

21 This **Spectrum Policy** consists of the Declarations, Coverage Forms, Common Policy Conditions and any  
60 other Forms and Endorsements issued to be a part of the Policy. This insurance is provided by the stock  
RD insurance company of The Hartford Insurance Group shown below.

SBA

**INSURER:** HARTFORD CASUALTY INSURANCE COMPANY  
HARTFORD PLAZA, HARTFORD, CT 06115  
COMPANY CODE: 3



**Policy Number:** 01 SBA RD6021 DW

**SPECTRUM POLICY DECLARATIONS**

ORIGINAL

**Named Insured and Mailing Address:** THE TEXT BOOK GUY LLC  
(No., Street, Town, State, Zip Code)

902 W 13TH ST  
TEMPE AZ 85281

**Policy Period:** From 07/26/07 To 07/26/08 1 YEAR  
12:01 a.m., Standard time at your mailing address shown above. **Exception:** 12 noon in New Hampshire.

**Name of Agent/Broker:** NORTHEAST AGY/PHS ALLSTATE SA NEW  
**Code:** 214608

**Previous Policy Number:** NEW

**Named Insured is:** LIMITED LIAB CORP

**Audit Period:** NON-AUDITABLE

**Type of Property Coverage:** SPECIAL

**Insurance Provided:** In return for the payment of the premium and subject to all of the terms of this policy, we agree with you to provide insurance as stated in this policy.

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**TOTAL ANNUAL PREMIUM IS:** \$702

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Countersigned by

*Margie K. Ape*

Authorized Representative

08/01/07  
Date

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**SPECTRUM POLICY DECLARATIONS (Continued)**

**POLICY NUMBER:** 01 SBA RD6021

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

**Location:** 001      **Building:** 001

902 W 13TH ST  
TEMPE                      AZ 85281

**Description of Business:**

BOOKS & MAGAZINES DISTRIBUTOR

**Deductible:** \$ 500 PER OCCURRENCE

**BUILDING AND BUSINESS PERSONAL PROPERTY LIMITS OF INSURANCE**

**BUILDING**

NO COVERAGE

**BUSINESS PERSONAL PROPERTY**

REPLACEMENT COST                      \$ 50,000

**PERSONAL PROPERTY OF OTHERS**

REPLACEMENT COST                      NO COVERAGE

**MONEY AND SECURITIES**

INSIDE THE PREMISES                      \$ 10,000  
OUTSIDE THE PREMISES                      \$ 5,000

**SPECTRUM POLICY DECLARATIONS (Continued)**

**POLICY NUMBER:** 01 SBA RD6021

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

**Location:** 001      **Building:** 001

**PROPERTY OPTIONAL COVERAGES APPLICABLE TO THIS LOCATION      LIMITS OF INSURANCE**

**COMPUTERS AND MEDIA COVERAGE**      \$      15,000  
**FORM SS 04 41**  
**DEDUCTIBLE: \$ 250**  
**WAITING PERIOD: 12 HOURS**

**WHOLESALE - DISTRIBUTORS STRETCH**  
**FORM SS 41 29**  
**THIS FORM INCLUDES MANY ADDITIONAL**  
**COVERAGES AND EXTENSIONS OF**  
**COVERAGES. A SUMMARY OF THE**  
**COVERAGE LIMITS IS ATTACHED.**

**LIMITED FUNGI, BACTERIA OR VIRUS**      \$      50,000  
**COVERAGE:**

**FORM SS 40 93**  
**THIS IS THE MAXIMUM AMOUNT OF**  
**INSURANCE FOR THIS COVERAGE,**  
**SUBJECT TO ALL PROPERTY LIMITS**  
**FOUND ELSEWHERE ON THIS**  
**DECLARATION.**  
**INCLUDING BUSINESS INCOME AND EXTRA**  
**EXPENSE COVERAGE FOR:**      30 DAYS

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**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 01 SBA RD6021

**PROPERTY OPTIONAL COVERAGES APPLICABLE TO ALL LOCATIONS LIMITS OF INSURANCE**

**BUSINESS INCOME AND EXTRA EXPENSE  
COVERAGE** 12 MONTHS ACTUAL LOSS SUSTAINED  
**COVERAGE INCLUDES THE FOLLOWING  
COVERAGE EXTENSIONS:**

