

SERFF Tracking Number: HCAS-125293478 State: Arkansas
First Filing Company: American Fire and Casualty Company, ... State Tracking Number: AR-PC-07-026125
Company Tracking Number: CL20070027(F)
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Businessowners Forms Revision
Project Name/Number: BOP 2002/2006 Changes/CL20070027(F)

Filing at a Glance

Companies: American Fire and Casualty Company, The Ohio Casualty Insurance Company, West American Insurance Company

Product Name: Businessowners Forms Revision SERFF Tr Num: HCAS-125293478 State: Arkansas

TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: AR-PC-07-026125

Sub-TOI: 05.0002 Businessowners

Co Tr Num: CL20070027(F)

State Status:

Filing Type: Form

Co Status:

Reviewer(s): Betty Montesi,
Llyweyia Rawlins, Brittany Yielding

Author: Dave Puckett

Disposition Date: 10/11/2007

Date Submitted: 09/18/2007

Disposition Status: Approved

Effective Date Requested (New): 02/08/2008

Effective Date (New): 02/10/2008

Effective Date Requested (Renewal): 02/08/2008

Effective Date (Renewal):
02/10/2008

General Information

Project Name: BOP 2002/2006 Changes

Status of Filing in Domicile: Authorized

Project Number: CL20070027(F)

Domicile Status Comments:

Reference Organization: Insurance Services Office

Reference Number: BP-2004-OFR04, BP-2006-OTF01

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 10/11/2007

State Status Changed: 09/19/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

We submit a revision to our independent Businessowners Program incorporating various form changes. Several program enhancements, including the introduction of a Manufacturing Program, are also included. These revisions include broadened coverages for policyholders. New and revised company forms are attached, with the adoption of various ISO Form revisions. A forms filing summary is attached outlining the form and endorsement revisions included in this filing. We are submitting this filing to be applicable to all policies written on or after February 8, 2008.

SERFF Tracking Number: HCAS-125293478 State: Arkansas
 First Filing Company: American Fire and Casualty Company, ... State Tracking Number: AR-PC-07-026125
 Company Tracking Number: CL20070027(F)
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
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Filing Table of Contents:

Filing Description General Information tab
 Form Filing Schedule Form Schedule tab
 Forms Filing Summary Supporting Documentation tab
 Companies and Contact Companies and Contact tab
 Filing Fees Filing Fees tab

Total number of pages for material included in this filing: 235

Corresponding rate and rule changes are also being made, however they are not required to be filed in Arkansas.

Company and Contact

Filing Contact Information

Dave Puckett, Product Staff Underwriter Dave.Puckett@ocas.com
 9450 Seward Road (800) 843-6446 [Phone]
 Fairfield, OH 45014-5456 (513) 603-3123[FAX]

Filing Company Information

American Fire and Casualty Company	CoCode: 24066	State of Domicile: Ohio
9450 Seward Road	Group Code: 148	Company Type:
Fairfield, OH 45014-5456	Group Name:	State ID Number:
(800) 843-6446 ext. [Phone]	FEIN Number: 59-0141790	

The Ohio Casualty Insurance Company	CoCode: 24074	State of Domicile: Ohio
9450 Seward Road	Group Code: 148	Company Type:
Fairfield, OH 45014-5456	Group Name:	State ID Number:
(800) 843-6446 ext. [Phone]	FEIN Number: 31-0396250	

West American Insurance Company	CoCode: 44393	State of Domicile: Indiana
9450 Seward Road	Group Code: 148	Company Type:

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Fairfield, OH 45014-5456
(800) 843-6446 ext. [Phone]

Group Name:
FEIN Number: 31-0624491

State ID Number:

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Filing Fees

Fee Required? Yes
Fee Amount: \$75.00
Retaliatory? No
Fee Explanation: Forms Filing: \$50 + \$25 for referencing ISO policy forms & endorsements = \$75.
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Fire and Casualty Company	\$0.00	09/18/2007	
The Ohio Casualty Insurance Company	\$75.00	09/18/2007	15679067
West American Insurance Company	\$0.00	09/18/2007	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	10/11/2007	10/11/2007

Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Effective Date Change	Note To Reviewer	Dave Puckett	10/25/2007	10/25/2007

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Disposition

Disposition Date: 10/11/2007

Effective Date (New): 02/10/2008

Effective Date (Renewal): 02/10/2008

- Effective Date (New) changed from 02/08/2008 to 02/10/2008 and Effective Date (Renewal) changed from 02/08/2008 to 02/10/2008 by Rawlins, Llyweyia on 10/25/2007.

Status: Approved

Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Forms Filing Summary	Approved	Yes
Form	Ambulance Professional Liability Endorsement	Approved	Yes
Form	Automobile Services Amendatory Endorsement	Approved	Yes
Form	Barber/Styling Salon Professional Liability Endorsement	Approved	Yes
Form	Exclusion - Business Income and Extra Expense	Approved	Yes
Form	Businessowners Property Extension Endorsement	Approved	Yes
Form	Funeral Directors Endorsement	Approved	Yes
Form	Retail Gasoline Sales Amendment	Approved	Yes
Form	Businessowners Printers Property Extension Endorsement	Approved	Yes
Form	Additional Insured - Grantor of Franchise	Approved	Yes
Form	Restaurant Amendatory Endorsement	Approved	Yes
Form	Employee Tools - Amendment of Limits	Approved	Yes
Form	Welfare and Pension Plan ERISA Compliance	Approved	Yes
Form	Amendment of Pollution Exclusion	Approved	Yes
Form	Businessowners Incidental Medical Malpractice Restaurant Program	Approved	Yes
Form	Employee Benefits Liability Coverage Endorsement	Approved	Yes
Form	Liquor Liability Endorsement	Approved	Yes
Form	Businessowners Food Contamination Coverage	Approved	Yes
Form	Businessowners Liability Extension Endorsement	Approved	Yes
Form	Additional Insured - Lessor of Leased Workers	Approved	Yes

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Form	Amendment Loss Payment Provision	Approved	Yes
Form	Condominium Commercial Unit-Owners Optional Coverage	Approved	Yes
Form	Condominium Association Directors and Officers Liability Coverage	Approved	Yes
Form	Businessowners Policy Changes	Approved	Yes
Form	Mechanics Professional Liability Coverage	Approved	Yes
Form	Arts and Crafts Endorsement	Approved	Yes
Form	Dry Cleaners Endorsement	Approved	Yes
Form	Blanket Building Insurance	Approved	Yes
Form	Blanket Business Personal Property Insurance	Approved	Yes
Form	Bookstore Endorsement	Approved	Yes
Form	Church Endorsement	Approved	Yes
Form	Computer Software Professional Liability Exclusion	Approved	Yes
Form	Consulting Errors and Omissions Exclusion	Approved	Yes
Form	Coverage For Pets	Approved	Yes
Form	Display Equipment Endorsement	Approved	Yes
Form	Florist Endorsement	Approved	Yes
Form	Fragile Articles Endorsement	Approved	Yes
Form	Goodwill Replacement Valuation Endorsement	Approved	Yes
Form	Hired Auto Physical Damage	Approved	Yes
Form	Inspection and Appraisal Services Exclusion	Approved	Yes
Form	Insurance and Related Operations Exclusion	Approved	Yes
Form	Lawyers Office Endorsement	Approved	Yes
Form	Lawyers Professional Liability Exclusion	Approved	Yes
Form	Medical Office Endorsement Exclusion - Products - Completed	Approved	Yes

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Form	Operations Hazard		
Form	Peak Season Endorsement	Approved	Yes
Form	Real Estate Operations - Limitation of Coverage	Approved	Yes
Form	Shopping Center Endorsement	Approved	Yes
Form	Spoilage Coverage Endorsement	Approved	Yes
Form	Storage of Customers' Property Coverage Endorsement	Approved	Yes
Form	Unexplained Loss or Mysterious Disappearance	Approved	Yes
Form	Veterinarian Endorsement	Approved	Yes
Form	Attorney Foreclosure Auction Endorsement	Approved	Yes
Form	Auto Legal Liability	Approved	Yes
Form	Flood Endorsement	Approved	Yes
Form	Limitation of Business Income and Extra Expense Coverages	Approved	Yes
Form	Earthquake Extension Endorsement	Approved	Yes
Form	Medical Expenses Limit Amendment Endorsement	Approved	Yes
Form	Pastoral Professional Liability Insurance Coverage Form	Approved	Yes
Form	Aircraft Products Exclusion	Approved	Yes
Form	Businessowners Manufacturers Liability Extension	Approved	Yes
Form	Businessowners Manufacturers Property Extension	Approved	Yes
Form	Exclusion - Exterior Insulation Finish System	Approved	Yes
Form	Equipment Breakdown Enhancement Endorsement	Approved	Yes
Form	Businessowners Property Plus Extension Endorsement	Approved	Yes
Form	Fiduciary or Representative Liability of Financial Institutions Exclusion	Approved	Yes

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Form	Financial Services Exclusion	Approved	Yes
Form	Animal/Pet Endorsement	Approved	Yes
Form	Employment - Related Practices Liability Coverage	Approved	Yes
Form	Garagekeeper's Loss or Damage To Customers' Autos (Direct Primary Coverage)	Approved	Yes
Form	Exclusion Of Crematory Operations	Approved	Yes
Form	Special Events Coverage Endorsement	Approved	Yes
Form	Additional Insured - Lessor Of Leased Equipment	Approved	Yes
Form	Exclusion - Asbestos	Approved	Yes
Form	Exclusion - Liability Arising Out Of Lead	Approved	Yes
Form	Restaurant Valet Parking Liability Endorsement	Approved	Yes
Form	Medical Expense At Your Request Endorsement	Approved	Yes
Form	Church Directors and Officers Coverage Form	Approved	Yes

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Note To Reviewer

Created By:

Dave Puckett on 10/25/2007 09:52 AM

Subject:

Effective Date Change

Comments:

This filing was approved and closed on 10/11/2007 to be applicable to all policies written on or after 02/08/2008. We would like to change our approved implementation date for this filing to be applicable to all policies written on or after 02/10/2008. The change in date is necessary because of the transition our system is experiencing.

Is this note sufficient to change the effective date? Please advise any additional information you need or procedure we should follow.

Thank you for your help in this matter.

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Ambulance Professional Liability Endorsement	BP 79 00	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 00 11 97 Previous Filing #:		BP 79 00 01 07.pdf
Approved	Automobile Services Amendatory Endorsement	BP 79 01	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 01 06 02 Previous Filing #:		BP 79 01 01 07.pdf
Approved	Barber/Styling Salon Professional Liability Endorsement	BP 79 02	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 02 06 99 Previous Filing #:		BP 79 02 01 07.pdf
Approved	Exclusion - Business Income and Extra Expense	BP 79 16	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 16 01 88 Previous Filing #:		BP 79 16 01 07.pdf
Approved	Businessowners Property Extension Endorsement	BP 79 19	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 19 06 02 Previous Filing #:		BP 79 19 01 07.pdf
Approved	Funeral Directors Endorsement	BP 79 25	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 25 06 99 Previous Filing #:		BP 79 25 01 07.pdf
Approved	Retail Gasoline Sales Amendment	BP 79 26	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 26 11 97 Previous Filing #:		BP 79 26 01 07.pdf
Approved	Businessowners Printers Property Extension	BP 79 47	01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 79 47 11 97 Previous Filing #:		BP 79 47 01 07.pdf

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Endorsement	ons				
Approved Additional Insured - Grantor of Franchise	BP 79 48 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 48 01 07.pdf	
Approved Restaurant Amendatory Endorsement	BP 79 60 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 60 01 07.pdf	
Approved Employee Tools - Amendment of Limits	BP 79 66 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 66 01 07.pdf	
Approved Welfare and Pension Plan ERISA Compliance	BP 79 70 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 70 01 07.pdf	
Approved Amendment of Pollution Exclusion	BP 79 74 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 74 01 07.pdf	
Approved Businessowners Incidental Medical Malpractice Restaurant Program	BP 79 75 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 75 01 07.pdf	
Approved Employee Benefits Liability Coverage Endorsement	BP 79 82 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 82 01 07.pdf	
Approved Liquor Liability Endorsement	BP 79 89 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00	BP 79 89 01 07.pdf	
Approved Businessowners Food	BP 79 90 01 07	Endorsement/Amendment	Replaced Form #:0.00	BP 79 90 01 07.pdf	

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Contamination Coverage	ent/Condi ons	Previous Filing #:	
Approved Businessowners Liability Extension Endorsement	BP 79 96 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 79 96 06 99 Previous Filing #: BP 79 96 01 07.pdf
Approved Additional Insured - Lessor of Leased Workers	BP 79 97 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 79 97 11 97 Previous Filing #: BP 79 97 01 07.pdf
Approved Amendment Loss Provision	BP 79 98 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 79 98 06 99 Previous Filing #: BP 79 98 01 07.pdf
Approved Condominium Commercial Unit-Owners Optional Coverage	BP 80 00 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 00 11 97 Previous Filing #: BP 80 00 01 07.pdf
Approved Condominium Association Directors and Officers Liability Coverage	BP 80 05 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 05 11 97 Previous Filing #: BP 80 05 01 07.pdf
Approved Businessowners Policy Changes	BP 80 06 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 06 11 97 Previous Filing #: BP 80 06 01 07.pdf
Approved Mechanics Professional Liability Coverage	BP 80 15 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 15 11 98 Previous Filing #: BP 80 15 01 07.pdf
Approved Arts and Crafts Endorsement	BP 80 23 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 23 06 99 Previous Filing #: BP 80 23 01 07.pdf
Approved Dry Cleaners Endorsement	BP 80 24 01 07	Endorsement/Amendment/Condi ons	Replaced Form #:0.00 BP 80 24 06 99 BP 80 24 01 07.pdf

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Approval	Description	BP	80	25	01	07	Endorsement/Amendment/Condition	Replacement	Previous Filing #:	File Name
Approved	Blanket Building Insurance	BP 80 25	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 25 06 99 Previous Filing #:	BP 80 25 01 07.pdf
Approved	Blanket Business Personal Property Insurance	BP 80 26	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 26 06 99 Previous Filing #:	BP 80 26 01 07.pdf
Approved	Bookstore Endorsement	BP 80 27	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 27 06 99 Previous Filing #:	BP 80 27 01 07.pdf
Approved	Church Endorsement	BP 80 30	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 30 06 99 Previous Filing #:	BP 80 30 01 07.pdf
Approved	Computer Software Professional Liability Exclusion	BP 80 31	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 31 06 99 Previous Filing #:	BP 80 31 01 07.pdf
Approved	Consulting Errors and Omissions Exclusion	BP 80 32	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 32 06 99 Previous Filing #:	BP 80 32 01 07.pdf
Approved	Coverage For Pets	BP 80 33	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 33 06 99 Previous Filing #:	BP 80 33 01 07.pdf
Approved	Display Equipment Endorsement	BP 80 35	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 35 06 99 Previous Filing #:	BP 80 35 01 07.pdf
Approved	Florist Endorsement	BP 80 38	01	07	07	07	Endorsement/Amendment/Condition	Replaced	Replaced Form #:0.00 BP 80 38 06 99 Previous Filing #:	BP 80 38 01 07.pdf

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Approved	Fragile Articles Endorsement	BP 80 39 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 39 06 99 Previous Filing #:	BP 80 39 01 07.pdf
Approved	Goodwill Replacement Valuation Endorsement	BP 80 41 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 41 06 99 Previous Filing #:	BP 80 41 01 07.pdf
Approved	Hired Auto Physical Damage	BP 80 43 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 43 06 99 Previous Filing #:	BP 80 43 01 07.pdf
Approved	Inspection and Appraisal Services Exclusion	BP 80 44 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 44 06 99 Previous Filing #:	BP 80 44 01 07.pdf
Approved	Insurance and Related Operations Exclusion	BP 80 45 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 45 06 99 Previous Filing #:	BP 80 45 01 07.pdf
Approved	Lawyers Office Endorsement	BP 80 50 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 50 06 99 Previous Filing #:	BP 80 50 01 07.pdf
Approved	Lawyers Professional Liability Exclusion	BP 80 51 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 51 06 99 Previous Filing #:	BP 80 51 01 07.pdf
Approved	Medical Office Endorsement	BP 80 56 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 56 06 99 Previous Filing #:	BP 80 56 01 07.pdf
Approved	Exclusion - Products - Completed Operations	BP 80 58 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 58 06 99 Previous Filing #:	BP 80 58 01 07.pdf

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Hazard

Approved	Peak Season Endorsement	BP 80 60 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 60 06 99 Previous Filing #:	BP 80 60 01 07.pdf
Approved	Real Estate Operations - Limitation of Coverage	BP 80 62 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 62 06 99 Previous Filing #:	BP 80 62 01 07.pdf
Approved	Shopping Center Endorsement	BP 80 64 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 64 06 99 Previous Filing #:	BP 80 64 01 07.pdf
Approved	Spoilage Coverage Endorsement	BP 80 65 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 65 06 99 Previous Filing #:	BP 80 65 01 07.pdf
Approved	Storage of Customers' Property Coverage Endorsement	BP 80 67 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 67 06 99 Previous Filing #:	BP 80 67 01 07.pdf
Approved	Unexplained Loss or Mysterious Disappearance	BP 80 68 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 68 06 99 Previous Filing #:	BP 80 68 01 07.pdf
Approved	Veterinarian Endorsement	BP 80 70 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 70 06 99 Previous Filing #:	BP 80 70 01 07.pdf
Approved	Attorney Foreclosure Auction Endorsement	BP 80 78 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 78 06 99 Previous Filing #:	BP 80 78 01 07.pdf
Approved	Auto Legal Liability	BP 80 81 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 81 06 99 Previous Filing #:	BP 80 81 01 07.pdf

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Approved	Flood Endorsement	BP 80 82 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 82 06 99 Previous Filing #:	BP 80 82 01 07.pdf
Approved	Limitation of Business Income and Extra Expense Coverages	BP 80 83 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 83 06 99 Previous Filing #:	BP 80 83 01 07.pdf
Approved	Earthquake Extension Endorsement	BP 80 90 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 90 06 99 Previous Filing #:	BP 80 90 01 07.pdf
Approved	Medical Expenses Limit Amendment Endorsement	BP 80 94 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 94 06 99 Previous Filing #:	BP 80 94 01 07.pdf
Approved	Pastoral Professional Liability Insurance Coverage Form	BP 80 96 01 07	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP 80 96 06 99 Previous Filing #:	BP 80 96 01 07.pdf
Approved	Aircraft Products Exclusion	BP 81 07 01 07	Endorsement/Amendment/Conditions	New 0.00	BP 81 07 01 07.pdf
Approved	Businessowners Manufacturers Liability Extension	BP 81 09 01 07	Endorsement/Amendment/Conditions	New 0.00	BP 81 09 01 07.pdf
Approved	Businessowners Manufacturers Property Extension	BP 81 10 01 07	Endorsement/Amendment/Conditions	New 0.00	BP 81 10 01 07.pdf
Approved	Exclusion - Exterior	BP 81 73 01 07	Endorsement/Amendment	Replaced Form #:0.00 BP 81 73 12 02	BP 81 73 01 07.pdf

SERFF Tracking Number: HCAS-125293478 State: Arkansas
 First Filing Company: American Fire and Casualty Company, ... State Tracking Number: AR-PC-07-026125
 Company Tracking Number: CL20070027(F)
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
 Liability
 Product Name: Businessowners Forms Revision
 Project Name/Number: BOP 2002/2006 Changes/CL20070027(F)

	Insulation Finish System		ent/Condi tions	Previous Filing #:	
Approved	Equipment Breakdown Enhancement Endorsement	BP 82 37 01 07	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 BP 79 93 06 99 Previous Filing #:	BP 82 37 01 07.pdf
Approved	Businessowners Property Plus Extension Endorsement	BP 82 42 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 42 01 07.pdf
Approved	Fiduciary or Representative Liability of Financial Institutions Exclusion	BP 82 43 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 43 01 07.pdf
Approved	Financial Services Exclusion	BP 82 44 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 44 01 07.pdf
Approved	Animal/Pet Endorsement	BP 82 45 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 45 01 07.pdf
Approved	Employment - Related Practices Liability Coverage	BP 82 46 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 46 01 07.pdf
Approved	Garagekeeper's Loss or Damage To Customers' Autos (Direct Primary Coverage)	BP 82 47 01 07	Endorseme New nt/Amendm ent/Condi tions	0.00	BP 82 47 01 07.pdf
Approved	Exclusion Of Crematory Operations	BP 82 48 01 07	Endorseme New nt/Amendm ent/Condi	0.00	BP 82 48 01 07.pdf

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Approved	Special Events Coverage Endorsement	BP 82 52	01 07	Endorsement/Amendment/Conditions	New	0.00	BP 82 52 01 07.pdf
Approved	Additional Insured - Lessor Of Leased Equipment	BP 82 56	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 BP 04 16 06 89 Previous Filing #:	BP 82 56 01 07.pdf
Approved	Exclusion - Asbestos	BP 81 15	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 LC 87 00 03 99 Previous Filing #:	BP 81 15 01 07.pdf
Approved	Exclusion - Liability Arising Out Of Lead	BP 81 16	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 LC 87 01 03 99 Previous Filing #:	BP 81 16 01 07.pdf
Approved	Restaurant Valet Parking Liability Endorsement	BP 81 17	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 LC 87 03 03 99 Previous Filing #:	BP 81 17 01 07.pdf
Approved	Medical Expense At Your Request Endorsement	BP 81 18	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 LC 87 08 07 99 Previous Filing #:	BP 81 18 01 07.pdf
Approved	Church Directors and Officers Coverage Form	BP 80 98	01 07	Endorsement/Amendment/Conditions	Replaced	Replaced Form #:0.00 BP 80 98 06 99 Previous Filing #:	BP 80 98 01 07.pdf

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMBULANCE PROFESSIONAL LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

A. The following is added to paragraph a. of 1. Business Liability under A. Coverages:

(3) To professional services rendered:

(a) By you; or

(b) At your direction

due to your ambulance service incidental to your business as a Funeral Home.

