred by reason of this said removal proceeding should it be determined that this action was wrongfully or improperly removed to this Court.

5. The defendant represents that promptly upon the filing of this petition and the bond filed herewith, it shall give written notice thereof to the adverse party and shall file a copy of the petition with the Clerk of the Circuit Court of Baldwin County, Alabama,

wherein said action is now pending.

WHEREFORE, the defendant prays that the said bond filed herewith be accepted as good and sufficient and that this Court will enter such orders as may be proper in the premises.

Dated this 10 day of October, 1968.




Attorneys for Defendant
First National Bank Building
Mobile, Alabama

Of Counsel:

HAND, ARENDALL, BEDSOLE, GREAVES AND JOHNSTON

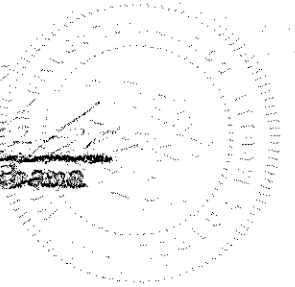
STATE OF ALABAMA:
COUNTY OF MOBILE:

Thomas C. Greaves, Jr., being first duly sworn, doth depose and say that he is one of the attorneys representing the defendant and that as such he is authorized to execute this affidavit in behalf of said defendant, and that he has read the foregoing petition and knows the contents thereof, and that he states the facts therein to be true.


Thomas C. Greaves, Jr.

Subscribed and sworn to before me on this 10th
day of October, 1968.

Carroll Ann R. [Signature]
Notary Public, Mobile County, Alabama



STATE OF ALABAMA :

BALDWIN COUNTY :

TO ANY SHERIFF OF THE STATE OF ALABAMA :

You are hereby commanded to summon FIREMAN'S FUND INSURANCE COMPANY, a corporation, to appear within thirty (30) days from the service of this writ in the Circuit Court to be held for said County at the place of holding the same, then and there to answer the complaint of W.P. BROWN & SONS LUMBER COMPANY, a corporation.

WITNESS my hand this 16 day of Sept., 1968.

Alice J. Clark
CLERK

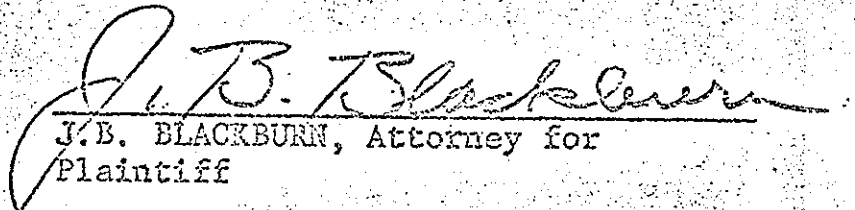
W.P. BROWN & SONS LUMBER COMPANY,	:	IN THE CIRCUIT COURT OF
a corporation,	:	
Plaintiff,	:	BALDWIN COUNTY, ALABAMA
VS:	:	AT LAW
FIREMAN'S FUND INSURANCE	:	
COMPANY, a corporation,	:	
Defendant	:	NO. <u>8320</u>

COUNT ONE

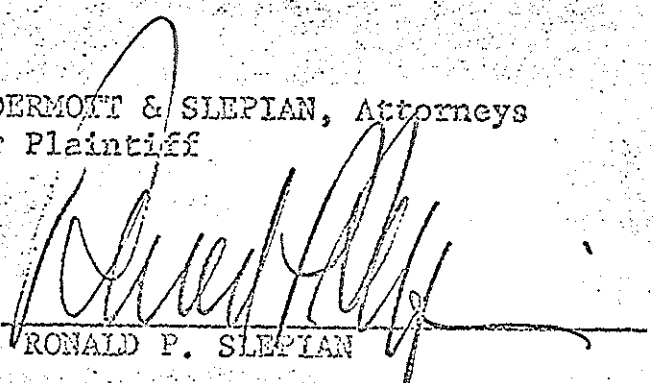
Plaintiff claims of the Defendant the sum of, to-wit:

THIRTY THOUSAND AND NO/100 (\$30,000.00) DOLLARS, with interest thereon, due under the terms of a policy of insurance, Policy Number DDD 3200510, issued by the Defendant on, to-wit: March 17, 1965, and issued to the Plaintiff herein and others as their interests may appear, wherein and whereby the Plaintiff was insured, among other things, against loss of money, securities and other property which the Plaintiff shall sustain through any fraudulent or dishonest act or acts committed by any of the employees of Plaintiff, acting alone or in colusion with others, a copy of said policy being attached hereto, marked Exhibit "A", and made a part hereof as if herein set forth in detail. Plaintiff avers that it has complied with all terms of said contract of insurance and that during the life of said policy, and while it was in full force and effect, CHOYCE E. WINDHAM, an employee of RAY E. LOPER LUMBER COMPANY, INC. and of Plaintiff, alone or in colusion with others, did conspire together to unlawfully enter on lands located in Baldwin County, Alabama, and Mobile County, Alabama, upon which timber belonging to the Plaintiff was situated and to unlawfully cut and remove said timber and thereafter sell, or cause to be sold, such timber and to convert the proceeds therefrom to his or their own use. Plaintiff avers that its employee, acting individually or with others, did unlawfully cut and remove, or cause to be cut and removed, from lands in Alabama, timber belonging to Plaintiff and did sell, or cause to be sold, such timber and did convert the proceeds therefrom to his or their own use. Plaintiff avers that it has lost, through the aforesaid fraudulent and dishonest acts of its employee, the

sum of, to-wit: THIRTY THOUSAND AND NO/100 (\$30,000.00)
DOLLARS and, further, Plaintiff avers it is the owner of said
policy of insurance, and has been the owner in conjunction with
J. GRAHAM BROWN and others of said policy of insurance since it
was issued, all premiums have been paid as required by said policy,
and that the Defendant has had notice as required under the terms
of said policy.