**ACTION OF CIVIL AUTHORITY:** 30 DAYS  
**EXTENDED BUSINESS INCOME:** 30 CONSECUTIVE DAYS

**EQUIPMENT BREAKDOWN COVERAGE  
COVERAGE FOR DIRECT PHYSICAL LOSS  
DUE TO:  
MECHANICAL BREAKDOWN,  
ARTIFICIALLY GENERATED CURRENT  
AND STEAM EXPLOSION**

**THIS ADDITIONAL COVERAGE INCLUDES  
THE FOLLOWING EXTENSIONS**

<b>HAZARDOUS SUBSTANCES</b>	\$	50,000
<b>EXPEDITING EXPENSES</b>	\$	50,000

**MECHANICAL BREAKDOWN COVERAGE ONLY  
APPLIES WHEN BUILDING OR BUSINESS  
PERSONAL PROPERTY IS SELECTED ON  
THE POLICY**

**IDENTITY RECOVERY COVERAGE** \$ 15,000  
**FORM SS 41 12**

**SPECTRUM POLICY DECLARATIONS (Continued)**

POLICY NUMBER: 01 SBA RD6021

BUSINESS LIABILITY	LIMITS OF INSURANCE
LIABILITY AND MEDICAL EXPENSES	\$1,000,000
MEDICAL EXPENSES - ANY ONE PERSON	\$ 10,000
PERSONAL AND ADVERTISING INJURY	\$1,000,000
DAMAGES TO PREMISES RENTED TO YOU ANY ONE PREMISES	\$ 300,000
AGGREGATE LIMITS	
PRODUCTS-COMPLETED OPERATIONS	\$2,000,000
GENERAL AGGREGATE	\$2,000,000
EMPLOYMENT PRACTICES LIABILITY COVERAGE: FORM SS 09 01	
EACH CLAIM LIMIT	\$ 5,000
DEDUCTIBLE - EACH CLAIM LIMIT NOT APPLICABLE	
AGGREGATE LIMIT	\$ 5,000
RETROACTIVE DATE: 07262007	

This **Employment Practices Liability Coverage** contains claims made coverage. Except as may be otherwise provided herein, specified coverages of this insurance are limited generally to liability for injuries for which claims are first made against the insured while the insurance is in force. Please read and review the insurance carefully and discuss the coverage with your Hartford Agent or Broker.

The Limits of Insurance stated in this Declarations will be reduced, and may be completely exhausted, by the payment of "defense expense" and, in such event, The Company will not be obligated to pay any further "defense expense" or sums which the insured is or may become legally obligated to pay as "damages".

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**SPECTRUM POLICY DECLARATIONS (Continued)**

**POLICY NUMBER: 01 SBA RD6021**

**Form Numbers of Forms and Endorsements that apply:**

SS 00 01 04 93	SS 00 05 12 06	SS 00 07 07 05	SS 00 08 04 05
SS 84 94 04 06	SS 01 54 03 92	SS 01 98 01 97	SS 04 19 07 05
SS 04 30 07 05	SS 04 39 07 05	SS 04 41 07 05	SS 04 42 07 05
SS 04 44 07 05	SS 04 45 07 05	SS 04 46 07 05	SS 04 47 07 05
SS 04 78 07 05	SS 04 80 03 00	SS 04 86 03 00	SS 40 18 07 05
SS 40 93 07 05	SS 41 12 09 05	SS 41 29 04 06	IH 10 01 09 86
SS 05 47 09 01	SS 50 04 06 04	SS 09 01 09 00	SS 09 03 07 99
SS 09 42 07 99	SS 50 19 06 03	SS 50 30 06 03	SS 38 25 09 05
SS 83 76 02 06			



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES-CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **COMMON POLICY CONDITIONS**

**A.** The following is added to the CANCELLATION Common Policy Condition (and applies except in situations where **B.**, below, applies):