B. Paragraph 1. Applicable To Business Liability Coverage under B. Exclusions is modified as follows:

1. Exclusion g. does not apply to the use (including the "loading or unloading") of an "auto" while being used as an ambulance to carry people; and

2. Exclusion j. does not apply to ambulance service provided by you.

3. The following exclusion is added:

t. "Bodily injury" or "property damage" due to the:

(1) Acts; or

(2) Errors; or

(3) Omissions; or

(4) Mistakes; or

(5) Other Actions

by anyone qualified as:

(1) An emergency medical technician-ambulance; or

(2) An advanced emergency medical technician-ambulance; or

(3) A paramedic

as defined in state law during the rendering of or the failure to render medical, surgical or nursing treatment.

C. This endorsement does not increase our limit of liability beyond that stated in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMOBILE SERVICES AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This summarizes the various coverages provided by this endorsement; no coverages are given by this summary. Actual coverage descriptions are within the form.

<u>SUBJECT</u>	<u>LIMITS OF INSURANCE OR CHANGE IN CONDITION</u>	<u>PAGE</u>
ACCOUNTS RECEIVABLE	\$ 35,000	13
AGGREGATE LIMITS OF INSURANCE		21
AMENDMENT OF LIMITATIONS		
Fine Arts		14
BLANKET ADDITIONAL INSURED (OWNERS, CONTRACTORS OR LESSORS)		20
BLANKET WAIVER OF SUBROGATION		22
BODILY INJURY		22
BRANDS AND LABELS	Included in Business Personal Property Limit	14
BUSINESS INCOME AND CIVIL AUTHORITY WAITING PERIOD	24 hours	3
BUSINESS INCOME FROM DEPENDENT PROPERTY	\$ 50,000 or 30 days Actual Loss Sustained	4
BUSINESS INCOME – ORDINARY PAYROLL EXPENSE		3
BUSINESS PERSONAL PROPERTY	Legal Liability requirement deleted, covered within 1,000 feet of premises	3
CAR WASH PROPERTY DEDUCTIBLE	\$ 500 Ded with \$1,000 max.	16
COMPUTER EQUIPMENT	\$ 25,000	6
CONSEQUENTIAL LOSS TO STOCK	Included in Business Personal Property Limit	14
DAMAGE TO LEASED PROPERTY DEDUCTIBLE	\$ 10,000	14
DEFINITIONS		16
Auto Business		
Auto Hoist		
Auto Hoist Collision		
Fine Arts		
Period of Restoration		17
DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT		22
EMPLOYEE TOOLS	\$ 2,500	6
FELLOW EMPLOYEE EXCLUSION		20
FINE ARTS	\$ 5,000	14
FIRE DEPARTMENT SERVICE CHARGE	\$ 15,000	3
FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE	\$ 15,000	5
FORGERY OR ALTERATION	\$ 5,000 or follows Employee Dishonesty limit	4

GARAGEKEEPERS LOSS OR DAMAGE TO CUSTOMERS' AUTOS	Legal Liability Coverage	6
GASOLINE	Covered as Business Personal Property	3
GASOLINE TANKS, PUMPS & EQUIPMENT	Covered as Building	3
GLASS		5
HIRED AUTO COVERAGE	Available as an option	18
INCIDENTAL COVERAGE FOR BOATS AND OTHER MARINE EQUIPMENT		6
LIMITS OF INSURANCE		16
LOCK REPLACEMENT	\$ 500	15
LOSS ADJUSTMENT EXPENSES	\$ 5,000	15
MECHANICS PROFESSIONAL LIABILITY		18
MONEY ORDERS AND COUNTERFEIT MONEY	\$ 10,000	4
NEWLY ACQUIRED OR CONSTRUCTED PROPERTY		
Building	\$ 500,000	
Business Personal Property	\$ 250,000	12
NEWLY FORMED OR ACQUIRED ORGANIZATIONS		20
NONOWNED AUTO COVERAGE	Included	18
OFF PREMISES POWER FAILURE	\$ 25,000	7
ORDINANCE OR LAW	Loss to the Undamaged Property included \$ 50,000 Demolition Cost and Increased Cost of Construction	7
OUTDOOR PROPERTY	All covered causes of loss	
fences, retaining walls	\$ 2,500	
radio and television antennas	\$ 2,500 each	
trees and shrubs	\$ 2,500 occurrence/\$500 each	13
OUTDOOR SIGNS	\$ 10,000 occurrence	11
PERSONAL AND ADVERTISING INJURY		22
PERSONAL EFFECTS OF OTHERS	\$ 5,000	13
PERSONAL PROPERTY OFF PREMISES	\$ 25,000	12
PRESERVATION OF PROPERTY	60 days	3
PROPERTY NOT COVERED	Stained Glass	3
REWARD	\$ 5,000	11
SUPPLEMENTARY PAYMENTS		19
UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS		22
VALUABLE PAPERS – COST OF RESEARCH	\$ 25,000	13
WATER BACK-UP AND SUMP OVERFLOW	\$ 25,000	15
WHO IS AN INSURED		20

SECTION I – PROPERTY OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

I. The following is added to Paragraph **A.** Coverage – Covered Property:

- (7)** Gasoline tanks, pumps and equipment above and below ground:
 - (a)** Gasoline, diesel or kerosene fuel storage tanks including their piping and connections pertaining thereto; and
 - (b)** Gasoline, diesel or kerosene fuel pumps and their electrical equipment.

II. Paragraph **A.1.b.** Coverage – Business Personal Property is replaced by the following:

- b.** Business Personal Property located in or on the buildings at the described premises or in the open (or in a vehicle) within 1,000 feet of the described premises, including:
 - (1)** Property you own that is used in your business;
 - (2)** Property of others that is in your care, custody or control, plus the cost of labor, materials or services furnished or arranged by you on personal property of others.

Property of others coverage does not apply to Employee Tools except as provided under Section **V.** of this Endorsement.
 - (3)** Tenant’s improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a)** Made a part of the building or structure you occupy but do not own; and
 - (b)** You acquire or made at your expense but cannot legally remove.

III. The following is added to Section **A.2.** Property Not Covered:

- j.** Stained Glass except as provided under Section **VI.C.** Fine Arts Coverage.

IV. The Additional Coverages section of Part **A.** Coverage is changed as follows:

- A.** Preservation of Property.

The 30 day limit shown in paragraph **A.5.b.(2)** Preservation of Property, is replaced with a 60 day limit.
- B.** Fire Department Service Charge.

The \$2,500 limit shown in paragraph **A.5.c.** Fire Department Service Charge, is replaced with a \$15,000 limit.
- C.** Business Income.

The 60 day limitation for ordinary payroll expense shown in paragraph **A.5.f.(1)(b)** Business Income is not applicable.
- D.** Civil Authority.

The Civil Authority Additional Coverage **A.5.i.** is replaced with the following:

Civil Authority

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to the property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The Coverage for Business Income will begin 24 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for necessary Extra Expense will begin immediately after the time of that action and ends:

- (1) 3 consecutive weeks after the time of that action; or
 - (2) When your Business Income Coverage Ends;
- whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance.

E. Money Orders and Counterfeit Money.

The \$1,000 limit shown in **A.5.j.** Money Orders and Counterfeit Money is replaced with a \$10,000 limit.

F. Forgery or Alteration.

Paragraph **A.5.k.(4)** Forgery or Alteration is replaced by the following:

- (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is the greater of \$5,000 or an amount equal to the Limit of Insurance for Employee Dishonesty shown in the Declarations.

G. Increased Cost of Construction

Paragraph **A.5.i.** Increased Cost of Construction is not applicable. Refer to Section **IV.F.** – Ordinance or Law Additional Coverage of this endorsement.

H. Business Income From Dependent Property

Paragraph **A.5.m.**, Business Income From Dependent Property is replaced by the following:

m. Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss to dependent property is loss or damage to “electronic data”, including destruction or corruption of “electronic data”. If the dependent property sustains loss or damage to “electronic data” and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced.

The most we will pay under this Additional Coverage is the lesser of:

- (a) \$50,000; or
- (b) 30 days actual loss sustained after direct loss or damage to the property.

- (2) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operation” in whole or in part, by using any other available:

- (a) Source of materials; or
- (b) Outlet for your products.

- (3) If you do not resume “operations”, or do not resume “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume “operations” as quickly as possible.

- (4) Dependent property means property owned by others whom you depend on to:

- (a) Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;

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- (b) Accept your products or services;
- (c) Manufacture your products for delivery to your customers under contract for sale; or
- (d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (5) The coverage period for Business Income under this Additional Coverage:
 - (a) Begins 24 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
 - (b) Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- (6) The Business Income coverage period as stated in Paragraph (5), does not include any increased period required due to the enforcement of any ordinance or law that:
 - (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not reduce the Business Income coverage period.

- (7) The definition of Business Income contained in the Business Income Additional Coverage also applies to this Business Income From Dependent Properties Additional Coverage.

I. Glass.

Paragraph **A.5.n.** Glass Expenses is replaced by the following:

n. Glass

- (1) We will pay for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of or contained in a covered building or structure at the described premises. The glass must be owned by you, or owned by others but in your care, custody or control. We will also pay for necessary:
 - (a) Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;
 - (b) Repair or replacement of encasing frames; and
 - (c) Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

J. Fire Extinguisher Systems Recharge Expense

Paragraph **A.5.o.** Fire Extinguisher Systems Recharge Expense is replaced by the following:

o. Fire Extinguisher Systems Recharge Expense

- (1) We will pay:
 - (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

(b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

(2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.

(3) The most we will pay under this Additional Coverage is \$15,000 in any one occurrence.

V. The following items are added to the Additional Coverages section of Part A. Coverages:

A. Computer Equipment

1. We will pay for direct loss of or damage to Computer Equipment resulting from direct physical loss or damage by a Covered Cause of Loss at the premises described in the Declarations.
2. The most we will pay for loss under this Additional Coverage is \$25,000 in any one occurrence. Our payment will only be for the account of the owner of the computer equipment.

B. Employee Tools.

We will pay for loss of or damage to tools owned by your employees located on the described premises or in transit resulting from a Covered Cause of Loss.

The most we will pay for loss under this Additional Coverage is \$2,500 in any one occurrence. Our payment will only be for the account of the owner of the tools.

C. Garagekeeper's Loss Or Damage To Customers' Autos (Legal Liability Coverage)

Coverage applicable to the "Auto Business" is subject to all the provisions of Section I – Property of the Businessowners Coverage Form, except as indicated below. When Loss Or Damage To Customers' Autos (Direct Primary Coverage) is selected, this coverage will not apply.

- (1) Coverage applies only for each premises described in the Declarations for which a limit of insurance is shown for Loss or Damage to Customers Autos. If limit of insurance is higher than \$10,000, additional premium must also be shown.
- (2) We will pay all sums you legally must pay as damages for direct physical loss of or damage (including any resulting loss of use) to "autos" or "auto" equipment left in your care while you are attending, servicing, repairing, parking or storing the "autos" at or temporarily away from a premises shown in the Declarations. Such loss or damage must be caused by or result from a Covered Cause of Loss. Our payment for loss or damage will only be for the account of the owner of the "auto".
- (3) Coverage will apply to any boat or other marine equipment while contained on any trailer and attached to any auto the insured is attending, servicing, repairing, parking or storing in his "Auto Business".
- (4) Covered Cause of Loss means any loss or damage not specifically excluded in Section IV., Paragraph s.(5).
- (5) We have the right and duty to defend any insured under this coverage against a suit asking for these damages. However, we have no duty to defend any insured against a suit seeking damages for any loss or damage to which this coverage does not apply. We may investigate and settle any claim or suit as we consider appropriate. Our duty to defend or settle ends when the Limit of Insurance has been exhausted by payment of judgments or settlements.
- (6) This insurance does not apply to any of the following:
 - (a) Contractual Obligations
Liability resulting from any agreement by which you accept responsibility for direct physical loss of or damage (including any resulting loss of use) to "autos" left in your care.

- (b) Theft
Loss or damage due to theft or conversion caused in any way by you or any other insured.
- (c) Faulty Work
Defective work you performed, including work that someone performed for you.

(7) Limit Of Insurance And Deductible

- (a) Regardless of the number of "autos" left in your care, the most we will pay for all loss or damage at each premises in any one event is \$10,000 or the Limit Of Insurance shown in the Declarations minus the applicable deductible for loss or damage caused by collision, theft or mischief or vandalism.
- (b) A basic \$250 property damage deductible (or higher as shown in the Declarations) applies to damages in any accident resulting from property damage to each customer's auto as a result of work you performed on that auto. A \$1,000 maximum deductible applies for all losses in any one event.

(8) Personal Effects of Others;

- a. We will pay up to \$5,000 for the "loss" or damage to personal effects of your customers, while contained in their "auto" and in your care, custody or control. This coverage will apply on the same basis as Garagekeepers Coverage and any deductible selected will also apply to this coverage. However, in no event will more than one deductible apply to any one "loss".

- c. Paragraph **(6) (b)**. Theft, as referenced above, is replaced by the following as respects to coverage for Personal Effects of Others:

We will not pay for "loss" caused by dishonesty or criminal acts by you, any of your partners, employees, or anyone to whom you have entrusted the personal effects for any purpose while acting alone or in collusion with others, or voluntary parting with the personal effects by you or anyone else to whom you have entrusted the personal effects if induced to do so by any fraudulent scheme, trick, device or false pretense.

D. Off Premises Power Failure.

We will pay up to \$25,000 for loss of Business Income and Extra Expense caused by the failure of power or other utility service supplied to the described premises if the failure occurs away from the described premises.

The failure of power or other utility service must result from direct physical loss or damage by a Covered Cause of Loss.

We will only pay for loss you sustain after the first 24 hours following the direct physical loss to the off premises property.

E. Ordinance Or Law Coverage(s)

- 1. The following additional coverages apply only to covered Buildings written on a replacement cost basis.
- 2. Application of Coverage(s)

The Additional Coverage for Ordinance Or Law provided by this endorsement applies only if both **F.2.a.** and **F.2.b.** are satisfied and are then subject to the qualifications set forth in **F.2.c.**

- a. The ordinance or law:
 - (1) Regulates the demolition, construction or repair of buildings or tenants improvements and betterments, or establishes zoning or land use requirements at the described premises; and
 - (2) Is in force at the time of loss.

But coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

- b. The building or tenants improvements and betterments sustain direct physical damage;
 - (1) That is covered under this policy and such damage results in enforcement of the ordinance or law; or
 - (2) That is covered under this policy and direct physical damage that is not covered under this policy, and the building or improvements and betterments damage in its entirety results in enforcement of the ordinance or law.
 - (3) But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building or tenants improvements and betterments has also sustained covered direct physical damage.

- c. In the situation described in **F.2.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages 1, 2 and/or 3 of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in endorsement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages 1, 2 and/or 3.

- 3. We will not pay under Coverages 1, 2 or 3 of this endorsement for:
 - a. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
 - b. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", fungi", wet or dry rot or bacteria.

4. Coverage

- a. Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building or Tenants Improvements and Betterments

With respect to the building or tenants improvements and betterments that sustain covered direct physical damage, we will pay under Coverage 1 for the loss in value of undamaged portion of the building or tenants improvements and betterments as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building or tenants improvements and betterments. Coverage 1 is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage 1 does not increase the Limit of Insurance.

b. Coverage 2 – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I – Property does not apply to Demolition Cost Coverage.

c. Coverage 3 – Increased Cost Of Construction Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I – Property does not apply to the Increased Cost of Construction Coverage.

5. Ordinance or Law Loss Payment

a. All following loss payment provisions **5.b.** through **5.c.**, are subject to the apportionment procedure set forth in Section **F.2.c.** above.

b. When there is a loss in value of an undamaged portion of a building or tenants improvements and betterments to which Coverage 1 applies, the loss payment for that building or tenants improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building or tenants improvements and betterments, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (2) If the property is not repaired or replaced, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.

- (c) If the Tenants Improvements and Betterments are not repaired or replaced, we will pay based on a proportion of your original cost of the tenants improvements and betterments. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii) Divide the amount determined in (1) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.

- c. For Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction Coverage the most we will pay at each described premises, for the total of all covered losses is:

- (1) \$50,000; or
- (2) the Limit of Insurance shown in the Declarations for Demolition Cost Coverage and Increased Cost of Construction Coverage;

whichever is greater.

The Limit of Insurance for Demolition Cost Coverage and Increased Cost of Construction Coverage, described in Paragraph 5.c. above, is subject to the following additional loss payment provisions:

- (1) For Demolition Cost Coverage, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (2) For Increased Cost of Construction Coverage:

We will not pay for the increased cost of construction:

- (a) Until the property is actually repaired or replaced, at the same or another premises; and
- (b) Unless the repairs or replacement are made as soon as reasonable possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

If the building or tenants improvements and betterments are repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the same premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

If the ordinance or law requires relocation to another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the new premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

- 6. The terms of this Additional Coverage apply separately to each Building to which this endorsement applies.
- 7. Under this endorsement, we will not pay for loss due to any ordinance or law that:

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- a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.
8. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section **F.2.c.** of this endorsement).

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000 \text{ divided by } \$100,000 = .30$

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for Coverage 3 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 and 2 of this endorsement.