J.B. BLACKBURN, Attorney for
Plaintiff

McDERMOTT & SLEPIAN, Attorneys
For Plaintiff

By: 
RONALD P. SLEPIAN

Address of Defendant:

Please serve Defendant through
Insurance Commissioner, State
of Alabama, Montgomery, Alabama

FILED

SEP 16 1968

ALICE J. DUCK CLERK
REGISTER

FIREMAN'S FUND INSURANCE COMPANY

Home Office: San Francisco, California

(A Stock Company, herein called the Company)

DECLARATIONS

Item 1. Name of Insured: J. GRAHAM BROWN AND HIS INTERESTS AS THEY

APPEAR ON THE ATTACHED SCHEDULE "A"

(herein called the Insured)

Principal Address:

LOUISVILLE, KENTUCKY

(NO., STREET, CITY, COUNTY, STATE)

Item 2. Policy Period: from noon on

MARCH 17, 1965

to noon

(MONTH, DAY, YEAR)

on the effective date of the cancellation or termination of this Policy, standard time at the Principal Address as to each of said dates.

Item 3. Table of Limits of Liability

Insuring Agreement I Employee Dishonesty Coverage—Form B \$ 10,000.00

Insuring Agreement II Loss Inside the Premises Coverage \$ SEE SCHEDULE

Insuring Agreement III Loss Outside the Premises Coverage \$ SEE SCHEDULE

Insuring Agreement IV Money Orders and Counterfeit Paper
Currency Coverage \$ NO COVERAGE

Insuring Agreement V Depositors Forgery Coverage \$ NO COVERAGE

If added by endorsement:

Insuring Agreement VII—Open Stock \$ SEE SCHEDULE

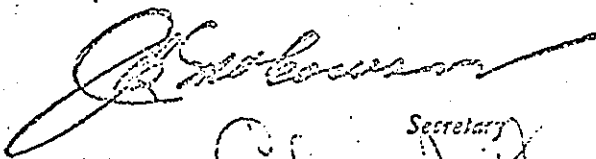
Item 4. The liability of the Company is subject to the terms of the following endorsements attached hereto:
Endorsement 48; Endorsement B810—Additional Insurance

Endorsement 78; Burglary Coverage on Merchandise & 164; Loss By Fire

Item 5. The Insured by the acceptance of this Policy gives notice to the Company terminating or canceling prior bond(s) or policy(ies) No.(s).

such termination or cancellation to be effective as of the time this Policy becomes effective.

IN WITNESS WHEREOF, the Company has caused this Policy to be signed by its President and Secretary but this Policy shall not be valid unless countersigned by a duly authorized agent of the Company.

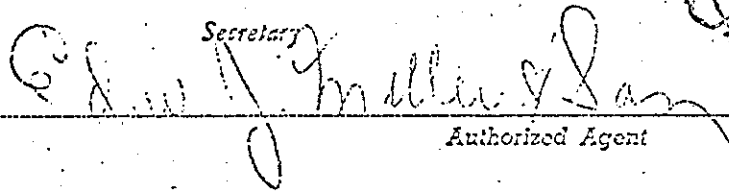


Secretary



President

Countersigned by



Authorized Agent

EXHIBIT "A"

The Company, in consideration of the payment of the premium, and subject to the Declarations made a part hereof, the General Agreements, Conditions and Limitations and other terms of this Policy, agrees with the Insured, in accordance with such of the Insuring Agreements hereof as are specifically designated by the insertion of an amount of insurance in the Table of Limits of Liability, to pay the Insured for:

INSURING AGREEMENTS

Employee Dishonesty Coverage—Form B

I. Loss of Money, Securities and other property which the Insured shall sustain through any fraudulent or dishonest act or acts committed by any of the Employees, acting alone or in collusion with others, the amount of insurance on each of such Employees being the amount stated in the Table of Limits of Liability applicable to this Insuring Agreement I.

Loss Inside the Premises Coverage

II. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof within the Premises or within any Banking Premises or similar recognized places of safe deposit.

Loss of (a) other property by Safe Burglary or Robbery within the Premises or attempt thereof, and (b) a locked cash drawer, cash box or cash register by felonious entry into such container within the Premises or attempt thereof or by felonious abstraction of such container from within the Premises or attempt thereof.

Damage to the Premises by such Safe Burglary, Robbery or felonious abstraction, or by or following burglarious entry into the Premises or attempt thereof, provided with respect to damage to the Premises the Insured is the owner thereof or is liable for such damage.

Loss Outside the Premises Coverage

III. Loss of Money and Securities by the actual destruction, disappearance or wrongful abstraction thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company or while within the living quarters in the home of any Messenger.

Loss of other property by Robbery or attempt thereof outside the Premises while being conveyed by a Messenger or any armored motor vehicle company, or by theft while within the living quarters in the home of any Messenger.

Money Orders and Counterfeit Paper Currency Coverage

IV. Loss due to the acceptance in good faith, in exchange for merchandise, Money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, if such money order is not paid upon presentation, or due to the acceptance in good faith in the regular course of business of counterfeit United States or Canadian paper currency.

Depositors Forgery Coverage

V. Loss which the Insured or any bank which is included in the Insured's proof of loss and in which the Insured carries a checking or savings account, as their respective interests may appear, shall sustain through forgery or alteration of, on or in any check, draft, promissory note, bill of exchange, or similar written promise, order or direction to pay a sum certain in money, made or drawn by or drawn upon the Insured, or made or drawn by one acting as agent of the Insured, or purporting to have been made or drawn as hereinbefore set forth, including

- (a) any check or draft made or drawn in the name of the Insured, payable to a fictitious payee and endorsed in the name of such fictitious payee;
- (b) any check or draft procured in a face to face transaction with the Insured, or with one acting as agent of the Insured, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
- (c) any payroll check, payroll draft or payroll order made or drawn by the Insured, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee;

whether or not any endorsement mentioned in (a), (b) or (c) be a forgery within the law of the place controlling the construction thereof.

Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

The Insured shall be entitled to priority of payment over loss sustained by any bank aforesaid. Loss under this Insuring Agreement, whether sustained by the Insured or such bank, shall be paid directly to

the Insured in its own name, except in cases where such bank shall have already fully reimbursed the Insured for such loss. The liability of the Company to such bank for such loss shall be a part of and not in addition to the amount of insurance applicable to the Insured's office to which such loss would have been allocated had such loss been sustained by the Insured.