**7.** Cancellation of Policies in effect For 60 Days Or More

If this policy has been in effect for **60 days** or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- a.** Nonpayment of premium;
- b.** Your conviction of a crime arising out of acts increasing the hazard insured against;
- c.** Acts or omissions, by you or your representative constituting fraud or material misrepresentation in the procurement of this policy, in continuing this policy or in presenting a claim under this policy;
- d.** Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the contract;
- e.** Substantial breach of contractual duties or conditions;
- f.** Loss of reinsurance applicable to the risk insured against resulting from termination of treaty or facultative reinsurance initiated by our reinsurer or reinsurers;
- g.** Determination by the Director of Insurance that the continuation of the policy would place us in

violation of the insurance laws of this state or would jeopardize our solvency; or

**h.** Acts or omissions by you or your representative which materially increase the hazard insured against.

If we cancel this policy based on one or more of the above reasons, we will mail by certified mail to the first **Named Insured** and mail to the agent if any, written notice of cancellation stating the reasons for cancellation. We will mail this notice to the last mailing addresses known to us at least:

- a.** **10 days** before the effective date of cancellation if we cancel for nonpayment of premium;
- b.** **60 days** before the effective date of cancellation if we cancel for any of the other reasons.

**B.** The following is added and supersedes any provision to the contrary:

### **NONRENEWAL**

- 1.** If we elect not to renew this policy, we will mail by certified mail to the first **Named Insured** and mail to the agent if any, written notice of nonrenewal. We will mail this notice to the last mailing addresses known to us at least **60 days** prior to the expiration date of this policy.
- 2.** If notice is mailed, proof of mailing will be sufficient proof of notice.
- 3.** If either one of the following occurs, we are not required to provide written notice of nonrenewal:

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- a. We or a company within the same insurance group has offered to issue a renewal policy; or
- b. You have obtained replacement coverage or agreed in writing to do so.

C. The following condition is added:

**RENEWAL**

- 1. If we elect to renew this policy and the renewal is subject to any of the following:
  - a. Increase in premium;
  - b. Change in deductible;
  - c. Reduction in limits of insurance; or
  - d. Substantial reduction in coverage;

we will mail or deliver written notice of the change(s) to the first **Named Insured**, at the last mailing address known to us, at least **60 days** before the anniversary or expiration date of the policy.

- 2. If renewal is subject to any condition described in **1.a.** through **1.d.** above, and we fail to provide notice **60 days** before the anniversary

or expiration date of this policy, the following procedures apply:

- a. The present policy will remain in effect until the earlier of the following:
  - (i) **60 days** after the date of mailing or delivery of the notice; or
  - (ii) The effective date of replacement coverage obtained by the first **Named Insured**.
- b. If the first **Named Insured** elects not to renew, any earned premium for the period of extension of the terminated policy will be calculated pro rata at the lower of the following rates:
  - (i) The rates applicable to the terminated policy; or
  - (ii) The rates presently in effect.
- c. If the first **Named Insured** accepts the renewal, the premium increase, if any, and other changes are effective the day following this policy's anniversary or expiration date.





**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES**

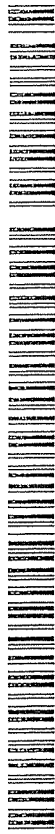
This endorsement modifies insurance provided under the following:

**SPECIAL PROPERTY COVERAGE FORM  
STANDARD PROPERTY COVERAGE FORM**

**A. Additional Coverage**

In Paragraph A.4. (Additional Coverages), paragraph c. Fire Department Service Charge does not apply.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARIZONA CHANGES**

This endorsement modifies insurance provided under the following:

### **EMPLOYMENT PRACTICES LIABILITY COVERAGE FORM**

Paragraph 1 of **EXTENDED REPORTING PERIODS (V)** is replaced by the following:

**V. EXTENDED REPORTING PERIOD**

Subject to provisions A. through E. below, if this policy is canceled or not renewed except when canceled flat effective at the policy inception date for nonpayment of premium, **you** shall have the right to purchase an extended period to report **Claims** under this coverage form for any **Claim** first made

during the period of time set forth in the Supplemented Extended Reporting Period Endorsement, and following the effective date of such cancellation or nonrenewal and reported in writing during such period or within 60 days thereafter, but only with respect to any **Wrongful Act** which takes place prior to the effective date of such cancellation or nonrenewal.

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