F. Outdoor Signs

1. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
 - a. Owned by you; or
 - b. Owned by others but in your care, custody or control.
2. Paragraph **A.3.**, Covered Causes of Loss, and Section **B.**, Exclusions, does not apply to this Additional Coverage, except for:
 - a. Paragraph **B.1.c.**, Governmental Action;
 - b. Paragraph **B.1.d.**, Nuclear Hazard; and
 - c. Paragraph **B.1.f.**, War and Military Action.
3. We will not pay for loss or damage caused by or resulting from:
 - a. Wear and tear;
 - b. Hidden or latent defect;
 - c. Rust;
 - d. Corrosion; or
 - e. Mechanical breakdown.
4. The most we will pay for loss or damage in any one occurrence is:
 - a. \$10,000; or
 - b. the Limit of Insurance for Outdoor Signs shown in the Declarations; whichever is greater.
5. This Additional Coverage replaces the Outdoor Signs Coverage in Part **G.1.** Optional Coverage.
6. As respects this Additional Coverage, Paragraph **2. of C.** Limits of Insurance is deleted.

G. Reward

We will pay up to \$5,000 as a reward for information which leads to a conviction in connection with a fire loss or theft loss covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

VI. Coverage Extensions

The Coverage Extensions section of Part A. Coverage is changed as follows:

A. Newly Acquired Or Constructed Property

Paragraph A.6.a. Newly Acquired Or Constructed Property is replaced by the following:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a) Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (c) Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

B. Personal Property Off Premises.

Paragraph A.6.b. Personal Property Off Premises is replaced by the following:

- b. You may extend the insurance provided by this policy to apply to your Covered Property, other than "money" and "securities", "valuable papers and records" or accounts receivable, while it is in the course of transit or temporarily at a premises you do not own, lease or operate. The most we will pay for loss or damage under this Extension is \$25,000.

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C. Outdoor Property.

Paragraph **A.6.c.** Outdoor Property, is replaced by the following:

c. Outdoor Property

You may extend the insurance provided by this policy to apply to the following outdoor property located on the described premises:

- (1)** Outdoor fences. The most we will pay for loss or damage is \$2,500 in any one occurrence.
- (2)** Outdoor radio, television, satellite, dish-type or other antennas, including their masts, towers and lead-in and support wiring. The most we will pay for loss of or damage is \$2,500 each.
- (3)** Outdoor trees, shrubs and plants. The most we will pay for loss or damage, including debris removal expense, is \$2,500 in any one occurrence, but not more than \$500 for any one tree, shrub or plant.

D. Personal Effects

Paragraph **A.6.d.** "Personal Effects" is replaced by the following:

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners, or "members", your "managers" or your employees.

This Extension does not apply to loss or damage by theft.

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

E. Valuable Papers and Records – Cost of Research

Paragraph **A.6.e. (3)** "Valuable Papers and Records" is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at the described premises is:

- (a)** \$25,000; or
- (b)** the Limit of Insurance shown for Valuable Papers and Records in the Declarations; whichever is greater.

The most we will pay for "valuable papers and records" not at the described premises is:

- (a)** 25% of the valuable papers and records limit of insurance described above; or
- (b)** \$10,000
whichever is less.

F. Accounts Receivable.

Paragraph **A.6.f. (2)** Accounts Receivable is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to accounts receivable in any one occurrence at the described premises is:

- (a)** \$35,000
- (b)** the Limit of Insurance shown for Accounts Receivable in the Declarations; whichever is greater.

The most we will pay for accounts receivable not at the described premises is \$5000.

VII. The following items are added to the Coverage Extensions section of Part **A.** Coverage:

A. Brands and Labels

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions.

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, and we take all or part of the property at an agreed or appraised value, you may extend the insurance that applies to Business Personal Property to pay expenses you incur to:

1. stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. remove the brands and labels, if doing so will not physically damage the merchandise or its containers to comply with the law.

Payment of these expenses is included within the applicable Limit of Insurance.

B. Consequential Loss to Stock

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions:

If a Covered Cause of Loss occurs to covered stock, we will pay any reduction in value of the remaining undamaged parts of covered stock.

Payment for any reduced value in stock is included within the applicable Limit of Insurance.

C. Damage to Leased Property

- (1) You may extend the insurance provided by this Coverage Part to apply to loss or damage caused by motor vehicles, trailers or an "auto hoist collision" to:
 - (a) "auto hoists";
 - (b) building;
 - (c) fences;
 - (d) retaining walls not forming a part of the building; or
 - (e) above ground fuel pumps you lease from others.
- (2) The most we will pay for loss or damage under this Extension is \$10,000 at each described premises. Our payment for loss of or damage to property of others in this Extension will only be for the account of the owner of the property.

D. "Fine Arts"

You may extend the insurance which applies to Your Business Personal Property to apply to "Fine Arts" that are:

1. Property you own that is used in your business; or
2. Property of others that is in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises; or the Limit of Insurance shown for "Fine Arts" in the Declarations; whichever is greater.

In the event of loss or damage to property covered under this extension, we will pay the market value of the property at the time of loss or damage.

Section **B.** Exclusions of the Property Coverage Form does not apply to this Coverage Extension except for:

- (1) Paragraph **B.1.c.**, Governmental Action;
- (2) Paragraph **B.1.d.**, Nuclear Hazard;
- (3) Paragraph **B.1.f.**, War and Military Action;
- (4) Paragraph **B.2.f.**, Dishonesty;
- (5) Paragraph **B.2.g.**, False Pretense; and
- (6) Paragraph **B.2.k.**, Neglect.

E. Lock Replacement

You may extend the insurance provided by this policy to apply to the cost to repair or replace the door locks or tumblers of your described premises due to theft of your door keys.

The most we will pay under this Extension is \$500 in any one occurrence.

F. Loss Adjustment Expenses

You may extend the insurance provided by this policy to apply to your expenses for preparation of loss data, including inventories and appraisals, in connection with any claim covered under this policy. This Extension will not pay for expenses incurred insuring the services of a public adjuster.

The most we will pay under this Extension is \$5,000.

G. Water Back-Up And Sump Overflow

1. You may extend the insurance provided by this policy to apply to physical loss or damage to your property caused by or resulting from:

- a. Water which backs up through or overflows from a sewer or drain; or
- b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph **(b.)** above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

2. The coverage described in Paragraph **(1.)** above does not apply to loss or damage resulting from an Insured's failure to:

- a. Keep a sump pump or its related equipment in proper working condition; or
- b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

3. The most we will pay for the coverage provided under the Water Back-Up And Sump Overflow Extension of coverage is \$25,000 per location.

4. With respect to the coverage provided under this Extension, Exclusion **B.1.g.** Water is replaced by the following exclusion:

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.

But, if Water, as described in **g.(1)** through **g.(3)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

VIII. Limitations

A. "Fine Arts"

Paragraph **b.** in **4. Limitations of Part A.** Coverage does not apply to "Fine Arts" Extension of Coverage or to "Fine Arts" Optional Coverage.

IX. Limits of Insurance

Paragraph **3.** of Part **C.** Limits of Insurance, is changed as follows:

- 3.** Unless otherwise stated, the limits applicable to the Coverage Extensions and Computer Equipment, Employee Tools, Fire Department Service Charge, Fire Extinguisher Systems Recharge Expense, Forgery and Alterations, Money Order and Counterfeit Money, Off Premises Power Failure, Ordinance or Law Coverage, Pollutant Clean Up and Removal and Reward, Additional Coverages are in addition to the Limits of Insurance.

X. Deductible

Paragraphs **2.** and **3.** of Part **D.** Deductibles, are replaced by the following:

- 2.** Regardless of the amount of the Deductible, the most we will deduct from any loss or damage is \$500 in any one occurrence under:

a. the following Additional Coverages:

- (1)** Glass Coverage;
- (2)** Forgery and Alterations Coverage;
- (3)** Money Orders and Counterfeit Paper Money;
- (4)** Outdoor Signs; or
- (5)** Condominium Unit-Owners Loss Assessment

But this \$500 deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

- 3.** No deductible applies to:

a. the following Additional Coverages:

- (1)** Business Income;
- (2)** Civil Authority;
- (3)** Extra Expense;
- (4)** Fire Department Service Charge;
- (5)** Fire Extinguisher Systems Recharge Expense;
- (6)** Off Premises Power Failure;
- (7)** Reward; or

b. the following Coverage Extensions:

- (1)** Lock Replacement; or
- (2)** Loss Adjustment Expenses.

Paragraph 4 is added to Part **D.** Deductibles;

4. Car Wash Property Damage Deductible

We will deduct \$500 from the damages in any "occurrence" resulting from "property damage" to an "auto" while entering, within or exiting a car wash facility.

This deductible applies separately to each "auto" damaged while entering, within or exiting a car wash facility. However, a \$1,000 maximum deductible applies for all such "loss" in any one "occurrence."

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XI. Period of Restoration

Paragraph 9. "Period of restoration," of Part H. Property Definitions, is replaced by the following:

9. "Period of restoration" means the period of time that:

a. Begins:

- (1) 24 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1) The date when our business activities at the described premises return to the level that existed immediately before the loss; but in no event for more than 30 days after the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

c. Does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

XII. Property Definitions

The following are added to Part H. Property Definitions:

15. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

16. "Auto Hoist" means any hydraulic or mechanical device used to raise or lower a motor vehicle for servicing; but "auto hoist" does not mean any portable or moveable jack or lift.

17. "Auto Hoist Collision" means the collision of:

- a. Any part of an "auto hoist" with another object; or
- b. Anything carried on an "auto hoist" with a part of the "auto hoist" or with any other object.

18. "Fine Arts" means paintings, etchings, pictures, tapestries, art or stained glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, sports memorabilia and any other similar property of rarity, historic value or artistic merit.

19. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".

SECTION II – LIABILITY OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

I. Mechanics Professional Liability Coverage

The following is added to Paragraph **A.1.** Coverages – Business Liability

- A.** Paragraph A. Coverages also applies to "bodily injury", "property damage" or "personal and advertising injury", arising out of the rendering of or failure to render professional services consisting of advice, instructions or other service activities provided by you or your employees, in connection with the operation of an automobile repair operation, automobile parts or automobile accessories store.

The following deductible is applicable to "property damage" to an "auto" or "auto" equipment:

"Property damage" caused in any one "occurrence" will be reduced by \$100 or the deductible amount shown in the schedule.

This deductible applies to "property damage" to an "auto" or "auto" equipment.

1. Sold by you; or
2. Resulting from your "products" used in connection with any "auto" or "auto" equipment.

- B.** Paragraph **B.** Exclusions is amended as follows:

1. Paragraph **B.1.b.** Contractual Liability is replaced by the following:

This insurance does not apply to:

- b.** "Bodily injury", "property damage" or "personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

2. Paragraph **B.1.r.** Criminal Acts is replaced by the following:

This insurance does not apply to:

- r.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of a criminal act including but not limited to fraud committed by the insured or any person for whom the insured is legally responsible.

Paragraph **B.** Exclusions, are amended as follows:

1. Paragraph **B.1.j.** Exclusions "Professional Services" does not apply.
2. Paragraph **B.1.i.** Exclusions "Damage To Your Product" does not apply when the product is installed on a customers automobile by you or one of your employees.

- C.** Paragraph **D.2.** of Liability And Medical Expenses Limits Of Insurance is replaced by the following:

2. The most we will pay for the sum of all damages because of all:
 - a.** "Bodily injury", "property damage" and medical expenses arising out of any one "occurrence"; and ;
 - b.** "Personal and advertising injury" sustained by any one person or organization arising out of any one "occurrence";

is the Liability and Medical Expenses limit shown in the Declarations. But the most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses limit shown in the Declarations.

- D.** For the coverage provided by this endorsement, the definition of "occurrence" in Paragraph **F.** Liability And Medical Expenses Definitions is amended to include any act or omission arising out of the rendering of or failure to render services as a mechanic.

- II.** Paragraph **A.1.** Business Liability in Section II – Liability is amended as follows;

A. Hired Auto Liability

Hired Auto Liability, is available as an option for which a specific premium charge is shown in the Declarations.

This insurance applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

B. Non-Owned Auto Liability

Non-owned Auto Liability is automatically included.

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This insurance applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person.

This insurance applies as follows:

1. The exclusions, under the Paragraph **B.1. Applicable To Business Liability Coverage** in Section II – Liability, other than Exclusions **a., b., d., f.** and **i.** and the Nuclear Energy Liability Exclusion, are deleted and replaced by the following:
 - a. "Bodily injury" to:
 - (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
 - (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

 - (1) Whether the insured may be liable as an employer or in any other capacity; and
 - (2) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

 - (1) Liability assumed by the insured under an "insured contract"; or
 - (2) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.
 - b. "Property damage" to:
 - (1) Property owned or being transported by, or rented or loaned to the insured; or
 - (2) Property in the care, custody or control of the insured.
2. Paragraph **C. Who Is An Insured** in Section II – Liability, is replaced by the following:
 1. Each of the following is an insured under this endorsement to the extent set forth below:
 - a. You;
 - b. Any other person using a "hired auto" with your permission;
 - c. For a "non-owned auto":
 - (1) Any partner or "executive officer" of yours; or
 - (2) Any "employee" of yoursbut only while such "non-owned auto" is being used in your business; and
 - d. Any other person or organization, but only for their liability because of acts or omissions of an insured under **a., b.** or **c.** above.
 2. None of the following is an insured:
 - a. Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
 - b. Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;
 - c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
 - d. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee; or
 - e. Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

III. Supplementary Payments

A. Paragraph 1.f. (1) (b) and (d) are replaced by the following:

- (b)** Up to \$3,000 for cost of bail bond required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish the bonds.
- (d)** All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

IV. The following is added to Paragraph B.1.e. Exclusion – Employee Liability:

The exclusion of "Bodily Injury" to any fellow employee does not apply if the "bodily injury" arises out of and in the course of the fellow employee's employment. Coverage is excess over other collectible insurance.

Paragraph 1.g. (2) of B. Exclusions is replaced by the following;

- (2)** A watercraft you do not own that is:
 - (a)** Less than 51 feet long; and
 - (b)** Not being used to carry persons or property for a charge.

This provision shall not apply, however, if the insured has any other insurance available for "bodily injury" or "property damage" which would also apply to loss covered under this provision. This exception is activated whether that other insurance applies on a primary, excess, contingent or on any other basis.

V. The following are added to Paragraph C. Who is an insured:

3. Additional Incorporated Subsidiaries

Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of the coverage form. However, "insured" does not include any subsidiary that is an "Insured" under any other automobile liability policy or would be an "Insured" under such policy but for its termination or the exhaustion of its limits.

4. Newly Formed or Acquired Organizations.

Any business entity acquired by you or incorporated or organized by you under the laws of any individual state of the United States of America over which you maintain majority ownership interest exceeding fifty percent. Such acquired or newly formed organization will qualify as a Named Insured if there is no similar insurance available to that entity. However:

- a.** Coverage under this provision is afforded only until the 180th day after the entity was acquired or incorporated or organized by you or the end of the policy period, whichever is earlier.
- b.** Coverage **A. Paragraph 1. Business Liability** does not apply to:
 - (1)** "Bodily injury" or "property damage" that occurred before the entity was incorporated or organized by you; and
 - (2)** "Personal and advertising injury" arising out of an offense committed before the entity was acquired or incorporated or organized by you.
- c.** Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

5. Employees as Insureds.

Any employee of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

6. Owner of Premises

Any owner of the premises where you conduct your "auto business" is included, but only for liability arising out of the ownership, maintenance and use of that part of the premises which is leased to you.

The insurance afforded by this endorsement does not apply to:

- (1)** Any "accident" which occurs after you cease to be a tenant in the premises.
- (2)** Any structural alterations, new construction or demolition operations performed by or for the designated person or organization.

7. Blanket Additional Insured (Owners, Contractors Or Lessors)
1. Section C. Who Is An Insured is amended to include as an insured any person or organization whom you are required to name as an additional insured on this policy under a written contract or written agreement. The written contract or agreement must be:
 - a. currently in effect or becoming effective during the term of this policy; and
 - b. executed prior to the "bodily injury", "property damage" or "personal and advertising injury".
 2. The insurance provided the additional insured is limited as follows:
 - a. That the person or organization is only an additional insured with respect to liability arising out of
 - (1) Real property as described in a written contract or written agreement, you own, rent, lease, maintain or occupy;
 - (2) Caused in whole or in part by your ongoing operations performed for that insured.
 - b. The limits of insurance applicable to the additional insured are those specified in the written contract or agreement or the limits available under this policy as stated in the Declarations, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.
 - c. The insurance provided the additional insured does not apply to:
 - (1) Liability arising out of the sole negligence of the additional insured;
 - (2) "Bodily injury", "property damage", "personal and advertising injury" or defense coverage under the Supplementary Payments section of the policy arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:
 - (a) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - (b) Supervisory, inspection, architectural or engineering activities.
 - (3) Any "occurrence" that takes place after you cease to be tenant in the premises described in the Declarations.
 - (4) Structural alterations, new construction or demolition operations performed by or for the person or organization designated in the Declarations.
 3. Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a contract specifically requires that this insurance be primary or you request that it apply on a primary basis.
 8. Additional Insured - Owners of Automobiles While in the Insured's Care, Custody or Control
Who is an insured includes the person or organization named, but only as respects liability arising out of the automobile entrusted to you for that insured.
This extension of coverage to the person or organization shown only applies while an automobile belonging to such person or organization is entrusted to the named insured for the purpose of servicing or repair of such automobile.

VI. Aggregate Limits

The following is added to Aggregate Limits Paragraph 4. of D. Liability and Medical Expenses Limits of Insurance:
The Aggregate Limits apply separately to each of "locations" owned by or rented to you or temporarily occupied by you with the permission of the owner.

The Aggregate Limits also apply separately to each of your projects away from premises owned by or rented to you.

For the purpose of this endorsement only, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

VII. The following are added to paragraph **E. Liability And Medical Expense General Conditions**;

A. Duties In The Event Of Occurrence, Offense, Claim Or Suit

1. The requirement in **E. Liability And Medical Expense General Conditions** paragraph **2.a.** that you must see to it that we are notified of an "occurrence" or offense which may result in a claim applies only when the "occurrence" is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim.
2. The requirement in **E. Liability And Medical Expense General Conditions** paragraph **2.b** that you must see to it that we receive notice of a claim or "suit" will not be considered breached unless the breach occurs after such claim or "suit" is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim.

A. Unintentional Failure To Disclose Hazards;

If you unintentionally fail to disclose any hazards existing at the inception or renewal date of the policy, we will not deny coverage under this coverage part because of such failure.

VIII. Definitions

Paragraph **3.** of **F. Liability And Medical Expenses Definitions** is replaced by the following:

3. "Bodily Injury" means:

- a.** Bodily injury, sickness or disease sustained by a person and includes mental anguish resulting from any of these; and
- b.** Except for mental anguish, includes death resulting from the foregoing (Item **a.** above) at any time.

Paragraph **14.b.** in "Personal And Advertising Injury of **F. Liability And Medical Expenses Definitions** is replaced by the following:

- b.** Malicious prosecution or abuse of process.

The following additional definitions are added to Paragraph **F. Liability And Medical Expenses Definitions**:

- 23.** "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- 24.** "Hired Auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or your "executive officers" or members of their households.
- 25.** "Non-Owned Auto" means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

SECTION III – COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I – PROPERTY AND SECTION II - LIABILITY) OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

I. Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operations of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an insured contract.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**BARBER/STYLING SALON PROFESSIONAL LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I. Section I – Property is amended as follows:

A. Section 1.b(2) of Covered Property Under Part A. Coverage is replaced by the following:

- (2) (a)** property of others, excluding toupees, wigs, hairpieces and tools of your barbers, beauticians or hair stylists, that is in your care custody or control, except as otherwise provided in Loss Payment Property Loss Condition **E.6.d.(3)(b)**;
- (b)** toupees, wigs and hairpieces for which you are not liable that are in your care, custody or control for cleaning and styling; and
- (c)** tools of your barbers, beauticians or hair stylists for which you are not liable that are in your care, custody or control, on the described premises.