If the Insured or such bank shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Insured or such bank to enforce such payment and the Company shall give its written consent to the defense of such suit, then any reasonable attorneys' fees, court costs, or similar legal expenses incurred and paid by the Insured or such bank in such defense shall be construed to be a loss under this Insuring Agreement and the liability of the Company for such loss shall be in addition to any other liability under this Insuring Agreement.

GENERAL AGREEMENTS

Consolidation - Merger

A. If, through consolidation or merger with, or purchase of assets of, some other concern, any persons shall become Employees or if the Insured shall thereby acquire the use and control of any additional Premises, the insurance afforded by this Policy shall also apply as respects such Employees and Premises, provided the Insured shall give the Company written notice thereof within thirty days thereafter and shall pay the Company an additional premium computed pro rata from the date of such consolidation, merger, or purchase, to the end of the current premium period.

Joint Insured

B. If more than one Insured is covered under this Policy, the Insured first named shall act for itself and for every other Insured for all purposes of this Policy. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Sections 7, 8 and 15, constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance hereunder as respects any Employee as provided in Section 15 shall apply to every Insured. If, prior to the cancellation or termination of this Policy, this Policy or any Insuring Agreement hereof is canceled or terminated as to any Insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such cancellation or termination or, as respects Insuring Agreement I, within two years therefrom. Payment by the Company to the Insured first named of any loss under this Policy shall fully release the Company on account of such loss. If the Insured first named ceases for any reason to be covered under this Policy, then the Insured next named shall thereafter be considered as the Insured first named for all purposes of this Policy.

Loss Under Prior Bond or Policy

C. If the coverage of an Insuring Agreement of this Policy, other than Insuring Agreement V, is substituted for any prior bond or policy of insurance carried by the Insured or by any predecessor in interest of the Insured, which prior bond or policy is terminated, canceled or allowed to expire as of the time of such substitution, the Company agrees that such Insuring Agreement applies to loss which is discovered as provided in Section 1 of the Conditions and Limitations and which would have been recoverable by the Insured or such predecessor under such prior bond or policy except for the fact that the time within which to discover loss thereunder had expired; provided:

- (1) the insurance under this General Agreement C shall be a part of and not in addition to the amount of insurance afforded by the applicable Insuring Agreement of this Policy;
- (2) such loss would have been covered under such Insuring Agreement had such Insuring Agreement with its agreements, conditions and limitations as of the time of such substitution been in force when the acts or events causing such loss were committed or occurred; and
- (3) recovery under such Insuring Agreement on account of such loss shall in no event exceed the amount which would have been recoverable under such Insuring Agreement in the amount for which it is written as of the time of such substitution, had such Insuring Agreement been in force when such acts or events were committed or occurred, or the amount which would have been recoverable under such prior bond or policy had such prior bond or policy continued in force until the discovery of such loss, if the latter amount be smaller.

Insuring Agreement V shall also cover loss sustained by the Insured at any time before the termination or cancellation of Insuring Agreement V, which would have been recoverable under the coverage of some similar form of forgery insurance (exclusive of fidelity insurance) carried by the Insured or any predecessor

in interest of the Insured, had such prior forgery insurance given all of the coverage afforded under Insuring Agreement V; provided, with respect to loss covered by this paragraph:

- (a) the coverage of Insuring Agreement V is substituted on or after the date hereof for such prior forgery coverage and the Insured or such predecessor, as the case may be, carried such prior forgery coverage on the office at which such loss was sustained continuously from the time such loss was sustained to the date the coverage of Insuring Agreement V was substituted therefor;
- (b) at the time of discovery of such loss, the period for discovery of loss under all such prior forgery insurance has expired; and
- (c) if the amount of insurance carried under Insuring Agreement V applicable to the office at which such loss is sustained is larger than the amount applicable to such office under such prior forgery insurance, and in force at the time such loss is sustained, then liability hereunder for such loss shall not exceed the smaller amount.

**THE FOREGOING INSURING AGREEMENTS AND GENERAL AGREEMENTS
ARE SUBJECT TO THE FOLLOWING CONDITIONS AND LIMITATIONS:**

Policy Period, Territory, Discovery

Section 1. Loss is covered under Insuring Agreement I of this Policy only if discovered not later than two years from the end of the Policy Period. Except under Insuring Agreement I, loss is covered under this Policy only if discovered not later than one year from the end of the Policy Period.

Subject to General Agreement C:

- (a) this Policy, except under Insuring Agreements I and V, applies only to loss which occurs during the Policy Period within any of the States of the United States of America, the District of Columbia, Alaska, Hawaii, Virgin Islands, Puerto Rico, Canal Zone or Canada;
- (b) Insuring Agreement I applies only to loss sustained by the Insured through fraudulent or dishonest acts committed during the Policy Period by any of the Employees engaged in the regular service of the Insured within the territory designated above or while such Employees are elsewhere for a limited period;
- (c) Insuring Agreement V applies only to loss sustained during the Policy Period.

Exclusions

Section 2. This Policy does not apply:

- (a) to loss due to any fraudulent, dishonest, or criminal act by any Insured or a partner therein, whether acting alone or in collusion with others;
- (b) under Insuring Agreement I, to loss, or to that part of any loss, as the case may be, the proof of which, either as to its factual existence or as to its amount, is dependent upon an inventory computation or a profit and loss computation; provided, however, that this paragraph shall not apply to loss of Money, Securities or other property which the Insured can prove, through evidence wholly apart from such computations, is sustained by the Insured through any fraudulent or dishonest act or acts committed by any one or more of the Employees;
- (c) under Insuring Agreements II and III, to loss due to any fraudulent, dishonest or criminal act by an Employee, director, trustee or authorized representative of any Insured, while working or otherwise and whether acting alone or in collusion with others; provided, this Exclusion does not apply to Safe Burglary or Robbery or attempt thereof;
- (d) under Insuring Agreements II and III, to loss due to war, whether or not declared, civil war, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
- (e) under Insuring Agreements II and III, to loss (1) due to the giving or surrendering of Money or Securities in any exchange or purchase; (2) due to accounting or arithmetical errors or omissions; or (3) of manuscripts, books of account or records;
- (f) under Insuring Agreement II, to loss of Money contained in coin operated amusement devices or vending machines, unless the amount of Money deposited within the device or machine is recorded by a continuous recording instrument therein;
- (g) under Insuring Agreement III, to loss of insured property while in the custody of any armored motor vehicle company, unless such loss is in excess of the amount recovered or received by the Insured under (1) the Insured's contract with said armored motor vehicle company, (2) insurance carried by

said armored motor vehicle company for the benefit of users of its service, and (3) all other insurance and indemnity in force in whatsoever form carried by or for the benefit of users of said armored motor vehicle company's service, and then this Policy shall cover only such excess;

- (b) under Insuring Agreements II and III, to loss due to nuclear reaction, nuclear radiation or radioactive contamination, or to any act or condition incident to any of the foregoing.

Definitions

Section 3. The following terms, as used in this Policy, shall have the respective meanings stated in this Section:

"MONEY" means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held for sale to the public.

"SECURITIES" means all negotiable and non-negotiable instruments or contracts representing either Money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include Money.

"EMPLOYEE" means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the regular service of the Insured in the ordinary course of the Insured's business during the Policy Period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. As applied to loss under Insuring Agreement I, the above words "while in the regular service of the Insured" shall include the first 30 days thereafter; subject, however, to Sections 15 and 16. *Means also 30 days after termination by*

"PREMISES" means the interior of that portion of any building which is occupied by the Insured in conducting its business.

"BANKING PREMISES" means the interior of that portion of any building which is occupied by a banking institution in conducting its business.

"MESSENGER" means the Insured or a partner of the Insured or any Employee who is duly authorized by the Insured to have the care and custody of the insured property outside the Premises.

"CUSTODIAN" means the Insured or a partner of the Insured or any Employee who is duly authorized by the Insured to have the care and custody of the insured property within the Premises, excluding any person while acting as a watchman, porter or janitor.

"ROBBERY" means the taking of insured property (1) by violence inflicted upon a Messenger or a Custodian; (2) by putting him in fear of violence; (3) by any other overt felonious act committed in his presence and of which he was actually cognizant, provided such other act is not committed by a partner or Employee of the Insured; (4) from the person or direct care and custody of a Messenger or Custodian who has been killed or rendered unconscious; or (5) under Insuring Agreement II, (a) from within the Premises by means of compelling a Messenger or Custodian by violence or threat of violence while outside the Premises to admit a person into the Premises or to furnish him with means of ingress into the Premises, or (b) from a showcase or show window within the Premises while regularly open for business, by a person who has broken the glass thereof from outside the Premises.

"SAFE BURGLARY" means (1) the felonious abstraction of insured property from within a vault or safe, the door of which is equipped with a combination lock, located within the Premises by a person making felonious entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the felonious abstraction of such safe from within the Premises.

"LOSS", except under insuring Agreements I and V, includes damage.

Loss Caused by Unidentifiable Employees

Section 4. If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing such loss, the Insured shall nevertheless have the benefit of Insuring Agreement I, subject to the provisions of Section 2 (b) of this Policy, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more of the said Employees, and provided, further, that the aggregate liability of the Company for any such loss shall not exceed the Limit of Liability applicable to Insuring Agreement I.

Ownership of Property; Interests Covered

Section 5. The insured property may be owned by the Insured, or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable; provided, Insuring Agreements II, III and IV apply only to the interest of the Insured in such property, including the Insured's liability to others, and do not apply to the interest of any other person or organization in any of said property unless included in the Insured's proof of loss, in which event the third paragraph of Section 8 is applicable to them.

Books and Records

Section 6. The Insured shall keep records of all the insured property in such manner that the Company can accurately determine therefrom the amount of loss.

Prior Fraud, Dishonesty or Cancellation

Section 7. The coverage of Insuring Agreement I shall not apply to any Employee from and after the time that the Insured or any partner or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee has committed any fraudulent or dishonest act in the service of the Insured or otherwise, whether such act be committed before or after the date of employment by the Insured.

If, prior to the issuance of this Policy, any fidelity insurance in favor of the Insured or any predecessor in interest of the Insured and covering one or more of the Insured's Employees shall have been canceled as to any of such Employees by reason of the giving of written notice of cancellation by the insurer issuing such fidelity insurance, whether the Company or not, and if such Employees shall not have been reinstated under the coverage of said fidelity insurance or superseding fidelity insurance, the Company shall not be liable on account of such Employees unless the Company shall agree in writing to include such Employees within the coverage of Insuring Agreement I.

Loss — Notice — Proof — Action Against Company

Section 8. Upon knowledge or discovery of loss or of an occurrence which may give rise to a claim for loss, the Insured shall: (a) give notice thereof as soon as practicable to the Company or any of its authorized agents and, except under Insuring Agreements I and V, also to the police if the loss is due to a violation of law; (b) file detailed proof of loss, duly sworn to, with the Company within four months after the discovery of loss.

Proof of loss under Insuring Agreement V shall include the instrument which is the basis of claim for such loss, or if it shall be impossible to file such instrument, the affidavit of the Insured or the Insured's bank of deposit setting forth the amount and cause of loss shall be accepted in lieu thereof.

Upon the Company's request, the Insured shall submit to examination by the Company, subscribe the same, under oath if required, and produce for the Company's examination all pertinent records, all at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to loss or claims with respect thereto.

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Policy, nor until ninety days after the required proofs of loss have been filed with the Company, nor at all unless commenced within two years from the date when the Insured discovers the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this Policy, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

Valuation — Payment — Replacement

Section 9. In no event shall the Company be liable as respects Securities for more than the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property, for more than the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the Insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The Company may, with the consent of the Insured, settle any claim for loss of property with the owner thereof. Any property for which the Company has made indemnification shall become the property of the Company.

In case of damage to the Premises or loss of property other than Securities, the Company shall not be liable for more than the actual cash value of such property, or for more than the actual cost of repairing such Premises or property or of replacing same with property or material of like quality and value. The Company may, at its election, pay such actual cash value, or make such repairs or replacements. If the Company and the Insured cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration.