II. Section II - Liability is amended as follows:

A. Paragraph A. Coverages also applies to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render professional services in connection with the operation of your business as a barber shop or beauty salon, including treatment, advice or instruction for the purposes of appearance or skin enhancement or personal grooming or therapy.

B. Coverage 3. Physical Damage to Property is added as follows:

3. Physical Damage to Property

- a.** We will pay at your request for loss of property of your customers. The loss must be due to you or while the property is in your possession and must result from your operation of a Beauty Shop or Barber Shop. The most we will pay is \$250 per customer in any one "occurrence." The "occurrence" must take place during the policy period and in the "coverage territory."

Loss means unintentional damage or destruction but does not include:

- (1)** Disappearance, abstraction or theft;
- (2)** Loss to motor vehicles; or
- (3)** Loss to property occupied by, used by or rented to you.

- b.** None of the policy exclusions apply to this coverage.

C. Item B.1. of Exclusions is modified as follows:

1. Paragraph 1.b. Contractual Liability is replaced by the following:

This insurance does not apply to:

- b.** "Bodily injury", "property damage" or "personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- 2.** Exclusion **j.** does not apply to beautician, manicurist or barber services nor to an insured doing business as a Beauty Shop or Barber Shop.

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D. The following are added to Exclusions:

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" arising out of:

1. Products:
 - a. Manufactured;
 - b. Prepared;
 - c. Rebottled; or
 - d. Repacked

by you or sold under your label for use away from the premises to which this insurance applies.
2. The violation of any statute or governmental rule or regulation; however, this exclusion does not apply to the failure to perform a predisposition of skin test.
3. Any equipment or process used to tan skin.
4. Body massage (other than facial massage).
5. Chiropody or Podiatry;
6. Face lifting;
7. The removal of warts, moles or growths or any attempt to remove or reduce them;
8. The removal of hair by electrolysis.
9. The use, administration or application of any dye to eyelashes or eyebrows except mascara or eyebrow pencils.
10. The operation of a training school or course of instruction in beauty culture or barbering.
11. Hair Implanting or hair transplanting or any attempt at these.
12. Body piercing.
13. Tattooing, including, but not limited to the insertion of pigment into or under the skin.

E. Paragraph **C. Who Is An Insured** is amended as follows:

1. Paragraph **2.a.** is replaced by the following:
2. Each of the following is also an insured:
 - a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages of the injury described in Paragraph (1)(a) or (1)(b); or

(2) "Bodily injury", "property damage" or "personal and advertising injury" arising out of his or her providing or failing to provide professional services. However, your "employees" are insureds with respect to their providing or failing to provide services as a barber or beautician in connection with your business.

(3) "Property damage" to property:

(a) Owned, occupied or used by;

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by:

you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

2. The following is added to Paragraph 2:

e. Any operator who rents or leases from the insured booth space, chairs or any portion of your premises for the purpose of conducting barber shop or beauty salon services and any "employee" of such operator, but only with respect to liability arising out of such services.

F. Paragraph D.2. Liability And Medical Expenses Limits Of Insurance is replaced by the following:

2. The most we will pay for the sum of all damages because of all:

a. "Bodily injury, "property damage" and medical expenses arising out of any one "occurrence" and;

b. "Personal and advertising injury" sustained by any one person or organization arising out of any one "occurrence";

is the Liability and Medical Expenses limit shown in the Declarations. But the most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses limit shown in the Declarations.

G. For the coverage provided by this endorsement, the definition of "occurrence" in Paragraph F. Liability and Medical Expenses Definitions is amended to include any act or omission arising out of the rendering or failure to render services as a barber or beautician.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - BUSINESS INCOME AND EXTRA EXPENSE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

Business Income and Extra Expense of A. COVERAGE, Additional Coverages do not apply. Any references to them in the Coverage Form do not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS PROPERTY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This summarizes the various coverages provided by this endorsement; no coverages are given by this summary. Actual coverage descriptions are within the form.

<u>SUBJECT</u>	<u>LIMITS OF INSURANCE OR CHANGE IN CONDITION</u>	<u>PAGE</u>
ACCOUNTS RECEIVABLE	\$ 35,000	13
AMENDMENT OF LIMITATIONS Fine Arts		14
BRANDS AND LABELS	Included in Business Personal Property Limit	13
BUSINESS INCOME AND CIVIL AUTHORITY WAITING PERIOD	24 hours	15
BUSINESS INCOME FROM DEPENDENT PROPERTY	\$50,000 or 30 days Actual Loss Sustained	4
BUSINESS INCOME - ORDINARY PAYROLL EXPENSE		3
BUSINESS PERSONAL PROPERTY	Legal Liability requirement deleted, covered within 1,000 feet of premises	3
COMPUTER EQUIPMENT	\$ 25,000	5
CONSEQUENTIAL LOSS TO STOCK	Included in Business Personal Property Limit	13
DEDUCTIBLE		14
DEFINITIONS Fine Arts Period of Restoration		15 15
EMPLOYEE DISHONESTY	\$ 10,000	5
EMPLOYEE TOOLS	\$ 2,500	7
FINE ARTS	\$ 5,000	13
FIRE DEPARTMENT SERVICE CHARGE	\$ 15,000	3
FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE	\$ 15,000	5
FORGERY OR ALTERATION	\$ 10,000 or follows Employee Dishonesty limit	3
INCREASED COST OF CONSTRUCTION GLASS		4 5
LIMITS OF INSURANCE		14
LOCK REPLACEMENT	\$ 500	13
LOSS ADJUSTMENT EXPENSES	\$ 5,000	14
MONEY AND SECURITIES	\$ 10,000 on premises/\$5,000 off premises	7
MONEY ORDERS AND COUNTERFEIT MONEY	\$ 10,000	3

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NEWLY ACQUIRED OR CONSTRUCTED PROPERTY		
Building	\$ 500,000	11
Business Personal Property	\$ 250,000	12
OFF PREMISES POWER FAILURE	\$ 25,000	8
ORDINANCE OR LAW	Loss to the Undamaged Property - Included \$ 50,000 Demolition Cost and Increased Cost of Construction	8
OUTDOOR PROPERTY	All covered causes of loss	12
fences, retaining walls	\$ 2,500	
radio and television antennas	\$ 2,500 each	
trees and shrubs	\$ 2,500 occurrence/ \$500 each	
OUTDOOR SIGNS	\$ 10,000 occurrence	11
PERSONAL PROPERTY OFF PREMISES	\$ 25,000	12
PRESERVATION OF PROPERTY	60 days	3
PROPERTY NOT COVERED	Stained Glass	3
REWARD	\$ 5,000	11
VALUABLE PAPERS AND RECORDS	\$ 25,000	12
WATER BACK-UP AND SUMP OVERFLOW	\$ 25,000	14

SECTION I – PROPERTY OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

- I. Paragraph **A.1.b.** Coverage – Business Personal Property is replaced by the following:
- b. Business Personal Property located in or on the buildings at the described premises or in the open(or in a vehicle) within 1,000 feet of the described premises, including:
 - (1) Property you own that is used in your business;
 - (2) Property of others that is in your care, custody or control, plus the cost of labor, materials or services furnished or arranged by you on personal property of others.

Property of others coverage does not apply to Employee Tools except as provided under Section **IV.** of this Endorsement.
 - (3) Tenant's improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquire or made at your expense but cannot legally remove.
- II. The following is added to Section **A.2.** Property Not Covered:
- j. Stained Glass except as provided under Section **VI.C.** Fine Arts Coverage.
- III. The Additional Coverages section of Part **A.** Coverage is changed as follows:
- A. Preservation of Property.

The 30 day limit shown in paragraph **A.5.b.(2)** Preservation of Property, is replaced with a 60 day limit.
 - B. Fire Department Service Charge.

The \$2,500 limit shown in paragraph **A.5.c.** Fire Department Service Charge, is replaced with a \$15,000 limit.
 - C. Business Income.

The 60 day limitation for ordinary payroll expense shown in paragraph **A.5.f.(1)(b)** Business Income is not applicable.
 - D. Civil Authority.

The Civil Authority Additional Coverage **A.5.i.** is replaced with the following:

Civil Authority
We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to the property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The Coverage for Business Income will begin 24 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for necessary Extra Expense will begin immediately after the time of that action and ends:

 - (1) 3 consecutive weeks after the time of that action; or
 - (2) When your Business Income Coverage Ends;

whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance.
 - E. Money Orders and Counterfeit Money.

The \$1,000 limit shown in **A.5.j.** Money Orders and Counterfeit Money is replaced with a \$10,000 limit.
 - F. Forgery or Alteration.

Paragraph **A.5.k.(4)** Forgery or Alteration is replaced by the following:

 - (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is the greater of \$10,000 or an amount equal to the Limit of Insurance for Employee Dishonesty shown in the Declarations.

G. Increased Cost of Construction.

Paragraph **A.5.I.** Increased Cost of Construction is not applicable. Refer to Section **IV.F.**— Ordinance or Law Additional Coverage of this endorsement.

H. Business Income From Dependent Property.

Paragraph **A.5.m.**, Business Income From Dependent Property is replaced by the following:

m. Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss to dependent property is loss or damage to “electronic data”, including destruction or corruption of “electronic data”. If the dependent property sustains loss or damage to “electronic data” and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced.

The most we will pay under this Additional Coverage is the lesser of:

- (a) \$50,000; or
(b) 30 days actual loss sustained after direct loss or damage to the property.

- (2) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operation” in whole or in part, by using any other available:
- (a) Source of materials; or
(b) Outlet for your products.
- (3) If you do not resume “operations”, or do not resume “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume “operations” as quickly as possible.
- (4) Dependent property means property owned by others whom you depend on to:
- (a) Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;
(b) Accept your products or services;
(c) Manufacture your products for delivery to your customers under contract for sale; or
(d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (5) The coverage period for Business Income under this Additional Coverage:
- (a) Begins 24 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
(b) Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- (6) The Business Income coverage period as stated in Paragraph(5), does not include any increased period required due to the enforcement of any ordinance or law that:
- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

The expiration date of this policy will not reduce the Business Income coverage period.

- (7) The definition of Business Income contained in the Business Income Additional Coverage also applies to this Business Income From Dependent Properties Additional Coverage.

I. Glass.

Paragraph **A.5.n.** Glass Expenses is replaced by the following:

n. Glass

- (1)** We will pay for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of or contained in a covered building or structure at the described premises. The glass must be owned by you, or owned by others but in your care, custody or control. We will also pay for necessary:
 - (a)** Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;
 - (b)** Repair or replacement of encasing frames; and
 - (c)** Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

J. Fire Extinguisher Systems Recharge Expense.

Paragraph **A.5.o.** Fire Extinguisher Systems Recharge Expense is replaced by the following:

o. Fire Extinguisher Systems Recharge Expense

- (1)** We will pay:
 - (a)** The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems(including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and
 - (b)** For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2)** No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- (3)** The most we will pay under this Additional Coverage is \$15,000 in any one occurrence.

IV. The following items are added to the Additional Coverages section of Part **A.** Coverages:

A. Computer Equipment.

- 1.** We will pay for direct loss of or damage to Computer Equipment resulting from direct physical loss or damage by a Covered Cause of Loss at the premises described in the Declarations.
- 2.** The most we will pay for loss under this Additional Coverage is \$25,000 in any one occurrence. Our payment will only be for the account of the owner of the computer equipment.

B. Employee Dishonesty.

- 1.** We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons(except you or your partner) with the manifest intent to:
 - a.** Cause you to sustain loss or damage; and also
 - b.** Obtain financial benefit(other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for;
 - (1)** Any employee; or
 - (2)** Any other person or organization.
- 2.** We will not pay for loss or damage;
 - a.** Resulting from any dishonest or criminal act that you or any of your partners or members commit whether acting alone or in collusion with other persons.
 - b.** Resulting from any dishonest act committed by any of your employees(except as provided in Paragraph 1.), "managers" or directors:
 - (1)** Whether acting alone or in collusion with other persons; or
 - (2)** While performing services for you or otherwise.
 - c.** The only proof of which as to its existence or amount is:
 - (1)** An inventory computation; or
 - (2)** A profit and loss computation.

3. The most we will pay for loss or damage in any one occurrence is:
- a. \$10,000; or
 - b. the Limit of Insurance shown in the Declarations for Employee Dishonesty;
- whichever is greater.
4. All loss or damage:
- a. Caused by one or more persons; or
 - b. Involving a single or series of related acts;
- is considered one occurrence.
5. If any loss is covered:
- a. Partly by this insurance; and
 - b. Partly by any prior cancelled or terminated insurance that we or any affiliate has issued to you or any predecessor in interest;
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
6. We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
7. This Additional Coverage does not apply to any employee immediately upon discovery by:
- a. You; or
 - b. Any of your partners, "members", "managers," officers or directors not in collusion with the employee;
- of any dishonest act committed by that employee before or after being hired by you.
8. We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the Policy Period.
9. If you(or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
- a. This Additional Coverage become effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
10. The insurance under paragraph 9. above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
- a. This Additional Coverage as of its effective date; or
 - b. The prior insurance had it remained in effect.
11. With respect to the Employee Dishonesty Additional Coverage Paragraph **IV.B.**, employee means:
- a. Any natural person:
 - (1) While in your service or for 30 days after termination of service;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you;
 - b. Any natural person who is furnished temporarily to you;
 - (1) To substitute for a permanent employee as defined in Paragraph a. above, who is on leave; or
 - (2) To meet seasonal or short-term work load conditions;

- c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **b.** above;
- d. Any natural person who is a former employee, director, partner, member, manager, representative or trustee retained as a consultant while performing services for you; or
- e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.

But employee does not mean;

- a. Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- b. Any "manager", director or trustee except while performing acts coming within the usual duties of an employee.

- 12. This Additional Coverage replaces the Employee Dishonesty Coverage in Part **G.3.** Optional Coverages.
- 13. Exclusion **B.2.f.**, Dishonesty, does not apply to coverage for employees as provided by this Additional Coverage.

C. Employee Tools.

We will pay for loss of or damage to tools owned by your employees located on the described premises or in transit resulting from a Covered Cause of Loss.

The most we will pay for loss under this Additional Coverage is \$2,500 in any one occurrence. Our payment will only be for the account of the owner of the tools.

D. Money and Securities.

- 1. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting from:
 - a. Theft, meaning any act of stealing;
 - b. Disappearance; or
 - c. Destruction.
- 2. In addition to the limitations and exclusions applicable to Section I— Property, we will not pay for loss:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Due to the giving or surrendering of property in any exchange or purchase; or
 - c. Of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- 3. The most we will pay for loss in any one occurrence is:
 - a. \$10,000 on premises which includes "money" and "securities" in or on the described premises or within a bank or savings institution and \$5,000 off the premises; or
 - b. the Limit of Insurance shown for Money and Securities in the Declarations; whichever is greater.
- 4. All loss caused by one or more persons or involving a single act or series of related acts, will be considered one occurrence.
- 5. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- 6. This Additional Coverage replaces the Money and Securities Coverage in Part **G.2.** Optional Coverages.

E. Off Premises Power Failure.

We will pay up to \$25,000 for loss of Business Income and Extra Expense caused by the failure of power or other utility service supplied to the described premises if the failure occurs away from the described premises.

The failure of power or other utility service must result from direct physical loss or damage by a Covered Cause of Loss.

We will only pay for loss you sustain after the first 24 hours following the direct physical loss to the off premises property.

F. Ordinance Or Law Coverage(s).

1. The following additional coverages apply only to covered Buildings written on a replacement cost basis.

2. Application of Coverage(s)

The Additional Coverage for Ordinance Or Law provided by this endorsement applies only if both **F.2.a.** and **F.2.b.** are satisfied and are then subject to the qualifications set forth in **F.2.c.**

a. The ordinance or law:

- (1)** Regulates the demolition, construction or repair of buildings or tenants improvements and betterments, or establishes zoning or land use requirements at the described premises; and
- (2)** Is in force at the time of loss.

But coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

b. The building or tenants improvements and betterments sustain direct physical damage;

- (1)** That is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (2)** That is covered under this policy and direct physical damage that is not covered under this policy, and the building or improvements and betterments damage in its entirety results in enforcement of the ordinance or law.
- (3)** But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building or tenants improvements and betterments has also sustained covered direct physical damage.

c. In the situation described in **F.2.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages 1, 2 and/or 3 of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in endorsement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages 1, 2 and/or 3.

3. We will not pay under Coverages 1, 2 or 3 of this endorsement for:

- a.** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
- b.** The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", fungi", wet or dry rot or bacteria.

4. Coverage

- a.** Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building or Tenants Improvements and Betterments

With respect to the building or tenants improvements and betterments that sustain covered direct physical damage, we will pay under Coverage 1 for the loss in value of undamaged portion of the building or tenants improvements and betterments as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building or tenants improvements and betterments. Coverage 1 is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage 1 does not increase the Limit of Insurance.

b. Coverage 2 – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I – Property does not apply to Demolition Cost Coverage.

c. Coverage 3 – Increased Cost Of Construction Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I– Property does not apply to the Increased Cost of Construction Coverage.

5. Ordinance or Law Loss Payment

a. All following loss payment provisions **5.b.** through **5.c.**, are subject to the apportionment procedure set forth in Section **F.2.c.** above.

b. When there is a loss in value of an undamaged portion of a building or tenants improvements and betterments to which Coverage 1 applies, the loss payment for that building or tenants improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building or tenants improvements and betterments, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (2) If the property is not repaired or replaced, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
 - (c) If the Tenants Improvements and Betterments are not repaired or replaced, we will pay based on a proportion of your original cost of the tenants improvements and betterments. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

- (ii) Divide the amount determined in(1) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.

- c. For Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction Coverage the most we will pay at each described premises, for the total of all covered losses is:
- (1) \$50,000; or
 - (2) the Limit of Insurance shown in the Declarations for Demolition Cost Coverage and Increased Cost of Construction Coverage;
- whichever is greater.

The Limit of Insurance for Demolition Cost Coverage and Increased Cost of Construction Coverage, described in Paragraph 5.c. above, is subject to the following additional loss payment provisions:

- (1) For Demolition Cost Coverage, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (2) For Increased Cost of Construction Coverage:
We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repairs or replacement are made as soon as reasonable possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

If the building or tenants improvements and betterments are repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the same premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

If the ordinance or law requires relocation to another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the new premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

6. The terms of this Additional Coverage apply separately to each Building to which this endorsement applies.
7. Under this endorsement, we will not pay for loss due to any ordinance or law that:
- a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.
8. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses(procedure as set forth in Section F.2.c. of this endorsement).
Assume:
- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
 - The building has a value of \$200,000;
 - Total direct physical damage to building: \$100,000;
 - The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
 - Portion of direct physical damage that is covered(caused by wind): \$30,000;
 - Portion of direct physical damage that is not covered(caused by flood): \$70,000; and
 - Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000 \text{ divided by } \$100,000 = .30$

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for Coverage 3 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 and 2 of this endorsement.

G. Outdoor Signs.

1. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
 - a. Owned by you; or
 - b. Owned by others but in your care, custody or control.
2. Paragraph **A.3.**, Covered Causes of Loss, and Section **B.**, Exclusions, does not apply to this Additional Coverage, except for:
 - a. Paragraph **B.1.c.**, Governmental Action;
 - b. Paragraph **B.1.d.**, Nuclear Hazard; and
 - c. Paragraph **B.1.f.**, War and Military Action.
3. We will not pay for loss or damage caused by or resulting from:
 - a. Wear and tear;
 - b. Hidden or latent defect;
 - c. Rust;
 - d. Corrosion; or
 - e. Mechanical breakdown.
4. The most we will pay for loss or damage in any one occurrence is:
 - a. \$10,000; or
 - b. the Limit of Insurance for Outdoor Signs shown in the Declarations; whichever is greater.
5. This Additional Coverage replaces the Outdoor Signs Coverage in Part **G.1.** Optional Coverage.
6. As respects this Additional Coverage, Paragraph **2. Of C.** Limits of Insurance is deleted.

H. Reward.

We will pay up to \$5,000 as a reward for information which leads to a conviction in connection with a fire loss or theft loss covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

V. Coverage Extensions

The Coverage Extensions section of Part **A.** Coverage is changed as follows:

A. Newly Acquired Or Constructed Property

Paragraph **A.6.a.** Newly Acquired Or Constructed Property is replaced by the following:

- a. Newly Acquired Or Constructed Property
 - (1) Buildings
If this policy covers Buildings, you may extend that insurance to apply to:
 - (a) Your new buildings while being built on the described premises; and
 - (b) Buildings you acquire at premises other than the one described, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a)** Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b)** Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (c)** Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a)** This policy expires;
- (b)** 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

B. Personal Property Off Premises.

Paragraph **A.6.b.** Personal Property Off Premises is replaced by the following:

- b.** You may extend the insurance provided by this policy to apply to your Covered Property, other than “money” and securities”, “valuable papers and records” or accounts receivable, while it is in the course of transit or temporarily at a premises you do not own, lease or operate. The most we will pay for loss or damage under this Extension is \$25,000.

Regardless of the limits above, we will not pay more than \$2,500 for loss or damage to Employee Tools which occurs off premises.

C. Outdoor Property.

Paragraph **A.6.c.** Outdoor Property, is replaced by the following:

c. Outdoor Property

You may extend the insurance provided by this policy to apply to the following outdoor property located on the described premises:

- (1)** Outdoor fences. The most we will pay for loss or damage is \$2,500 in any one occurrence.
- (2)** Outdoor radio, television, satellite, dish-type or other antennas, including their masts, towers and lead-in and support wiring. The most we will pay for loss of or damage is \$2,500 each.
- (3)** Outdoor trees, shrubs and plants. The most we will pay for loss or damage, including debris removal expense, is \$2,500 in any one occurrence, but not more than \$500 for any one tree, shrub or plant.

D. Valuable Papers and Records.

Paragraph **A.6.e.(3)** “Valuable Papers and Records” is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to “valuable papers and records” in any one occurrence at the described premises is:

- (a)** \$25,000; or
- (b)** the Limit of Insurance shown for Valuable Papers and Records in the Declarations; whichever is greater.

The most we will pay for “valuable papers and records” not at the described premises is:

- (a)** 25% of the valuable papers and records limit of insurance described above; or
- (b)** \$10,000
whichever is less.

E. Accounts Receivable.

Paragraph **A.6.f.(2)** Accounts Receivable is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to accounts receivable in any one occurrence at the described premises is:

(a) \$35,000

(b) the Limit of Insurance shown for Accounts Receivable in the Declarations;
whichever is greater.

The most we will pay for accounts receivable not at the described premises is \$5000.

VI. The following items are added to the Coverage Extensions section of Part **A.** Coverage:

A. Brands and Labels.

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions.

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, and we take all or part of the property at an agreed or appraised value, you may extend the insurance that applies to Business Personal Property to pay expenses you incur to:

1. stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. remove the brands and labels, if doing so will not physically damage the merchandise or its containers to comply with the law.

Payment of these expenses is included within the applicable Limit of Insurance.

B. Consequential Loss to Stock.

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions:

If a Covered Cause of Loss occurs to covered stock, we will pay any reduction in value of the remaining undamaged parts of covered stock.

Payment for any reduced value in stock is included within the applicable Limit of Insurance.

C. "Fine Arts".

You may extend the insurance which applies to Your Business Personal Property to apply to "Fine Arts" that are:

1. Property you own that is used in your business; or
2. Property of others that is in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises; or the Limit of Insurance shown for "Fine Arts" in the Declarations; whichever is greater.

In the event of loss or damage to property covered under this extension, we will pay the market value of the property at the time of loss or damage.

Section **B.** Exclusions of the Property Coverage Form does not apply to this Coverage Extension except for:

- (1)** Paragraph **B.1.c.**, Governmental Action;
- (2)** Paragraph **B.1.d.**, Nuclear Hazard;
- (3)** Paragraph **B.1.f.**, War and Military Action;
- (4)** Paragraph **B.2.f.**, Dishonesty;
- (5)** Paragraph **B.2.g.**, False Pretense; and
- (6)** Paragraph **B.2.k.**, Neglect.

D. Lock Replacement.

You may extend the insurance provided by this policy to apply to the cost to repair or replace the door locks or tumblers of your described premises due to theft of your door keys.

The most we will pay under this Extension is \$500 in any one occurrence.

E. Loss Adjustment Expenses.

You may extend the insurance provided by this policy to apply to your expenses for preparation of loss data, including inventories and appraisals, in connection with any claim covered under this policy. This Extension will not pay for expenses incurred insuring the services of a public adjuster.

The most we will pay under this Extension is \$5,000.

F. Water Back-Up And Sump Overflow.

1. You may extend the insurance provided by this policy to apply to physical loss or damage to your property caused by or resulting from:
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph **b.** above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

2. The coverage described in Paragraph **1.** above does not apply to loss or damage resulting from an Insured's failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.
3. The most we will pay for the coverage provided under the Water Back-Up And Sump Overflow Extension of coverage is \$25,000 per location.
4. With respect to the coverage provided under this Extension, Exclusion **B.1.g.** Water is replaced by the following exclusion:
 - g. Water
 - (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
 - (2) Mudslide or mudflow; or
 - (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved nor not; or
 - (c) Doors, windows or other openings.

But, if Water, as described in **g.(1)** through **g.(3)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

VII. Limitations

A. "Fine Arts".

Paragraph **b.** in **4.** Limitations of Part **A.** Coverage does not apply to "Fine Arts" Extension of Coverage or to "Fine Arts" Optional Coverage.

VIII. Limits of Insurance

Paragraph **3.** Of Part **C.** Limits of Insurance, is changed as follows:

3. Unless otherwise stated, the limits applicable to the Coverage Extensions and Computer Equipment, Employee Dishonesty, Employee Tools, Fire Department Service Charge, Fire Extinguisher Systems Recharge Expense, Forgery and Alterations, Money and Securities, Money Order and Counterfeit Money, Off Premises Power Failure, Ordinance or Law Coverage, Pollutant Clean Up and Removal and Reward, Additional Coverages are in addition to the Limits of Insurance.

IX. Deductible

Paragraphs **2.** and **3.** Of Part **D.** Deductibles are replaced by the following:

2. Regardless of the amount of the Deductible, the most we will deduct from any loss or damage is \$500 in any one occurrence under:
 - a. the following Additional Coverages:
 - (1) Employee Dishonesty;
 - (2) Glass Coverage;

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- (3) Forgery and Alterations Coverage;
- (4) Money Orders and Counterfeit Paper Money;
- (5) Money and Securities;
- (6) Outdoor Signs; or
- (7) Condominium Unit-Owners Loss Assessment

But this \$500 deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

3. No deductible applies to:

a. the following Additional Coverages:

- (1) Business Income;
- (2) Civil Authority;
- (3) Extra Expense;
- (4) Fire Department Service Charge;
- (5) Fire Extinguisher Systems Recharge Expense;
- (6) Off Premises Power Failure;
- (7) Reward; or

b. the following Coverage Extensions:

- (1) Lock Replacement; or
- (2) Loss Adjustment Expenses.

X. Period of Restoration

Paragraph 9. "Period of Restoration," of Part H. Property Definitions, is replaced by the following:

9. "Period of Restoration" means the period of time that:

a. Begins:

- (1) 24 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1) The date when our business activities at the described premises return to the level that existed immediately before the loss; but in no event for more than 30 days after the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

c. Does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

XI. Property Definitions

The following are added to Part H. Property Definitions:

- 15.** "Fine Arts" means paintings, etchings, pictures, tapestries, art or stained glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, sports memorabilia and any other similar property of rarity, historic value or artistic merit.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNERAL DIRECTORS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I. The following changes apply to Section I – Property:

A. The following items are added to Paragraph 6. Coverage Extensions of Section A., **COVERAGE**, as follows:

g. Personal Property of Others in Transit

You may extend the insurance provided by this coverage form to Personal Property of Others in your care, custody and control when:

- (1)** The property is for display on deceased human bodies; and
- (2)** The property is beyond 1,000 feet of the described premises and in transit between the described premises and a cemetery for burial; and
- (3)** The property is located on a vehicle owned or operated by an insured or leased for the purpose of g.(2) above.

The most we will pay for loss or damage under this extension is \$25,000 for any one occurrence.

h. Funeral Director's Property Off Premises

You may extend the insurance provided by this Coverage Form to apply to chairs, candelabrum, shrouds, canopies, casket handling equipment and other similar funeral director's property usual to the undertaking profession. This Extension of Coverage applies to described property only while away from described premises:

- (1)** In or on a vehicle owned or operated by an insured;
- (2)** In the care, custody or control of the insured or the insured's employees; or
- (3)** At a location not owned by or rented or leased to an insured.

If any property insured in this Extension of Coverage is also insured under any other provisions of this policy, those provisions are amended to exclude this property. It is the intent that this Extension of Coverage be the sole coverage on the property described in this extension.

The most we will pay for loss or damage under this Extension is \$25,000 for any one occurrence.

B. Item 4.c. of the Limitations of Section A. Coverage is replaced by the following:

c. For loss or damage by theft the following types of property are covered only up to the limits shown:

- (1)** \$10,000 for furs, fur garments and garments trimmed with fur.
- (2)** \$10,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.

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C. Item 5.h. of the Additional Coverages of Section A. Coverage is replaced by the following:

h. Pollutant Clean Up and Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss or from a Sudden and Accidental Spillage or Seepage that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting "pollutants" from the land or water.

The most we will pay for each location under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss or from a Sudden and Accidental Spillage or Seepage occurring during each separate 12 month period of this policy.

II. The following changes apply to Section II - Liability:

A. The following is added to item A.1.b. of COVERAGES:

(3) To:

- (a)** The ownership, maintenance or use of premises as a Funeral Home;
- (b)** The rendering of or failure to render professional services in connection with the insured's business as a funeral director.
- (c)** The conduct of a memorial service by an insured, whether or not a deceased human body is present;
- (d)** The injury to, the destruction of, or the interference with the right of burial of a deceased human body; or
- (e)** The injury to or the destruction of property belonging to others in your care, custody or control consisting of:
 - i.** clothing;
 - ii.** personal effects;
 - iii.** cremated remains; or
 - iv.** any of the following used for the care or burial of a deceased human body:
 - (i)** a casket (including the linings, fittings and cases);
 - (ii)** an urn;
 - (iii)** a vault; or
 - (iv)** other similar container.
- (f)** The loss or damage to autos (except autos rented or leased to the insured) left in the insured's custody while the insured is attending, parking or storing the auto in connection with the business as a funeral director.
 - i.** Loss or damage will be covered under:
 - (i)** Comprehensive Coverage. From any cause except the auto's collision with another object or its overturn.
 - (ii)** Collision Coverage. Caused by the auto's collision with another object or its overturn.
 - ii.** Limits of Liability
The most we will pay under this coverage is \$25,000, per auto subject to a maximum of \$100,000 in any one occurrence.

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- iii. Deductible
We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of \$500 up to the applicable limit of liability.

B. Item B.1. of EXCLUSIONS is modified as follows:

1. Exclusion g. Aircraft, Auto or Watercraft, does not apply to "bodily injury" or "property damage" to deceased human bodies including:
 - (a) clothing;
 - (b) personal effects;
 - (c) the remains thereof; or
 - (d) any of the following used for the care or the burial of a deceased human body:
 - i. a casket (including the linings, fittings and cases);
 - ii. an urn;
 - iii. a vault; or
 - iv. other similar container.
2. Exclusion j. Professional Services, does not apply to:
 - a. Mortician's services; or
 - b. An insured doing business as a Funeral Home.
3. Paragraph (4) of Exclusion k. Damage to Property, does not apply to:
 - a. Deceased human bodies;
 - b. Clothing and other personal effects used for the care of deceased human bodies;
 - c. Any of the following used for the care or burial of a deceased human body:
 - (1) casket (including the linings, fittings and cases);
 - (2) an urn;
 - (3) a vault; or
 - (4) other similar container.
 - d. The cremated remains of the property in paragraphs a., b. or c. above.
 - e. Autos (except autos rented or leased to the insured) while the insured is attending, parking or storing the auto in connection with the insured's business as a funeral director.
4. Paragraph r. Criminal Acts, is replaced by:

"Bodily injury", "property damage", "personal and advertising injury" arising directly or indirectly out of a criminal act including, but not limited to, fraud committed by the insured or any person for whom the insured is legally responsible.

C. Paragraph 2.a.(1)(d) under Paragraph C. Who Is An Insured is replaced by the following:

- (1) "Bodily injury", "property damage", "personal and advertising injury":
 - (d) Arising out of his or her providing or failing to provide professional services. However, your "employees" are insured with respect to their providing or failing to provide professional services in connection with your business.

D. The following is added to A. Coverages:

1. Funeral Directors Insurance Agent/Preneed Funeral Contracts.
 - a. Subject to the Limit of Insurance in c. below, we will pay all sums an Insured legally must pay as damages arising solely out of an act, error or omission of the Insured while performing the duties of a life "insurance agent" or the duties in the process of selling preneed funeral contracts as part of your funeral director's operations.

We have the right to defend any suit against the Insured seeking damages on account of such acts, errors, or omissions, even if any of the allegations of the suit are groundless, false or fraudulent and may make such investigation and settlement of any claim or suit as we deem expedient.

b. The following exclusions are added:

(1) Intentional Acts

This insurance does not apply to, and we have no duty to defend, any liability or claim arising out of an act, error or omission committed by or at the direction of the Insured acting along or in collusion with others:

(a) which is a willful violation of the terms of the contract between the Insured and any insurance carrier, "preneed trust" or regulatory authority; or

(b) which is dishonest, fraudulent, criminal or intentional.

(2) Insurance Company or Preneed Trust Insolvency

It is agreed that this policy does not apply to claims arising out of or in connection with the financial inability to pay, insolvency, receivership, bankruptcy or liquidation of any "insurance company" or "preneed trust".

c. Limit of Insurance

The most we will pay for damages arising from acts, errors or omissions committed during the policy period is \$5,000 per act, error or omission and \$25,000 per annual policy period.

2. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury", "property damage", "personal and advertising injury" arising out of any breach of duty, neglect, error, misstatement, misleading statement, omission or other act done or wrongfully attempted by you while acting within the scope of your duties as a director, officer or member of any not-for-profit professional association, board council or committee.

E. For the coverage provided by this endorsement, Paragraph 3. and 13. of Section F. Liability and Medical Expenses Definitions are replaced as follows:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person and includes death resulting from any of these at any time. "Bodily injury" also means mental anguish due to the operation of a Funeral Home.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. "Occurrence" also means any act or omission arising out of the rendering of or failure to render professional services as a funeral director.

F. For the coverage provided by this endorsement, the following definitions are added to Section F. Liability and Medical Expenses Definitions:

"Insurance agent" means a person or organization who is duly licensed as an insurance agent by the regulatory authority of the state in which the Insured's principal place of business is located.

"Insurance company" means an organization who is duly licensed as an insurance company by the regulatory authority of the state in which their principal place of business is located.

"Preneed trust" means a bank, savings and loan, credit union or trust which has the power to receive and hold deposit moneys for preneed funeral contracts and is authorized to do business in the state the Insured is located.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RETAIL GASOLINE SALES AMENDMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

A. The following is added to Item b. Business Personal Property under 1. Covered Property of A. Coverage in the Businessowners Coverage Form:

(6) Above and below ground:

(a) Gasoline, diesel or kerosene fuel storage tanks including their:

(i) Contents;

(ii) Piping; and

(iii) Connections pertaining thereto; and

(b) Gasoline, diesel or kerosene fuel pumps and their electrical equipment;

all while on the Insured's premises and incidental to the Insured's principal business of retail food sales.

Section II – Liability is amended as follows:

B. Paragraph 1. Applicable To Business Liability Coverage under B. Exclusions of the Businessowners Coverage Form is modified as follows:

1. Exclusion g. does not apply to any "customer's auto" while on premises:

a. Owned by;

b. Rented to; or

c. Controlled by;

the insured or on the ways next to and operated as a retail gasoline station.

"Customer's auto" means an "auto" on such premises or ways next to them for the purpose of receiving services normally provided by a retail gasoline station. "Customer's auto" does not include any "auto" owned by, rented or loaned to the insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS PRINTERS PROPERTY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

The following coverage changes apply only to your location(s) operated as a printing business and described in the Declarations:

1. Business Personal Property Part A. **COVERAGE** includes artwork, separations, plates, dies, stocks, molds, models, forms, manuscripts, patterns, printing film for printing presses (negative or positive), reflective art (not photographic film) and similar property usual to the printing business.
2. The \$2500 limitation on patterns, dies, molds and forms, for loss or damage by theft, is deleted from the Limitations Paragraph 4.c.(3).
3. Accidental Marring or Scratching of Plates

Under Business Personal Property we will pay for loss to business personal property of others, consisting of plates, if accidentally marred or scratched. Exclusion B.2.i.(7)(c) is deleted as respects this Additional Coverage. A deductible of \$250 applies to each loss under this Additional Coverage.

POLICY NUMBER:

**BUSINESSOWNERS
BP 79 48 01 07**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - GRANTOR OF FRANCHISE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE*

Name of Person or Organization:

Paragraph C. WHO IS AN INSURED in the Businessowners Coverage Form is amended to include as an insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as grantor of a franchise to you.

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESTAURANT AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

A. Covered Property Revision.

Section 1. Covered Property under A. COVERAGE is revised as follows:

1. Item (3) under subsection a. Buildings does not include "restaurant equipment";
2. Item (5)(d) under subsection a. Buildings is deleted; and
3. Subsection b. Business Personal Property is revised to include the following:
 - (6) "Restaurant equipment" owned by you and used in your business.
 - (7) "Restaurant equipment" of others that is in your care, custody or control.

B. The following definition is added to H. PROPERTY DEFINITIONS:

"Restaurant Equipment", whether or not it is attached to the building or structure, means kitchen machinery and equipment, including appliances used for refrigerating, ventilating, cooking, fire suppression on cooking equipment, dish washing or laundering, dining area furniture and fixtures (including work benches, tables and chairs, customer service counter and associated equipment) and decor package (including dining area items creating atmosphere).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE TOOLS AMENDMENT OF LIMITS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- A.** Section I. – Property, Paragraph **A.** Coverage is amended as follows:
- 1.** Employee Tools is added to Subparagraph **1.b.** Business Personal Property.
 - a.** We will pay for loss or damage to tools owned by your employees located on the described premises or in transit resulting from a Coverage Cause of Loss.
 - b.** The most we will pay for loss under this coverage is the amount shown in the Declarations for Employee Tool Coverage, per occurrence.
 - c.** The terms of this coverage apply separately to each premise shown in the Declarations for which a premium has been shown.
- B.** Section I. – Property, Paragraph **E.5.d.(3)(b)** Property Loss Conditions, Loss Payment does not apply to Employee Tools Coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WELFARE AND PENSION PLAN
ERISA COMPLIANCE**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
BUSINESSOWNERS PROPERTY PLUS EXTENSION ENDORSEMENT

SCHEDULE*

Limit Of Insurance

Joint Insured(s)

The following is added to Section I – Property, Paragraph A. Coverage of the Businessowners Coverage Form.