Recoveries

Section 10. If the Insured shall sustain any loss covered by this Policy which exceeds the applicable amount of insurance hereunder, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, on account of such loss under this Policy until fully reimbursed, less the actual cost of effecting the same; and any remainder shall be applied to the reimbursement of the Company.

Limits of Liability

Section 11. Payment of loss under Insuring Agreement I or V shall not reduce the Company's liability for other losses under the applicable Insuring Agreement whenever sustained. The Company's total liability (a) under Insuring Agreement I as to each Employee or (b) under Insuring Agreement V for all loss by forgery or alteration committed by any person or in which such person is concerned or implicated, whether such forgery or alteration involves one or more instruments, is limited to the applicable amount of insurance specified in the Table of Limits of Liability or endorsement amendatory thereto. The liability of the Company for loss sustained by any or all of the Insured shall not exceed the amount for which the Company would be liable had all such loss been sustained by any one of the Insured.

Except under Insuring Agreements I and V, the applicable limit of liability stated in the Table of Limits of Liability is the total limit of the Company's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the Premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

Regardless of the number of years this Policy shall continue in force and the number of premiums which shall be payable or paid, the limit of the Company's liability as specified in the Table of Limits of Liability shall not be cumulative from year to year or period to period.

Limit of Liability Under This Policy and Prior Insurance

Section 12. This Section shall apply only to Insuring Agreements I and V.

With respect to loss caused by any person (whether one of the Employees or not) or which is chargeable to any Employee as provided in Section 4 and which occurs partly during the Policy Period and partly during the period of other bonds or policies issued by the Company to the Insured or to any predecessor in interest of the Insured and terminated or canceled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Company under this Policy and under such other bonds or policies shall not exceed, in the aggregate, the amount carried under the applicable Insuring Agreement of this Policy on such loss or the amount available to the Insured under such other bonds or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

Other Insurance

Section 13. If there is available to the Insured any other insurance or indemnity covering any loss covered by Insuring Agreement I or V, the Company shall be liable hereunder only for that part of such loss which is in excess of the amount recoverable or recovered from such other insurance or indemnity, except that if such other insurance or indemnity is a bond or policy of fidelity insurance, any loss covered under both such fidelity insurance and Insuring Agreement V shall first be paid under Insuring Agreement V. Any loss covered under both Insuring Agreements I and V shall first be paid under Insuring Agreement V and the excess, if any, shall be paid under Insuring Agreement I. The Company waives any right of contribution which it may have against any forgery insurance carried by any depository bank which is indemnified under Insuring Agreement V.

Under any other Insuring Agreement, if there is any other valid and collectible insurance which would apply in the absence of such Insuring Agreement, the insurance under this Policy shall apply only as

excess insurance over such other insurance; provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the Insured.

Subrogation

Section 14. In the event of any payment under this Policy, the Company shall be subrogated to all the Insured's rights of recovery therefor against any person or organization and the Insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

Cancellation as to Any Employee

Section 15. Insuring Agreement I shall be deemed canceled as to any Employee: (a) immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such Employee, of any fraudulent or dishonest act on the part of such Employee; or (b) at noon, standard time as aforesaid, upon the effective date specified in a written notice mailed to the Insured. Such date shall be not less than fifteen days after the date of mailing. The mailing by the Company of notice as aforesaid to the Insured at the address shown in this Policy shall be sufficient proof of notice. Delivery of such written notice by the Company shall be equivalent to mailing.

Cancellation of Policy or Insuring Agreement

Section 16. This Policy or any Insuring Agreement may be canceled by the Insured by mailing to the Company written notice stating when thereafter the cancellation shall be effective. This Policy or any Insuring Agreement may be canceled by the Company by mailing to the Insured at the address shown in this Policy written notice stating when not less than fifteen days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date of cancellation stated in the notice shall become the end of the Policy Period for any affected Insuring Agreement. Delivery of such written notice either by the Insured or by the Company shall be equivalent to mailing.

If the Insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

No Benefit to Bailee

Section 17. This section shall apply only to Insuring Agreements II and III.

The insurance afforded by this Policy shall not inure directly or indirectly to the benefit of any carrier or other bailee for hire.

Assignment

Section 18. Assignment of interest under this Policy shall not bind the Company until its consent is endorsed hereon; if, however, the Insured shall die, this Policy shall cover the Insured's legal representative as Insured; provided that notice of cancellation addressed to the Insured named in the Declarations and mailed to the address shown in this Policy shall be sufficient notice to effect cancellation of this Policy.

Changes

Section 19. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Policy or estop the Company from asserting any right under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy signed by an authorized agent of the Company.

By acceptance of this Policy the Insured agrees that it embodies all agreements existing between the Insured and the Company or any of its agents relating to this insurance.

IN WITNESS WHEREOF, the Company has caused this Policy to be executed on the Declarations page.

SCHEDULE "A"

BROWN HOTEL COMPANY, INC.

KENTUCKY HOTEL

BROWN SUBURBAN HOTEL

W. P. BROWN & SONS LUMBER COMPANY

RAY E. LOPER LUMSER COMPANY

BROWN LUMBER COMPANY

THE MOBILE & GULF RAILROAD COMPANY

REBECCA'S

BROADWAY & FOURTH AVENUE REALTY COMPANY

BROWN HOTEL FARMS

HILLS & DALES

JAY GEE REALTY COMPANY

J. GRAHAM BROWN FOUNDATION

5200 CRITTENDEN DRIVE REALTY, INC.

ENDORSEMENT 46B
Revised to May, 1957

DDO 3200510

To be attached to and form part of Policy No.

issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Company shall not be liable under Insuring Agreement I on account of loss through acts or defaults committed at any time, whether before or after this endorsement is effective, by any Employee, unless the amount of such loss, after deducting the net amount of all reimbursement and recovery, including any cash deposit taken by the Insured, obtained or made by the Insured, other than from any bond or policy of insurance issued by a surety or insurance company and covering such loss, or by the Company on account thereof prior to payment by the Company of such loss, shall be in excess of

ONE HUNDRED AND NO/100 Dollars (\$ 100.00),

and then for such excess only, but in no event for more than the amount of insurance carried on such Employee under Insuring Agreement I. If more than one Employee is concerned or implicated in such loss, such deductible amount shall apply to each Employee so concerned or implicated.