Employee Dishonesty Coverage is applicable to any Employee Welfare or Pension Plan (insured under this insurance). In addition, Employee Dishonesty Coverage is amended as follows so as to be in compliance with certain provisions of the Employee Retirement Income Security Act (ERISA):

- A.** Employee also includes any natural person who is:
 - 1.** A trustee, an officer, employee, administrator or a manager, except an administrator or a manager who is an independent contractor, of any Employee Welfare or Pension Benefit Plan (hereafter called Plan) insured under this insurance; and
 - 2.** Your director or trustee while that person is handling funds or other property of any Plan insured under this insurance.
- B.** If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance under this coverage that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.
- C.** If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that Insured for loss sustained by any Plan will be held by that Insured for the use and benefit of the Plan(s) sustaining the loss.
- D.** If two or more Plans are insured under this insurance, any payment we make for loss:
 - 1.** Sustained by two or more plans; or
 - 2.** Of commingled funds or other property of two or more Plans that arises out of one occurrence, is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.
- E.** The Deductible provision of the Employee Dishonesty coverage does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- F.** Any Plan intended to benefit your employees is also considered an insured, but only as it pertains to Employee Dishonesty coverage.
- G.** The entity which appears under Joint Insured(s) in the Schedule above is/are added as a Named Insured only with respect to coverage afforded under Employee Dishonesty coverage and this endorsement.
- H.** The Limit of Insurance applies only to loss caused by or involving an employee who is an employee of the Joint Insured(s) shown in the Schedule above.
- I.** Welfare and Pension Plan ERISA Compliance in the Businessowners Property Plus Extension Endorsement is replaced in its entirety by this endorsement.

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**AMENDMENT OF POLLUTION EXCLUSION
(PREMISES)**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- 1.** The following exception is added to Exclusion B.1.F. Pollution in Section II – Liability:

Subparagraph (a) of Paragraph (1) does not apply to "bodily injury" or to "property damage" to tangible property arising out of the actual discharge, dispersal, seepage, migration, release or escape of "pollutants" if the actual discharge, dispersal, seepage, migration, release or escape:

- (a)** begins on a clearly identifiable specific day during the policy period and ends in its entirety not later than seventy-two (72) hours thereafter;
- (b)** is discovered and reported to us within fifteen (15) days of the specific day it begins;
- (c)** is neither expected nor intended from the standpoint of any insured;
- (d)** is unrelated to any previous discharge, dispersal, seepage, migration, release or escape; and
- (e)** does not originate at or from a storage tank or other container, duct or piping which is below the surface of the ground or water or which at any time has been buried under the surface of the ground or water and then is subsequently exposed by erosion, excavation or any other means.

Tangible property, as used in this endorsement, does not include land or water, which is below ground level or not.

Coverage provided hereunder does not apply to any discharge, dispersal, seepage, migration, release or escape that is merely threatened or alleged rather than shown to have actually occurred.

- 2.** Liability and Medical Expense Definition F.15. is replaced by the following:

- 15.** "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, chemicals, solvents, gasoline or other petroleum products, lead and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**BUSINESSOWNERS INCIDENTAL MEDICAL MALPRACTICE
RESTAURANT PROGRAM**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

- A.** Exclusion **1.j.(4)** does not apply to any location operated by you as a restaurant as described in the Declarations.
- B.** The following applies to the Businessowners Coverage Form:
 - 1.** Definition **3. “Bodily Injury” of F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS** is replaced by the following:
 - 3.** **“Bodily Injury”** means bodily injury, incidental medical malpractice injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- C.** The following is added to **F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS**:
 - 23.** **“Incidental Medical Malpractice Injury”** means injury arising out of the rendering of or failure to render, during the policy period, the following services:
 - a.** medical, surgical, dental, x-ray or nursing service or treatment or the furnishing of food or beverages in connection therewith; or
 - b.** the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This coverage does not apply to:

- 1.** expenses incurred by the insured for first-aid to others at the time of an accident and the **Duties in the Event of Occurrence, Claim or Suit** Condition is amended accordingly;
- 2.** any insured engaged in the business or occupation of providing any of the services described under **a.** and **b.** above;
- 3.** injury caused by any indemnitee if such indemnitee is engaged in the business or occupation of providing any of the services described under **a.** and **b.** above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EMPLOYEE BENEFITS
LIABILITY COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

**THIS ENDORSEMENT PROVIDES CLAIMS MADE COVERAGE.
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This coverage is subject to the Retroactive Date shown below. If no date is shown, the information needed to complete this will be found in the Declarations made a part of the policy to which this endorsement is attached.

Retroactive Date: _____

Section II – Liability of the Businessowners Coverage Form is amended as follows:

1. The following is added to Paragraph A.

COVERAGE - EMPLOYEE BENEFITS LIABILITY

a. Insuring Agreement

- (1) We will pay those sums that the insured becomes legally obligated to pay as damages because of injury to:
 - (a) Any "employee"; or
 - (b) The dependents or beneficiaries of any "employee";
 caused by an "employee benefits incident" to which this insurance applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS.
- (2) This insurance does not apply to an "employee benefits incident" that occurred before the Retroactive Date, if any, shown above or that occurs after the policy period. The "employee benefits incident" must take place in the "coverage territory." We will have the right and duty to defend any "suit" seeking these damages. But:
 - (a) The amount we will pay for damages is limited as described in Paragraph 3.a. LIMITS OF INSURANCE;
 - (b) We may, at our discretion, investigate any "employee benefits incident" and settle any claim or "suit" that may result; and
 - (c) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this coverage.

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- (3) This insurance applies to injury only if a claim for damages because of the "employee benefits incident" is first made against any insured during the policy period.
 - (a) A claim by an "employee" or the dependents or beneficiaries of any "employee" seeking damages will be deemed to have been made when notice of such claim is received and recorded by any insured or by us, whichever comes first.
 - (b) All claims for damages because of injury to the same "employee," including damages claimed by any beneficiary or dependent, arising out of the same "employee benefits incident" will be deemed to have been made at the time the first of those claims is made against any insured.

b. Exclusions

This insurance does not apply to:

(1) Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

(2) Bodily Injury, Property Damage, Or Personal And Advertising Injury

"Bodily injury", "property damage" or "personal and advertising injury".

(3) Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insured.

(4) Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

(5) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any "claim" based upon:

- (a) Failure of any investment to perform;
- (b) Errors in providing information on past performance of investment vehicles; or
- (c) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

(6) Workers' Compensation And Similar Laws

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

(7) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

(8) Available Benefits

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

(9) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

(10) Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination or other employment-related practices

2. For the purposes of the coverage provided by this endorsement, **Paragraph C.2. Who Is An Insured** is replaced by the following:

a. Who Is an Insured

(1) Each of the following is also an insured:

- (a)** Each of your "employees" who is or was authorized to administer your "employee benefit program".
- (b)** Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
- (c)** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this endorsement.

3. For the purposes of the coverage provided by this endorsement, **Paragraph D. Liability And Medical Expenses Limits Of Insurance** is replaced by the following:

a. Limits of Insurance

(1) The Limits of Insurance and the rules below fix the most we will pay for employee benefits liability regardless of the number of:

- (a)** Insureds;
- (b)** Claims made or "suits" brought; or
- (c)** "Employees" or dependents or beneficiaries of "employees" making claims or bringing "suits."

- (2) The Employee Benefits Aggregate Limit is the most we will pay for all damages because of all employee benefits liability claims covered by this insurance. The Employee Benefits Aggregate Limit is equal to the Aggregate Limit (other than Products - Completed Operations) shown on the Policy Declarations. The Employee Benefits Aggregate Limit is separate and distinct from any other aggregate limit in this policy.
- (3) The Employee Benefits Each Claim Limit of Insurance is the most we will pay for all damages because of any one employee benefits liability claim. The Employee Benefits Each Claim Limit is equal to the Each Occurrence Limit shown on the Policy Declarations.
- (4) Our obligation to pay damages applies only to the amount of damages in excess of a \$1,000 each claim deductible. The deductible applies to the Each Claim Limit; but the deductible does not apply to the Aggregate Limit.

We may pay part or all of the deductible amount to effect settlement of a claim or "suit." Upon our notification of the action taken, you shall promptly reimburse us for the amount of deductible we paid.

The limits of this Coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

4. For the purpose of the coverage provided by this endorsement, Paragraph E.2. Duties In The Event Of Occurrence, Offence, Claim or Suit is replaced by the following:

a. Duties In The Event Of An Employee Benefits Incident, Claim Or Suit.

- (1) You must see to it that we are notified as soon as practicable of any "employee benefits incident" which may result in a claim. You must do this regardless of whether the loss exceeds the deductible amount in Paragraph 3.a.(4) of LIMITS OF INSURANCE. To the extent possible, notice should include:
 - (a) How, when and where the "employee benefits incident" took place;
 - (b) The names and addresses of any injured "employees," dependents or beneficiaries of any "employees," and witnesses; and
 - (c) The nature and location of any injury caused by the "employee benefits incident."

Notice of an "employee benefits incident" is not notice of a claim.

- (2) If a claim is received by any insured you must:
 - (a) Immediately record the specifics of the claim and the date received; and
 - (b) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim as soon as practicable.

- (3) You and any other involved insured must:
 - (a) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or a "suit";
 - (b) Authorize us to obtain records and other information;
 - (c) Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
 - (d) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury to which this insurance may also apply.
- (4) No insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

5. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Provisions are added:

a. Extended Reporting Provisions

- (1) We will provide one or more Extended Reporting Periods as set forth below, if:
 - (a) This Coverage Part is cancelled or not renewed; or
 - (b) We renew or replace this Coverage Part with insurance that has a Retroactive Date later than the date shown in the Declarations of this Coverage Part.
- (2) A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:
 - (a) Five years for claims arising out of an "employee benefits incident" reported to us, not later than 60 days after the end of the policy period, in accordance with paragraph 4.a.(2)(a) of Duties In The Event Of An Employee Benefits Incident, Claim Or Suit; or
 - (b) Sixty days for all other claims.

The Basic Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.

- (3) A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts:
 - (a) Five years after the end of the policy period for claims arising out of an "employee benefits incident" reported to us, not later than 60 days after the policy period, in accordance with paragraph 4.a.(2)(a) of Duties In The Event Of An Employee Benefits Incident, Claim Or Suit; or
 - (b) Sixty days after the end of the policy period for all other claims.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- (a) The exposures insured;
- (b) Previous types and amounts of insurance;
- (c) Limits of Insurance available under this Coverage Part for future payment of damages; and
- (d) Other related factors.

The additional premium will not exceed 200% of the annual premium for this Endorsement.

The endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for claims first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- (4) Extended Reporting Periods do not extend the policy period or change the scope of coverage provided. They apply only to claims for an "employee benefits incident" that occurs before the end of the policy period (but not before the Retroactive Date, if any, shown in the Declarations).

Claims for such injury which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the policy period.

Once in effect, Extended Reporting Periods may not be cancelled.

- (5) Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any claim to which this Endorsement applies, except as described in paragraph (6) of this Section.
- (6) If we issue the Supplemental Extended Reporting Period endorsement, we will provide a separate Aggregate Limit of insurance but only for claims first received and recorded during the Supplemental Extended Reporting Period.

The separate Aggregate Limit of insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period.
Paragraph 3.a.(2). of LIMITS OF INSURANCE will be amended accordingly.

6. The following definitions are added to **Paragraph F. Liability and Medical Expense Definition**:

- a. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.

- b. "Claim" means any demand or "suit" made by an "employee" or an "employee's" dependants and beneficiaries, for damages as a result of an "employee benefits incident".
- c. "Employee benefits incident" means a negligent act, error, or omission in:
 - (1) Giving counsel, interpreting or providing information to "employees" including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
 - (2) Handling records in connection with the "employee benefits program"; or
 - (3) Effecting, continuing or terminating any "employees" participation in any benefit included in the "employee benefits program";

that is performed by a person authorized by the Named Insured to perform such services, however this does not include handling payroll deductions.

- d. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
 - (1) Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - (2) Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - (3) Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - (4) Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - (5) Any other similar benefits designated in the Schedule or added thereto by endorsement.

7. For the purposes of the coverage provided by this endorsement, Paragraphs **F.5.** and **F.18.** Liability And Medical Expenses Definitions are replaced by the following:

- a. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- b. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
 - (1) An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - (2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIQUOR LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

- A.** Exclusion 1.c. of B. EXCLUSIONS does not apply.
- B.** The following exclusions are added to the policy:

This insurance does not apply to:

1. LIQUOR LICENSE NOT IN EFFECT

“Bodily injury” or “property damage” arising out of any alcoholic beverage sold, served or furnished while any required license is not in effect.

2. “Bodily injury” or “property damage” arising out of “your product”.

This exclusion does not apply to “bodily injury” or “property damage” for which the insured or the insured’s indemnitees may be held liable by reason of:

- a.** Causing or contributing to the intoxication of any person;
- b.** The furnishing of alcoholic beverages knowingly to a person under the legal drinking age or under the influence of alcohol; or
- c.** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

3. Any “bodily injury” or “property damage” with respect to which other insurance is afforded, or would be afforded, but for the exhaustion of the Limits of Insurance.

- C.** The following definition replaces definition 13. (Section F), OCCURRENCE, but only as respects coverage provided by this endorsement.

- 13.** “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Multiple injuries or damages sustained by one or more persons or organizations as the result of selling, serving or furnishing of any alcoholic beverages to any one person would be considered one occurrence.

**BUSINESSOWNERS FOOD CONTAMINATION
COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- I. The following items are added to Section I – Property of the Businessowners Coverage Form, Paragraph A.5 Additional Coverages:
- s. Accidental Contamination to Food Coverage**
We will pay for the loss or damage to Business Personal Property at locations described in the Declarations caused by or resulting from contamination, which means loss or damage to food or its ingredients caused by a foreign substance accidentally entering or coming into contact with the food or its ingredients. Contamination does not include the wrongful addition or omission of ingredients or substances as part of the production process; nor improper processing or preparation.
- The most we will pay for this Accidental Contamination to Stock Coverage is \$5,000.
- t. Food Contamination Shutdown Coverage.**
If the Board of Health or other government body orders your premises closed because of the discovery of, or suspicion of, "Food Contamination", coverage is provided as described below at the location(s) described in the Declarations.
- (1)** We will pay for the actual loss of "Business Income" you sustain due to the necessary suspension of your "operations". The suspension must be caused directly by a "Covered Cause of Loss" as a result of a declaration by the Board of Health or other government body.
- The amount of "Business Income" loss will be determined based on:
- (a)** The Net Income of the business before the declaration occurred;
 - (b)** The likely Net Income of the business if no loss occurred;
 - (c)** The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the declaration occurred; and
 - (d)** Extra advertising cost to restore reputation.
- The most we will pay for this Business Income coverage is \$50,000.
- (2)** We will also pay:
- (a)** Your cost to clean your equipment per local Board of Health requirements;
 - (b)** Your cost to replace consumable goods declared contaminated by the local Board of Health;
 - (c)** Necessary medical tests and vaccines for affected employees as required by the Board of Health or other government body. This coverage is primary to any other insurance coverage; and
 - (d)** Reimbursement you paid to infected patrons for doctors care, hospitalization and necessary blood work.
- The most we will pay for this coverage is \$5,000.
- II. As respects Food Contamination Shutdown Coverage, the following are added to Paragraph B.1., EXCLUSIONS:
- We will not pay for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or events that contributes concurrently or in any sequence to the loss.
- a.** Fines or penalties of any kind;
 - b.** Seizure or destruction of property by order of governmental authority; and
 - c.** Any increase of loss caused by or resulting from delay in resuming "operations" due to interference by strikers or other persons.
- III. As respects Food Contamination Shutdown Coverage, Paragraph E., PROPERTY LOSS CONDITIONS is amended as follows:

2. Appraisal

Paragraph E.2. Appraisal is replaced by the following:

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

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

3. Duties in the Event of Loss or Damage

Paragraph E.3., Duties in the Event of Loss or Damage is replaced by the following:

You must see that the following are done in the event of loss:

- a. Give us prompt notice of the declarations and "Locations Covered" that may be involved in the loss.
- b. Notify any public authority that may have jurisdiction over the incident.
- c. As soon as possible, give us a description of how, when and where the Food Contamination was first discovered.
- d. Resume all of your "operations" as quickly as possible. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the time it would have taken to resume "operations" as quickly as possible.
- e. Send us a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- f. Cooperate with us in the investigation or settlement of the claim.
- g. When a loss happens, you will do, or have done, all things reasonably practical to avoid or diminish the loss.
- h. If we make payment for loss under this policy, we are subrogated to all your rights of recovery against any person or organization. You shall execute and deliver instruments and papers and do whatever else is necessary to secure your rights for us. You shall do nothing after the loss to prejudice these rights.

We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

5. Loss Payment

Paragraph E.5. Loss Payment is replaced by the following:

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- a. You have complied with all the terms of this policy; and
- b. We have reached an agreement with you on the amount of the loss or an appraisal award has been made.

IV. The following are added to Paragraph H., PROPERTY DEFINITIONS

15. "Business Income" means the:

- a. Net Income (Net Profit or Loss before income tax) that would have been earned or incurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to unfavorable business conditions caused by the impact of the "Covered Cause of Loss" on customers or on other businesses; and
- b. Continuing normal operating expenses incurred, including payroll.

16. "Communicable Disease" is defined as a bacterial micro organism transmitted through human contact to food.
17. "Covered Cause of Loss" means an actual or alleged incidence of "Food Contamination."
18. "Food Contamination" means the occurrence of food poisoning or suspected food poisoning of one or more of your patrons. The food contamination resulting from tainted food purchased by you or "Communicable Disease" transmitted by one or more of your employees.
19. "Location Covered" means any location scheduled in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS LIABILITY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SUBJECT	PAGE
AGGREGATE LIMITS OF INSURANCE	3
BLANKET ADDITIONAL INSURED (OWNERS, CONTRACTORS OR LESSORS)	2
BODILY INJURY	3
DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT	3
NEWLY FORMED OR ACQUIRED ORGANIZATIONS	2
PERSONAL AND ADVERTISING INJURY	3
SUPPLEMENTARY PAYMENTS	2

Section II – Liability is amended as follows:

I. SUPPLEMENTARY PAYMENTS

Paragraph 1.f.(1)(b) of A Coverages is replaced by the following:

- (b) Up to \$1000 for cost of bail bond required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for “bodily injury” applies. We do not have to furnish the bonds.

II. BLANKET ADDITIONAL INSURED (OWNERS, CONTRACTORS OR LESSORS)

1. Section C. Who Is An Insured is amended to include as an insured any person or organization whom you are required to name as an additional insured on this policy under a written contract or written agreement. The written contract or agreement must be:
 - a. currently in effect or becoming effective during the term of this policy; and
 - b. executed prior to the “bodily injury”, “property damage”, or “personal and advertising injury”.
2. The insurance provided the additional insured is limited as follows:
 - a. The person or organization is only an additional insured with respect to liability arising out of:
 - (1) Real property, as described in a written contract or written agreement, you own, rent, lease, maintain or occupy;
 - (2) Caused in whole or in part by your ongoing operations performed for that insured.
 - b. The limits of insurance applicable to the additional insured are those specified in the written contract or written agreement or the limits available under this policy, as stated in the Declarations, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.
 - c. The insurance provided the additional insured does not apply to:
 - (1) Liability arising out of the sole negligence of the additional insured;
 - (2) “Bodily injury”, “property damage”, “personal and advertising injury”; or defense coverage under the Supplementary Payments section of the policy arising out of an architect’s, engineer’s or surveyor’s rendering of or failure to render any professional services including:
 - (a) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - (b) Supervisory, inspection, architectural or engineering activities.
 - (3) Any “occurrence” that takes place after you cease to be a tenant in the premises described in the Declarations; or
 - (4) Structural alterations, new construction or demolition operations performed by or for the person or organization designated in the Declarations.
3. Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a contract specifically requires that this insurance be primary or you request that it apply on a primary basis.

III. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

The following is added to C. Who Is An Insured:

3. Any business entity acquired by you or incorporated or organized by you under the laws of any individual state of the United States of America over which you maintain majority ownership interest exceeding fifty percent. Such acquired or newly formed organization will qualify as a Named Insured if there is no similar insurance available to that entity. However,
 - a. Coverage under this provision is afforded only until the 180th day after the entity was acquired or incorporated or organized by you or the end of the policy period, whichever is earlier;

- b. Coverages **A. Paragraph 1. Business Liability**, does not apply to:
 - (1) “Bodily injury” or “property damage” that occurred before the entity was acquired or incorporated or organized by you; and
 - (2) “Personal and advertising injury” arising out of an offense committed before the entity was acquired or incorporated or organized by you.
- c. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

IV. AGGREGATE LIMITS

The following is added to Aggregate Limits Paragraph **4.** of **D. Liability and Medical Expenses Limits of Insurance**:

The Aggregate Limits apply separately to each of “locations” owned by or rented to you or temporarily occupied by you with the permission of the owner.

The Aggregate Limits also apply separately to each of your projects away from premises owned by or rented to you.

For the purpose of this endorsement only, “location” means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

V. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

- 1. The requirement in **E. Liability And Medical Expenses General Conditions paragraph 2.a.** that you must see to it that we are notified of an “occurrence” or offense which may result in a claim applies only when the “occurrence” is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any “employee” authorized by you to give or receive notice of an “occurrence” or claim.
- 2. The requirements in **E. Liability And Medical Expenses General Conditions paragraph 2.b.** that you must see to it that we receive notice of a claim or “suit” will not be considered breached unless the breach occurs after such claim or “suit” is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any “employee” authorized by you to give or receive notice of an “occurrence” or claim.

VI. BODILY INJURY

Paragraph **3.** of **F. Liability And Medical Expenses Definitions** is replaced by the following:

- 3. “Bodily Injury” means:
 - a. Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
 - b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

VII. PERSONAL AND ADVERTISING INJURY

Paragraph **14. b.** of **F. Liability And Medical Expenses Definitions** is replaced by the following:

- b. Malicious prosecution or abuse of process.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -- LESSOR OF LEASED WORKERS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name of Lessor of Leased Workers:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

SECTION II – Liability is amended as follows:

- A. WHO IS AN INSURED (Paragraph C) is amended to include as an insured the Lessor of Leased Workers shown in the Schedule, but only with respect to its liability arising out of workers leased to you.
- B. The following is added to Paragraph B, Exclusions of COVERAGE A.1. - BUSINESS LIABILITY

This insurance does not apply to:

- 1. Any "occurrence" which takes place after the employment lease expires;
- 2. "Bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the sole negligence of the lessor of leased workers shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT - LOSS PAYMENT PROVISION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I. Property is amended as follows:

Paragraph 5. LOSS PAYMENT of E. PROPERTY LOSS CONDITIONS is replaced by the following:

5. LOSS PAYMENT

In the event of loss or damage covered by this policy:

- a.** At our option, we will either:
 - (1)** Pay the value of lost or damaged property;
 - (2)** Pay the cost of repairing or replacing the lost or damaged property;
 - (3)** Take all or any part of the property at an agreed or appraised value; or
 - (4)** Repair, rebuild or replace the property with other property of like kind and quality, subject to d.(1)(a) below.
- b.** We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- c.** We will not pay you more than your financial interest in the Covered Property.
- d.** Except as provided in Paragraphs **(2)** through **(8)** below, we will determine the value of Covered Property as follows:
 - (1)** At replacement cost (without deduction for depreciation), subject to the following:
 - (a)** We will not pay more for loss or damage on a replacement cost basis than the least of:
 - (i)** The Limit of Insurance under Section I – Property that applies to the lost or damaged property;
 - (ii)** The cost to replace, on the same premises, the lost or damaged property with other property;
 - i.** Of comparable material and quality; and
 - ii.** Used for the same purpose; or
 - (iii)** The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost is limited to the cost which would have been incurred had the building been built at the original premises.
 - (b)** You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
 - (c)** We will not pay on a replacement cost basis for any loss or damage:
 - (i)** Until the lost or damaged property is actually repaired or replaced; and
 - (ii)** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

However, if the cost to repair or replace the damaged building property is \$2,500 or less, we will settle the loss according to the provisions of Paragraph **d(1)(a)** whether or not the actual repair or replacement is complete.
 - (d)** The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

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- (2) If the "Actual Cash Value - Buildings" option applies, as shown in the Declarations, paragraph (1) above does not apply to Buildings, instead, we will determine the value of Buildings at actual cash value.
 - (3) The following property at actual cash value:
 - (a) Used or second-hand merchandise held in storage or for sale;
 - (b) Household contents, except personal property in apartments or rooms furnished by you as landlord;
 - (c) Manuscripts;
 - (4) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac at market value at the time of loss.
 - (5) Glass at the cost of replacement with safety glazing material if required by law.
 - (6) Tenants' Improvements and Betterments at:
 - (a) Replacement cost if you make repairs promptly.
 - (b) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii) Divide the amount determined in (i) above by the number of days from the installation of improvements to the expiration of the lease.
 If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
 - (c) Nothing if others pay for repairs or replacement.
 - (7) Applicable only to coverages for "money" and "securities":
 - (a) "Money" at its face value; and
 - (b) "Securities" at their value at the close of business on the day the loss is discovered.
 - (8) Applicable only to Accounts Receivable:
 - (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - (i) We will determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (ii) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (i) The amount of the accounts for which there is no loss or damage;
 - (ii) The amount of the accounts that you are able to re-establish or collect;
 - (iii) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (iv) All unearned interest and service charges.
- e. Our payment for loss of or damage to personal property of others will only be for the account of the owners of the property.
- We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all the terms of this policy, and
- (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CONDOMINIUM COMMERCIAL UNIT-OWNERS
OPTIONAL COVERAGES**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE*

Coverage Applicable	Prem. No.	Bldg. No.	Additional Premium	Limit of Insurance
(a) Loss Assessment			See Dec	
(b) Miscellaneous Real Property			See Dec	

A. LOSS ASSESSMENT COVERAGE

When a Limit of Insurance is shown in the Schedule or in the Declarations for Loss Assessment Coverage:

1. We will pay for your share of an assessment charged to all unit-owners by the Condominium Association, when the assessment is made:
 - a. During the policy period shown in the Declarations: and
 - b. As a result of direct physical loss or damage to property in which each unit-owner has an undivided interest, if such loss or damage is caused by a Cause of Loss covered under this policy.

Subparagraph a. of Paragraph 4. Policy Period, Coverage Territory, under Property General Conditions F., does not apply to Loss Assessment Coverage.

2. The most we will pay for each assessment is the Loss Assessment Limit of Insurance for the applicable unit. But we will not pay more than \$1,000 per scheduled unit for an assessment that results from a deductible in the insurance purchased by the Condominium Association.
3. We will not pay for a Loss Assessment that arises from any one occurrence until the amount of Loss Assessment exceeds \$250 per scheduled unit. We will then pay the amount of Loss Assessment in excess of \$250, up to the applicable Loss Assessment Limit of Insurance.

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the declarations.

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B. MISCELLANEOUS REAL PROPERTY COVERAGE

When a Limit of Insurance is shown in the Schedule or in the Declarations for Miscellaneous Real Property Coverage:

1. The following is added to COVERED PROPERTY:

Miscellaneous Real Property, meaning condominium property that:

- a. Is not included under Business Personal Property; and
- b. (1) Pertains to your condominium unit only; or
(2) You have a duty to insure according to the Condominium Association agreement.

2. The Condominium Association may have other insurance covering the same property as this insurance. If it does, we will only pay the excess over what should have been received from that other property insurance. We will pay the excess whether the other insurance can be collected or not.

3. The Deductible applicable to Miscellaneous Real Property coverage is the policy deductible state in the Declarations.

- C. These coverages apply only to condominium units described in the Schedule or in the Declarations.

CONDOMINIUM ASSOCIATION DIRECTORS AND OFFICERS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

SECTION I - COVERAGE

1. Insuring Agreement

We will pay those sums that the insured becomes legally obligated to pay because of a loss due to "wrongful acts" committed by the insured's "directors and officers" solely in the conduct of their management responsibilities for the Condominium Association. This insurance applies only to "wrongful acts" that occur during the policy period. In the event the same "wrongful act" is repeated multiple times or results in multiple "claims" or "suits", the coverage and limit applicable to the first occurrence of the "wrongful act" shall also apply to all resultant "losses". The "wrongful acts" must take place in the "coverage territory." We will have the right and duty to defend any "suit" seeking those damages. But:

- a. The amount we will pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE;
- b. We may investigate and settle any claim or "suit" at our discretion; and
- c. Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of losses under coverage provided by this insurance.

2. Exclusions

This insurance does not apply to:

- a. "Bodily Injury", "Property Damage" or "Personal and Advertising Injury."
- b. Any dishonest, fraudulent, criminal or malicious act or omission committed by or with the knowledge and consent of any "director and officer" of the insured.
- c. Breach of contract.
- d. Violation of any civil rights law whether Federal, State or local ordinance, including but not limited to discrimination on account of race, religion, sex or age.
- e. "Claims" or "suits" arising out of salaries, compensation or bonuses of employees, directors or officers.
- f. Profits or losses, including accounting thereof, resulting from the purchase or sale of any investments.
- g. Loss based upon or attributable to the insured gaining any personal profit, remuneration or advantage which is not shared equitably by the condominium association or to which the insured is not legally entitled.
- h. Failure to obtain or maintain an insurance policy or bonds or to maintain acceptable amounts, forms, conditions or provisions of any insurance or bond.
- i. Loss by or resulting from nuclear reaction, nuclear radiation or radioactive contamination, or to any act or condition incident to any of them.
- j. Liability of fiduciary imposed by the Employee Retirement Income Security Act of 1974, Public Law 93-406 (the Pension Reform Act of 1974) and amendments thereto, or similar provisions of any federal, state or local statutory or common law.

- k. Pollution, including:
 - (1) Loss arising out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
 - (a) At or from premises you own, rent or occupy;
 - (b) At or from any site or location used by or for you or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for you or any person or organization for whom you may be legally responsible; or
 - (d) At or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations:
 - (i) if the pollutants are brought on or to the site or location in connection with such operations; or
 - (ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the pollutants.
 - (2) Any loss, cost, or expense arising out of any governmental direction or request that you test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum products including gasoline or gasoline additives and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- l. Damage caused by or resulting from operations (including construction, design, survey and engineering services) performed by or on behalf of the builder, sponsor or developer of the condominium owned, controlled or managed by the Named Insured.
- m. Damage to property, including all resulting loss of use of that property.
- n. The failure or inability of any insured to enforce your rights against the builder, sponsor or developer of the condominium owned, controlled or managed by the Named Insured.
- o. Fines or penalties imposed by law.
- p. Punitive damages.
- q. Any "claim" or "suit" that is brought by or on behalf of any insured or any person or organization which is controlled by, controls, or is under common control with you.

SUPPLEMENTARY PAYMENTS

We will pay with respect to any claim or "suit" we defend:

1. All expenses we incur.
2. All reasonable expenses incurred by the insured at our request, including actual loss of earnings up to \$100 a day because of time off from work.
3. The cost of bonds to release attachments but only for bond amounts within the applicable limit of insurance. We do not have to furnish bonds.
4. Prejudgement interest awarded against the insured on that part of the judgement we pay. If we make an offer to pay the applicable limit of insurance, we will not pay for any prejudgement interest incurred after the offer.
5. All interest on the full amount of any judgement that accrues after entry of the judgement and before we have paid, offered to pay, or deposited in court the part of the judgement that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

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SECTION II - WHO IS AN INSURED

Each of the following is an insured:

1. The condominium association named in the Declarations is an insured with respect to its liability because of "wrongful acts" committed by its "directors and officers."
2. The "directors and officers" of the insured collectively, and each "director and officer" individually, are insureds while acting within the scope of their duties on behalf of the insured.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims presented or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits."
2. The Aggregate Limit is the most we will pay for "losses" for all claims or "suits" to which this insurance applies. The Aggregate Limit for this insurance is equal to, but not part of, the Aggregate Limit scheduled in the Declarations.
3. The "Each Wrongful Act" Limit is the most we will pay for all "losses" arising out of any "wrongful act". The "wrongful act" limit for this insurance is equal to, but not part of the Each Occurrence Limit scheduled in the declarations.
4. If this insurance is in effect for a period of more than one year, the limits apply separately to each consecutive annual period, and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. But if the policy period is extended for less than 12 months, the extended period will be deemed to be part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - CONDOMINIUM DIRECTORS AND OFFICERS LIABILITY COVERAGE CONDITIONS

1. **Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this coverage form.

2. **Duties In The Event Of Occurrence, Claim Or Suit.**

- a. You or any insured must see to it that we are notified promptly if you become aware of any act, error or omission which reasonably would be expected to be the basis of a claim or "suit" covered by this insurance.
- b. If a claim is made or "suit" is brought against any insured, you must see to it that we receive prompt written notice of the claim or "suit."
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of the "loss" to which this insurance may also apply.
- d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.

3. **Legal Action Against Us**

No person or organization has a right under this coverage form:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us under this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on final judgement against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this coverage form or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. **Other Insurance**

The insurance shall be excess of any other valid and collectible insurance available to the insured, whether such insurance is stated to be primary, contributory, contingent, pro-rata or otherwise, unless such other insurance is written as a specific excess insurance over the Limits of Insurance provided in the Coverage Form.

In addition, this insurance shall not cover any "loss" for which the insured is entitled to recover under any other insurance in force previous to the effective date of the Coverage Form.

5. **Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this coverage form to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

6. **Transfer Of Right Of Recover Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this coverage form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

SECTION V - DEFINITIONS

1. "Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Claim" or "claims" means a demand received by an insured for money, including the service of a "suit".
3. "Coverage territory" means anywhere in the world, provided the original claim or "suit" is brought within the United States of America, its territories or possessions, Puerto Rico or Canada.
4. "Directors and officers" means those individuals who form the administrative body of the insured, provided that each individual is duly elected by the owners of the condominium to serve on the managing body of that entity.
5. "Loss" or "losses" means damages, settlements, and/or defense costs.
6. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
7. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property, or
 - b. Loss of use of tangible property that is not physically injured.
8. "Interrelated Wrongful Acts" means "wrongful acts" which have as a common nexus any fact, circumstance, situation, event, transaction, or series of facts, circumstances, situations, events or transactions.
9. "Suit" or "suits" means a civil proceeding in which "loss" because of "wrongful acts" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding to which you must submit or submit with our consent.
10. "Wrongful acts" means any actual or alleged negligent act, error, omission, misstatement, misleading statement or breach of duty by the "directors and officers," individually or collectively, in the discharge of their duties as "directors and officers" of the condominium property of the insured.

More than one claim involving the same wrongful act or "interrelated wrongful acts" of one or more "director and officer" shall be deemed to constitute a single claim.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS POLICY CHANGES

THIS ENDORSEMENT FORMS A PART OF THE POLICY NUMBERED BELOW.

POLICY NUMBER		POLICY CHANGES EFFECTIVE		COMPANY	
NAMED INSURED				AUTHORIZED REPRESENTATIVE	
CHANGES					
POLICY AMOUNT AND PREMIUM ADJUSTMENT					
	Limits of Insurance		Premiums		
Coverage Description	Previous Limit of Insurance	New Limit of Insurance	Previous Premium	New Premium	<input type="checkbox"/> Add'l Premium <input type="checkbox"/> Return Premium
	\$	\$	\$	\$	\$

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OPTIONAL COVERAGES		
The following optional coverages are added under this policy when designated by an "X" in the box(es) shown below:		<input type="checkbox"/> Add'l Premium
	Limits of Insurance	<input type="checkbox"/> Return Premium
<input type="checkbox"/> Outdoor Signs	\$ _____	\$ _____
<input type="checkbox"/> Money and Securities	\$ _____ Inside the Premises \$ _____ Outside the Premises	
<input type="checkbox"/> Employee Dishonesty	\$ _____ each occurrence	
TOTAL PREMIUM ADJUSTMENTS		
PREMIUM DUE AT POLICY CHANGE EFFECTIVE DATE		
ADDITIONAL		RETURN
\$		\$

Authorized Representative Signature

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MECHANICS PROFESSIONAL LIABILITY COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II - Liability is amended as follows:

- A.** Paragraph **A.** Coverages also applies to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render professional services consisting of advice, instructions or other service activities provided by you or your employees, in connection with the operation of an automobile repair operation, automobile parts or automobile accessories store.
- B.** With respect to the coverage provided by this endorsement, Paragraph **B.** Exclusions is amended as follows:
- 1.** Paragraph **B.1.b.** Contractual Liability is replaced by the following:

This insurance does not apply to:
 - b.** "Bodily Injury", "property damage" or "personal and advertising injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
 - 2.** Paragraph **B.1.r.** Criminal Acts is replaced by the following:

This insurance does not apply to:
 - r.** "Bodily injury", "property damage" or "personal and advertising injury" arising out of a criminal act including but not limited to fraud committed by the insured or any person for whom the insured is legally responsible.
 - 3.** Paragraph **B.1.j.** Professional Services does not apply.
 - 4.** Paragraph **B.1.i.** Damage To Your Product does not apply when the product is installed on a customers automobile by you or one of your employees.
- C.** Paragraph **D.2.** of Liability And Medical Expenses Limits Of Insurance is replaced by the following:
- 2.** The most we will pay for the sum of all damages because of all:
 - a.** "Bodily injury", "property damage" and medical expenses arising out of any one "occurrence"; and
 - b.** "Personal and advertising injury" sustained by any one person or organization arising out of any one "occurrence";
is the Liability and Medical Expenses limit shown in the Declarations. But the most we will pay for all medical expenses because of "bodily injury" sustained by any one person is the Medical Expenses limit shown in the Declarations.
- D.** For the coverage provided by this endorsement, the definition of "occurrence" in Paragraph **F.** Liability And Medical Expenses Definitions is amended to include any act or omission arising out of the rendering of or failure to render services as a mechanic.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARTS AND CRAFTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- I.** Section I – Property of the BUSINESSOWNERS COVERAGE FORM, Part A., 4. Limitations, is amended as follows:
- A.** The following is added to Paragraph b. applicable to fragile articles:
- The definition of "specified causes of loss" as related to the loss of or damage to fragile articles, if broken, caused by a vehicle is amended to only allow coverage when there is a:
- (1)** collision of a cargo carrying vehicle with any other vehicle or object, excluding contact with any portion of the road-bed, or curbing; or
 - (2)** overturning of the cargo carrying vehicle.
- B.** Paragraph c.(2), Theft Limitations is replaced by the following:
- (2)** \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, gold, silver, platinum and other precious alloys and metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- II.** Section II – Liability of the BUSINESSOWNERS COVERAGE FORM, is amended as follows:
- A.** The following is added to Part C.2., Who Is An Insured:
- e.**
 - (1)** any lessor of a booth(s) or space leased to you; or
 - (2)** any person or organization who permits you to use a booth(s) or space for the purpose of exhibiting and /or sale of your crafts or products to the public, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you or which you are allowed to use.
- This insurance does not apply to:
- (1)** Any "occurrence" that takes place after you cease to be a tenant in the, premises described in Paragraph II., e. above.
 - (2)** Structural alterations, new construction or demolition operations performed by or for the lessor, person or organization described in Paragraph II., e. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DRY CLEANER ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

- A.** Paragraph 1.b. of Section I – Property, Part A., Coverage, of the Businessowners Coverage Form and Section I. of the Property Extension Endorsements are replaced by the following:
- b.** Business Personal Property located in or on the buildings at the described premises or in the open (or in a vehicle) within 1,000 feet of the described premises, including:
- (1)** Property you own that is used in your business;
 - (2)** Property of others that is in your care, custody or control, plus the cost of labor, materials or services furnished or arranged by you on personal property of others.