2. The Company shall not be liable under Insuring Agreement II on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100 Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

3. The Company shall not be liable under Insuring Agreement III on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100 Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

4. In no event shall the Company be liable under any Insuring Agreement, as modified by this endorsement, for more than the amount specified in the Table of Limits of Liability as applicable to such Insuring Agreement subject, however, to Section 11.

5. Section 10 is deleted and the following inserted:

"Section 10. If the Insured shall sustain any loss covered by this Policy to which a deductible amount applies and such loss exceeds the applicable amount of insurance hereunder plus such deductible amount, the Insured shall be entitled to all recoveries made after payment by the Company of loss covered by this Policy (except from suretyship, insurance, re-insurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, less the actual cost of effecting such recoveries, until reimbursed for such excess loss; and any remainder, or, if there be no such excess loss, any such recoveries shall be applied first in reimbursement of the Company and thereafter in reimbursement of the Insured for that part of such loss within such deductible amount."

6. The Insured shall, within the time and in the manner prescribed in the Policy, give the Company notice of any loss of the kind covered by Insuring Agreement I, whether or not the Company is liable therefor or for any part thereof, and upon the request of the Company shall file with it a brief statement giving the particulars concerning such loss.

7. This endorsement is effective as of noon on JUNE 6, 1956? standard time as specified in the Policy.

Edw. J. Muller, Jr.
Authorized Agent

Accepted: January 30, 1967

J. GRAHAM BROWN ET AL

Insured

By XER Clark, Secy

Title

COMPREHENSIVE 3-D POLICY — FORM 3 ONLY. To provide a Deductible Amount under Insuring Agreement I, II or III.

SR 52238-5-65

Printed in U.S.A.

ENDORSEMENT _____

To be attached to and form part of Policy No. DDO 3200510

Issued to J. GRAHAM BROWN ET AL

IT IS AGREED THAT INSURING AGREEMENT VII, BURGLARY
COVERAGE ON MERCHANDISE, APPLIES, SUBJECT TO THE
FOLLOWING PROVISIONS:

THE COMPANY SHALL NOT BE LIABLE ON ACCOUNT OF ANY LOSS,
EXCEPT TO THE EXTENT SUCH LOSS IS IN EXCESS OF
ONE HUNDRED AND NO/100-----(\$100.00).
WITH THE INSURANCE THEN APPLYING TO SUCH EXCESS ONLY,
SUBJECT OTHERWISE TO THE APPLICABLE LIMIT OF THE COMPANY'S
LIABILITY.

Nothing herein contained shall be held to vary, waive, alter or extend any of the exclusions, conditions or other terms of this policy other than as above stated.

This endorsement is effective as of noon on.

standard time as specified in the Policy.

ACCEPTED: *January 30, 1957*

J. GRAHAM BROWN ET AL

Insured

LY:

File

Authorized Agent:

ENDORSE

To be attached to and form part of Policy No. DDO 3200510
issued to J. GRAHAM BROWN, ET AL

It is agreed that:

1. The Premises covered under Insuring Agreement II are those listed in the Schedule.
2. The Messengers or armored motor vehicles covered under Insuring Agreement III are those listed in the Schedule; provided, no Messenger or armored motor vehicle shall be deemed to be simultaneously operating from or serving more than one premises location.
3. General Agreement A is amended by deleting "or if the Insured Shall thereby acquire the use and control of any additional Premises" and the words "and Premises" appearing therein. As respects any new Premises of the Insured, additional to the Premises indicated in the Schedule, Insuring Agreement II shall apply subject to a limit of \$1,000.00; and, as respects Messengers or armored motor vehicles, additional to the Messengers or armored motor vehicles indicated in the Schedule, Insuring Agreement III shall apply subject to a limit of \$1,000.00; provided the Insured shall give the Company written notice of the occupancy of such new Premises and the employment of such additional Messengers or armored motor vehicles within sixty days thereafter and shall pay the Company an additional premium computed pro rata from such date to the end of the current premium period.
4. Subject to the foregoing provisions, the insurance provided by Insuring Agreements II and III shall apply as indicated below:

SCHEDULE

LOCATION OF PREMISES	INSURING AGREEMENT II (LOSS INSIDE THE PREMISES)	INSURING AGREEMENT III (LOSS OUTSIDE THE PREMISES)	NUMBER OF MESSENGERS	NUMBER OF ARMORED MOTOR VEHICLES
	AMOUNT	AMOUNT		
Brown Lumber Co., 500 E. Burnett, Louisville, Kentucky	\$1,000.00	\$1,000.00		
405 Brown Bldg., 321 W. Broadway, Louisville, Kentucky	\$1,000.00	\$1,000.00		
Fayette Alabama Location	\$1,000.00	\$1,000.00		
Live Oak, Florida Location	\$1,000.00	\$1,000.00		
5200(rear)Crittenden Drive Louisville, Kentucky	\$1,000.00	\$1,000.00		
Brown Farm, Browns Lane, St. Matthews, Kentucky	\$1,000.00	\$1,000.00		
Brown Farm, Watterson Trail, Buechel, Kentucky	\$1,000.00	\$1,000.00		
Brown Garage, 410 W. Broadway Louisville, Kentucky	\$1,000.00	\$1,000.00		
Rebecca's, 675 S. 4th Street Louisville, Kentucky	\$1,000.00	\$1,000.00		
Bay Minette, Alabama Location	\$2,500.00	\$2,500.00		
Tuscaloosa, Alabama, 1400 15th St.	\$2,500.00	\$2,500.00		
Brownville, Alabama Location	\$15,000.00	\$15,000.00		
Brown Hotel, 675 S. 4th Street Louisville, Kentucky	\$20,000.00	\$3,000.00		
Kentucky Hotel, 430 W. Walnut Louisville, Kentucky	\$20,000.00	\$3,000.00		
Brown Suburban Hotel, 3300-3326 Bardstown Road, Louisville, Kentucky	\$10,000.00	\$3,000.00		

5. THIS ENDORSEMENT IS EFFECTIVE AS OF NOON ON MARCH 17, 1965 STANDARD TIME AS SPECIFIED IN THE POLICY


Edna Miller Sam
Authorized Agent

ENDORSEMENT 810
ADDITIONAL INSURANCE FOR SPECIFIED PERIODS

IT IS AGREED THAT THE POLICY APPLIES, SUBJECT TO THE FOLLOWING PROVISION:
 THE APPLICABLE LIMITS OF INSURANCE FOR INSURING AGREEMENTS II AND III ARE INCREASED FOR THE PERIODS DESIGNATED FROM THE AMOUNTS SPECIFIED IN COLUMN 1 TO THE AMOUNT SPECIFIED IN COLUMN 2, AS TO LOSS WHICH OCCURS DURING SUCH DESIGNATED PERIODS: PROVIDED, THE AMOUNT BY WHICH ANY COVERAGE IS INCREASED DURING A DESIGNATED PERIOD SHALL APPLY ONLY TO LOSSES AS AFORESAID WHICH ARE DISCOVERED PRIOR TO THE EXPIRATION OF ONE YEAR FROM THE END OF SUCH DESIGNATED PERIOD. THIS INCREASE APPLIES ONLY TO THE FOLLOWING LOCATIONS: THE BROWN HOTEL, THE KENTUCKY HOTEL AND THE BROWN SUBURBAN HOTEL.

DESIGNATED PERIOD (12:01 A.M. to Each Date)	INSURING AGREEMENT	BROWN HOTEL		KENTUCKY HOTEL		BROWN SUBURBAN HOTEL	
		Column 1	Column 2	Column 1	Column 2	Column 1	Column 2
From April 27, 1965 to May 4, 1965	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From April 27, 1965 to May 4, 1965	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.
From May 3, 1966 to May 10, 1966	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From May 3, 1966 to May 10, 1966	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.
From May 2, 1967 to May 9, 1967	II	\$20,000.	to \$75,000.	\$20,000.	to \$75,000.	\$10,000.	to \$75,000.
From May 2, 1967 to May 9, 1967	III	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.	\$ 3,000.	to \$75,000.

THIS ENDORSEMENT IS EFFECTIVE AS OF NOON ON MARCH 17, 1965 STANDARD TIME AS SPECIFIED IN THE POLICY.


 Authorized Agent



The FUND
Insurance Company
BUREAU OF INSURANCE COMPANY
BUREAU OF FIRE & MARINE INSURANCE COMPANY
NATIONAL SURVEY CORPORATION

ENDORSEMENT 72

Revised to May, 1958

To be attached to and form part of Policy No. DDD 3200510

issued to J. GRAHAM BROWN, ET AL

It is agreed that:

1. The Policy is amended as follows:

(a) By adding to the Table of Limits of Liability the following:

"Insuring Agreement VII

Burglary Coverage On Merchandise

\$4,500.00

(b) By adding to the Insuring Agreements an additional Insuring Agreement as follows:

"BURGLARY COVERAGE ON MERCHANDISE

"VII. Loss by Burglary or by Robbery of a Watchman, while the Premises are not open for business, of merchandise, furniture, fixtures and equipment within the Premises or within a showcase or show window used by the Insured and located outside the Premises but inside the building line of the building containing the Premises or attached to said building.

"Damage to the Premises, and to the insured property within the Premises or within such showcase or show window, by such Burglary, Robbery of a Watchman, or attempt thereof, provided with respect to damage to the Premises the Insured is the owner thereof or is liable for such damage."

2. As respects each Premises designated below, the protection or service described below as applicable thereto will be maintained by the Insured while this Policy is in force.

Location of Premises

Protection or Service Afforded

COMMISSARY, BROWNVILLE, ALABAMA

3. The foregoing Insuring Agreement is subject to the Special Agreements set forth on the reverse side hereof.

4. This endorsement is effective as of noon on MARCH 17, 1965
standard time as specified in the Policy.

Edward J. Miller & Son
Authorized Agent

COMPREHENSIVE 3-D POLICY. To add Burglary
Coverage on Merchandise — Blanket Coverage.
H-DD 78B 6-59

Printed in U.S.A.

(over)

The following Special Agreements referred to in Paragraph 3 hereof apply to Insuring Agreement VII:

- (a) General Agreement C does not apply to Insuring Agreement VII. Section 1 is amended to read: "This Policy applies only to loss which occurs during the Policy Period within any of the States of the United States of America, the District of Columbia, Hawaii, Virgin Islands, Puerto Rico, Canal Zone or Canada." Divisions (c), (d) and (h) of Section 2, and Section 5, shall apply to Insuring Agreement VII exactly as they apply to Insuring Agreement II.
- (b) The insurance under Insuring Agreement VII does not apply (1) to loss of manuscripts, books of account or records; (2) to loss of furs or articles containing fur which represents their principal value, by removal of such property from within a showcase or show window by a person who has broken the glass thereof from outside the Premises or by an accomplice of any such person; (3) to loss occurring while there is any change in the condition of the risk or during a fire in the Premises; (4) to damage by vandalism or malicious mischief.
- (c) The definition of "Premises" in Section 3 is amended to read:
"Premises" means the interior of that portion of any building which is occupied solely by the Insured in conducting its business, but shall not include (1) showcases or show windows not opening directly into the interior of the Premises, or (2) public entrances, halls or stairways.
- (d) "Burglary" means the felonious abstraction of insured property (1) from within the Premises by a person making felonious entry therein by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon, or physical damage to, the exterior of the Premises at the place of such entry, or (2) from within a showcase or show window outside the Premises by a person making felonious entry into such showcase or show window by actual force and violence, of which force and violence there are visible marks thereon.
"Robbery of a Watchman" means the taking of insured property by violence or threat of violence inflicted upon a private watchman employed exclusively by the Insured and while such watchman is on duty within the Premises.
"Jewelry" means jewelry, watches, gems, precious or semiprecious stones and articles containing one or more gems.
- (e) Subject to Section 11: (1) the actual cash value of any one article of Jewelry shall be deemed not to exceed \$50; (2) the limit of the Company's liability for loss of the contents of any showcase or show window not opening directly into the interior of the Premises is \$100; and (3) subject to the applicable limit of liability, the actual cash value of property held by the Insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the Insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.
The occurrence of any loss shall reduce the applicable limit of liability by the extent of the Company's liability for such loss until the Premises are restored to at least the same condition of safety as immediately prior to the loss; but such reduction shall not occur with respect to loss occurring subsequent to the receipt by the Company of notice of loss for which the Company is liable under this Policy, if the Insured shall maintain within the Premises at least one watchman while the Premises are not open for business.
- (f) In the event of loss hereunder, upon the Company's request the Insured shall furnish a complete inventory of all property within the Premises not stolen or damaged, stating the original cost and actual cash value and quantity thereof.
- (g) If for reasons beyond the Insured's control (1) it fails to maintain the alarm system stated in this endorsement but, until such alarm system has been fully restored to proper working condition, it provides at least one watchman within the Premises at all times when the Premises are not open for business and such watchman is in addition to any number of watchmen as are promised in this endorsement, or (2) it fails to maintain any other service or equipment as stated in this endorsement, the insurance hereunder shall apply only in the reduced amount which the premium for this endorsement would have purchased, in accordance with the Company's manual as of the commencement of such failure, in the absence of any agreement of the Insured to maintain such service or equipment.

Endorsement 164 :

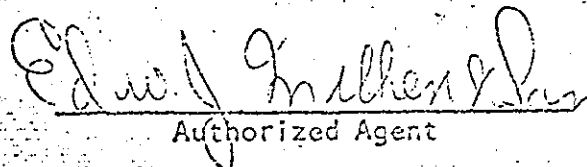
To be attached to and form part of Policy No. DDD 3200510
issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Policy is amended by substituting a semi-colon for the
period after sub-section (h) of Section 2 and by adding the following:

- (i) under Insuring Agreement II, to loss, other than to money,
securities, a safe or vault, by fire whether or not such
fire is caused by, contributed to by or arise out of the
occurrence of a hazard insured against.

2. This endorsement is effective as of noon on MARCH 17, 1965
standard time as specified in the policy.


Authorized Agent

Comprehensive 3-D-Blanket Crime Policies. To
exclude from Insuring Agreement II, loss by
fire other than to money, securities, a safe
or vault.

H-DD 164 2-63

ENDORSEMENT 46B
Revised to May, 1957

To be attached to and form part of Policy No. DDD 3200510

issued to J. GRAHAM BROWN ET AL

It is agreed that:

1. The Company shall not be liable under Insuring Agreement I on account of loss through acts or defaults committed at any time, whether before or after this endorsement is effective, by any Employee, unless the amount of such loss, after deducting the net amount of all reimbursement and recovery, including any cash deposit taken by the Insured, obtained or made by the Insured, other than from any bond or policy of insurance issued by a surety or insurance company and covering such loss, or by the Company on account thereof prior to payment by the Company of such loss, shall be in excess of

ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), and then for such excess only, but in no event for more than the amount of insurance carried on such Employee under Insuring Agreement I. If more than one Employee is concerned or implicated in such loss, such deductible amount shall apply to each Employee so concerned or implicated.

2. The Company shall not be liable under Insuring Agreement II on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

3. The Company shall not be liable under Insuring Agreement III on account of any loss, except to the extent such loss is in excess of ONE HUNDRED AND NO/100----- Dollars (\$ 100.00), with the insurance then applying to such excess only, subject otherwise to the applicable limit of the Company's liability.

4. In no event shall the Company be liable under any Insuring Agreement, as modified by this endorsement, for more than the amount specified in the Table of Limits of Liability as applicable to such Insuring Agreement subject, however, to Section 11.

5. Section 10 is deleted and the following inserted:

"Section 10. If the Insured shall sustain any loss covered by this Policy to which a deductible amount applies and such loss exceeds the applicable amount of insurance hereunder plus such deductible amount, the Insured shall be entitled to all recoveries made after payment by the Company of loss covered by this Policy (except from suretyship, insurance, re-insurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, less the actual cost of effecting such recoveries, until reimbursed for such excess loss; and any remainder, or, if there be no such excess loss, any such recoveries shall be applied first in reimbursement of the Company and thereafter in reimbursement of the Insured for that part of such loss within such deductible amount."

6. The Insured shall, within the time and in the manner prescribed in the Policy, give the Company notice of any loss of the kind covered by Insuring Agreement I, whether or not the Company is liable therefor or for any part thereof, and upon the request of the Company shall file with it a brief statement giving the particulars concerning such loss.

7. This endorsement is effective as of noon on JUNE 6, 1966 standard time as specified in the Policy.

Edward J. Miller & Son
Authorized Agent

Accepted:

J. GRAHAM BROWN ET AL

Insured

By *[Signature]*

Title

COMPREHENSIVE 3-D POLICY — FORM B ONLY. To provide a Deductible Amount under Insuring Agreement I, II or III.

SR 52233-5-65

Printed in U.S.A.

ENDORSEMENT

To be attached to and form part of Policy No. DDD 3200510

Issued to J. GRAHAM BROWN ET AL

IT IS AGREED THAT INSURING AGREEMENT VII, BURGLARY
COVERAGE ON MERCHANDISE, APPLIES, SUBJECT TO THE
FOLLOWING PROVISIONS:

THE COMPANY SHALL NOT BE LIABLE ON ACCOUNT OF ANY LOSS,
EXCEPT TO THE EXTENT SUCH LOSS IS IN EXCESS OF
ONE HUNDRED AND NO/100-----(\$100.00).
WITH THE INSURANCE THEN APPLYING TO SUCH EXCESS ONLY,
SUBJECT OTHERWISE TO THE APPLICABLE LIMIT OF THE COMPANY'S
LIABILITY.

Nothing herein contained shall be held to vary, waive, alter or extend any of the exclusions, conditions or
other terms of this policy other than as above stated.

This endorsement is effective as of noon on 6/6-1966
standard time as specified in the Policy.

ACCEPTED:

J. GRAHAM BROWN ET AL

Insured

BY: *[Signature]*

Title

[Signature]
Authorized Agent