Property of others coverage does not apply to Employee Tools except as provided under Paragraph IV. of the Property Extension Endorsements.
 - (3)** Tenant's improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a)** Made a part of the building or structure you occupy but do not own; and
 - (b)** You acquire or made at your expense but cannot legally remove.
 - (4)** Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under paragraph b.(2) above.

B. PROPERTY NOT COVERED

The following is added under Paragraph 2., Property Not Covered, of Section I – Property, Part A. Coverage of the Businessowners Coverage Form:

- 1. Unless the Storage of Customers' Goods Coverage Endorsement is attached to this Policy, covered property does not include property of others accepted for storage.

C. CONFUSION OF PROPERTY

The following is added to Paragraph 6., Coverage Extensions, of Section I – Property, Part A. Coverage of the Businessowners Coverage Form:

Confusion of Property.

We will also cover loss or damage resulting from confusion of property of others caused by a Covered Cause of Loss.

D. DEBRIS REMOVAL

Paragraph 5.a., Debris Removal, of the Additional Coverages section of Section I – Property, Part A. Coverage of the Businessowners Coverage Form is replaced by the following:

- a.** Debris Removal
- (1)** We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs at your premises during the policy period. The expenses will be paid only if they are reported to us within 180 days of the earlier of:

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- (a) the date of direct physical "Loss" or damage; or
 - (b) the end of the policy period.
- (2) The most we will pay under this coverage is the lesser of:
- (a) 25% of the applicable Limit of Insurance for direct physical "loss" to all Covered Property; or
 - (b) \$25,000.

The limit of Debris Removal is separate from the Limit of Insurance that applies to other Causes of "Loss".

- (3) The additional coverage does not apply to cost to:
- (a) extract "pollutants" from land or water; or
 - (b) remove, restore or replace polluted land or water.

E. PERSONAL PROPERTY OFF PREMISES

Section I – Property, Part A. Coverage, Coverage Extensions, Paragraph 6.b., Personal Property Off Premises of the Coverage Form and Section V.B. of the Property Extension Endorsements are amended as follows:

As respects property of others, coverage is equal to, but not part of, the Limits of Insurance applicable to Business Personal Property of the Insured shown in the Declarations, while the property of others is in course of transit or temporarily at a premises you do not own, lease or operate. However, the property of others is not covered while such property is in the custody of other bailees unless the property is:

1. at a premises described in the Declarations; or
2. in the custody of a carrier for hire.

F. EXCLUSIONS

As respects property of others the following additional exclusions are added to Section I – Property, Part B. Exclusions of the Businessowners Coverage Form:

1. Theft of property of others from a delivery vehicle left overnight, unless the vehicle was within a fully enclosed and locked building.
2. Unexplained loss or mysterious disappearance.
3. Any process other than dry cleaning, laundering or pressing.

G. LIMITS OF INSURANCE

1. Section I – Property, Part C. Limits of Insurance, Paragraph 5., Business Personal Property Limit - Seasonal Increase does not apply to personal property of others.
2. The following is added to Part C. Limits of Insurance of the Businessowners Property Coverage Form:

As respects property of others only, coverage is equal to, but not part of, the Limits of Insurance applicable to Business Personal Property of the Insured shown in the Declarations.

H. LOSS PAYMENT

Paragraph 5.d.(3)(b) of the Amendment - Loss Payment Provision endorsement is replaced by:

- b. We will determine the value of property of others at actual cash value unless the Goodwill Replacement Valuation Endorsement is attached.

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BLANKET BUILDING INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- I. Section I – Property of the BUSINESSOWNERS COVERAGE FORM, C. LIMITS OF INSURANCE, 1. is replaced with the following:
 1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except for Building coverage when provided on a replacement cost basis. When Building coverage is provided on a replacement cost basis, the most we will pay for any building is the sum of the Building Limits for all buildings covered under this policy on a replacement cost basis for loss or damage to:
 - a. any building or buildings at a described premises; or
 - b. all buildings at all described premises if buildings at more than one described premises are lost or damaged in any one occurrence.
- II. Section I – Property of the BUSINESSOWNERS COVERAGE FORM, C. LIMITS OF INSURANCE, 4. BUILDING LIMIT - AUTOMATIC INCREASE is hereby deleted, however this is only applicable to those buildings that are written on a Blanket Basis with replacement cost.
- III. Blanket Building Insurance does not apply to any buildings where valuation basis is Actual Cash Value or Functional Replacement Cost.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET BUSINESS PERSONAL PROPERTY INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- I. Section I – Property of the BUSINESSOWNERS COVERAGE FORM, C. LIMITS OF INSURANCE, 1. is replaced by the following:
 1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except for Business Personal Property coverage.

The most we will pay for Business Personal Property in or on the buildings at the described premises or in the open (or in a vehicle) within 1,000 feet of the described premises is the sum of the Business Personal Property limits for all described premises covered under this policy.
- II. Section I – Property of the BUSINESSOWNERS COVERAGE FORM, C. LIMITS OF INSURANCE, 5. BUSINESS PERSONAL PROPERTY –SEASONAL INCREASE is hereby deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BOOKSTORE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I. Section I - Property of the **BUSINESSOWNERS COVERAGE FORM** is amended as follows:

A. The following is added to Paragraph **A. 2., PROPERTY NOT COVERED:**

j. "Fine Books."

B. Paragraph **C.5.** is replaced by the following:

5. BUSINESS PERSONAL PROPERTY LIMIT - SEASONAL INCREASE

a. The Limit of Insurance for Business Personal Property will automatically increase by 100% to provide for seasonal variations.

b. This increase will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:

(1) the 12 months immediately preceding the date the loss or damage occurs; or

(2) the period of time you have been in business as of the date the loss or damage occurs.

C. Paragraph **E.5., LOSS PAYMENT d.(3)(d)** valuing manuscripts on an Actual Cash Value basis for loss payment is deleted.

II. Section II - Liability of the **BUSINESSOWNERS COVERAGE FORM** is amended as follows:

A. Part **B.1., EXCLUSIONS** is amended as follows:

1. Paragraph **B.1.c. LIQUOR LIABILITY** is amended by the addition of:

This exclusion does not apply to the selling, serving or furnishing of alcoholic beverages by a retail bookstore.

2. Paragraph **B.1.j. PROFESSIONAL SERVICES** is amended by the addition of:

(10) "Professional appraisal" of "fine books."

3. The following is added to Paragraph **B.1.:**

t. "Bodily Injury", "property damage" or "personal and advertising injury" caused by or resulting from any restoration, repairing or retouching of "fine books".

B. The following is added to Paragraph **C.2., WHO IS AN INSURED:**

- e.** Any author visiting the described premises to promote and/or autograph their new books for customers, but only while on the described premises. However, the author is not an Insured for "personal and advertising injury".

C. The following is added to Paragraph **F. LIABILITY AND MEDICAL EXPENSES DEFINITIONS:**

(23) "Professional Appraisal" means:

An act, error or omission in establishing the value of "fine books".

III. Applicable to Section I - Property and Section II - Liability of the **BUSINESSOWNERS COVERAGE FORM**

A. The following is added to Section I – Property, Paragraph **H., PROPERTY DEFINITIONS** of the **BUSINESSOWNERS COVERAGE FORM** and Section II – Liability, Paragraph **F., LIABILITY AND MEDICAL EXPENSES DEFINITIONS** of the **BUSINESSOWNERS COVERAGE FORM:**

"Fine books" means:

Antiques or rare books and collectibles of every nature and description including, but not limited to: etchings; pictures; original folios; manuscripts; original writings and authentic letters; pictures or autographs. This includes, but is not limited to:

- a.** "fine books" held for sale, consignment, restoration or appraisal; and
- b.** "fine books" in transit or at any other location.

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

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY**A. MUSICAL INSTRUMENTS**

Part A., Coverage, Paragraph 1.b., Business Personal Property in Section I - Property of the Businessowners Coverage Form is extended to include coverage for the following described property WHEREVER LOCATED within the policy coverage territory:

1. Your musical instruments usual to your Church operations and at your option, similar property of others in your care, custody and control, used by you in your Church operations.
2. The following EXCLUSIONS contained in Part B., Section I of the Businessowners Coverage Form do not apply as respects musical instruments:
 - 1.b. Earth Movement;
 - 1.g. Water;
 - 2.c. Smoke, Vapor, Gas;
 - 2.d. Steam Apparatus;
 - 2.e. Frozen Plumbing; and
 - 2.h. Exposed Property.

B. OUTDOOR PROPERTY

Paragraph 6.c., Coverage Extension for Outdoor Property of Part A. Coverage in Section I - Property of the Businessowners Coverage Form includes coverage for any statuary or crosses. The most we will pay for loss or damage to statuary or crosses including debris removal expense is \$2,500.

C. PERSONAL EFFECTS

Paragraph 6.d., Coverage Extension for Personal Effects of Part A., Coverage in Section I - Property of the Businessowners Coverage Form and Section V.D. in the Businessowners Property Plus Extension Endorsement are replaced by:

d. PERSONAL EFFECTS**1) Personal Effects of Yours and Others**

You may extend the insurance that applies to Business Personal Property to cover the personal effects that belong to you, your officers, partners or employees except employed clergymen. This extension does not apply to:

- (a) tools or equipment used in your business; or
- (b) loss or damage by theft.

The most we will pay under this Extension at each described premises is \$10,000 but not more than \$2,500 for any one persons property. This property is not covered if it is already insured elsewhere. If this protection is used to cover someone else's property, we can settle all losses with you and make all payments to you.

(2) Personal Effects of Clergy

You may extend the insurance that applies to Business Personal Property to cover the personal effects that belong to employed clergymen. This extension does not apply to:

- (a) tools or equipment used in your business; or
- (b) loss or damage by theft.

The most we will pay under this Extension at each described premises is \$10,000 but not more than \$5,000 for any one persons property. This property is not covered if it is already insured elsewhere. If this protection is used to cover someone else's property, we can settle all losses with you and make all payments to you.

D. ACCOUNTS RECEIVABLE

Paragraph 6.f., Coverage Extension for Accounts Receivable of Part A., Coverage in Section I - Property of the Businessowners Coverage Form and Paragraph V.E., Accounts Receivable of the Businessowners Property Extension Endorsement and Section V.F. in the Businessowners Property Plus Extension Endorsement do not apply to property occupied by and described in the Declarations as Churches.

E. PEAK SEASON

Paragraph 5., Business Personal Property Limit - Seasonal increase of Part C., Limits of Insurance in Section I - Property of the Businessowners Coverage Form does not apply to property occupied by and described in the Declarations as Churches.

F. PERSONAL PROPERTY OFF PREMISES

The following is added to Paragraph V.B., Personal Property Off Premises of the Businessowners Property Extension Endorsement and the Businessowners Property Plus Extension Endorsement:

You may extend the insurance that applies to Business Personal Property to cover the Business Personal Property that belongs to you, and is located in a building maintained by you for use by your employees.

The most we will pay for loss or damage under this extension is \$5,000.

G. WHO IS AN INSURED

The following are added to Paragraph C.2., Who Is An Insured in Section II - Liability of the Businessowners Coverage Form:

- e. Any of your members, but only with respect to their liability for activities they perform on your behalf.
- f. Any trustee, official, member of the board of governors or clergyman but only with respect to their duties as such.
- g. Any person(s) who are volunteer worker(s) for you, but only while acting at your direction and within the scope of their duties. However, no volunteer is an Insured for:
 - (1) "Bodily injury" to:
 - (a) a co-volunteer or your employee arising out of and in the course of their duties for you; or
 - (b) you, or if you are a partnership or joint venture, any partner or member thereof;
 - (2) "Property damage" to property owned, occupied or used by, rented to, in the care, custody, or control of, or over which physical control is being exercised for any purpose by:
 - (a) a co-volunteer or your employee; or
 - (b) you, or if you are a partnership or joint venture, any partner or member.

H. EXCLUSIONS Part B. Exclusions, Paragraph 2.b. Applicable to Medical Expenses Coverage, in Section II - Liability of the Businessowners Coverage Form is replaced by the following:

- b. to a person hired to do work for or on behalf of any Insured or a tenant of any Insured unless such person is acting as a volunteer worker and is not paid for such work.

I. ABUSE AND MOLESTATION

The **BUSINESSOWNERS COVERAGE FORM** does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of:

- (1) the actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (2) the negligent:
 - (a) employment;
 - (b) investigation;
 - (c) supervision;
 - (d) reporting to the proper authorities, or failure to so report; or
 - (e) retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by (1) above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMPUTER SOFTWARE PROFESSIONAL LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

The following is added to the exclusions listed in paragraph j. Professional Services of Section B. Exclusions in the Businessowners Coverage Form:

- (10)** Selling, licensing, franchising or furnishing of your computer software to others including electronic data processing programs, designs, specifications, manuals and instructions; but this exclusion does not apply to pre-packaged computer software that was developed by others and is not sold under the Insured's trade name.

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CONSULTING ERRORS AND OMISSIONS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

The following are added to the exclusions listed in paragraph j. Professional Services of Section B. Exclusions in the Businessowners Coverage Form:

- (10)** an error, omission, defect or deficiency in any test performed, or an evaluation, a consultation or advice given by or on behalf of any Insured or the reporting of or reliance upon any such test, evaluation, consultation or advice.

- (11)** the rendering of or failure to render any service by you or on your behalf in connection with the selling, licensing, franchising or furnishing of your computer software to others including electronic data processing programs, designs, specifications, manuals and instructions.

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COVERAGE FOR PETS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

LIMITS OF INSURANCE

Per Animal	\$2,500
Per Occurrence	\$25,000
Deductible	\$100

SECTION I – Property is amended as follows:

A. COVERAGE

The following is added to Paragraph 1.b. of Part A., Coverage of the Businessowners Coverage Form:

- (6) animals owned by your clients while in your care, custody or control;
- (a) at your premises; or
 - (b) in transit in a vehicle or in a mobile clinic owned or operated by you; or
 - (c) at your clients premises.
for treatment, boarding or other veterinarian services.

B. PROPERTY NOT COVERED

The following is added to Paragraph 2., Property Not Covered of Part A., Coverage of the Businessowners Coverage Form.

- j. Covered property does not include "livestock."

C. COVERED CAUSES OF LOSS

Paragraph 3., Covered Causes of Loss of Part A., Coverage of the Businessowners Coverage Form is amended by the addition of Subparagraph c., d. and e. applying to Pets Coverage as follows:

- c. We will pay for direct "loss" due to death or destruction of Pets caused by or resulting from, or made necessary by, any of the following:
- (1) fire or lightning;
 - (2) windstorm or hail;
 - (3) explosion;
 - (4) riot or civil commotion;
 - (5) vandalism;
 - (6) aircraft, meaning "loss" caused by contact of an aircraft or objects falling from aircraft;
 - (7) vehicular, meaning "loss" resulting from being struck by a vehicle or by an object thrown up by a vehicle;
 - (8) smoke;
 - (9) attack by another animal;
 - (10) flood, surface water, tidal water or tidal wave, water which backs up through sewers or drains;
 - (11) earthquake, volcanic eruption, landslide or sinkhole collapse;
 - (12) collapse of bridges or culverts, collision, upset or overturn of the vehicles in which the animal is being transported;
 - (13) drowning.

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- d. We will pay for direct "loss" by theft including attempted theft and escape.
- e. We will pay for direct "loss" caused by or resulting from voluntarily parting with any property by you or anyone entrusted with the animals if;
 - (1) induced to do so by any fraudulent scheme, trick, device or false pretense; or
 - (2) unauthorized instructions being given to transfer animals to any person or to any place.

However, you must do everything possible to insure that any place you provide for animals to which this coverage applies is safe and wholesome for the animals. Otherwise, this coverage will not apply.

D. ADDITIONAL COVERAGES

The following items are added to Paragraph 5., Additional Coverages of Part A., Coverage of the Businessowners Coverage Form:

1. Recovery Expense Coverage

We will reimburse you up to \$500 in any one policy year for the reasonable expenses that you incur for recovering or attempting to recover animals which are in your care, custody or control;

- (a) for treatment; or
- (b) for boarding; or
- (c) for other services; or
- (d) held for sale; or
- (e) while sold but not delivered;

and which escape, are stolen or which you voluntarily part with because of being induced to do so by fraudulent scheme, tricks, device or false pretense.

Reasonable expenses include expenses for advertising, travel, communications, animal transport and veterinary services.

2. Reward Expense Coverage

We will reimburse you up to \$1,000 in any one policy year for the reasonable expenses that you incur for rewards for the safe return of, or information leading to the safe return of animals which are in your care, custody or control;

- (a) for treatment; or
- (b) for boarding; or
- (c) for other services; or
- (d) held for sale; or
- (e) while sold but not delivered;

and which escape, are stolen or which you voluntarily part with because of being induced to do so by fraudulent scheme, tricks, device or false pretense.

However, we will not pay more under this Reward Expense Coverage than the smaller of;

- (a) \$500; or
- (b) the actual cash value of the animal;

for the safe return of, or information leading to the safe return of any one animal.

3. Emergency Removal Coverage

We will reimburse you up to \$1,000 in any one event for the reasonable expenses that you incur in the emergency removal of animals which are in your care, custody or control;

- (a) for treatment; or
- (b) for boarding; or
- (c) for other services; or
- (d) held for sale; or
- (e) while sold but not delivered.

However, we will not pay for the removal of any animals due to and confined to their individual medical conditions. By emergency, we mean imminent danger of loss to animals by a covered cause of loss which is covered under this coverage.

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E. EXCLUSIONS

Part B., Exclusions, Paragraph 1. of the Businessowners Coverage Form is amended by the addition of:

- j. Any "loss" that is expected or intended by you.
- k. Any "loss" to animals caused by or resulting from:
 - (1) any disease or parasite infestation, or the treatment for any disease or parasite infestation; or
 - (2) any condition or injury for which an animal is in your care for professional veterinary services and any treatment for that condition or injury including intentional destruction of the animal; or
 - (3) seizure, confiscation or destruction by or at the direction of any government authority including customs authorities.
- l. Any "loss" that occurs after, and as a result of, any loss of or damage to animals, except as specifically provided in this coverage.

F. LIMITS OF INSURANCE

Part C., Limits Of Insurance of the Businessowners Coverage Form is replaced by:

The most we will pay for "loss" is the applicable Limit of Insurance shown in the Schedule Per Animal and Per Occurrence.

G. DEDUCTIBLES

The following replaces Part D., Deductibles, Paragraph 3.a. of the Businessowners Coverage Form and the Businessowners Property Extension Endorsement or Businessowners Property Plus Extension Endorsement.

- a. No deductible applies to:
 - (1) Business Income;
 - (2) Civil Authority;
 - (3) Extra Expense;
 - (4) Fire Department Service Charge;
 - (5) Fire Extinguisher Recharge Expense;
 - (6) Off Premises Power Failure;
 - (7) Reward;
 - (8) Recovery Expense Coverage;
 - (9) Reward Expense Coverage; or
 - (10) Emergency Removal Coverage.

H. Part E., Property Loss Conditions, Paragraph 5., Loss Payment of the Businessowners Coverage Form is amended by the addition of:

- (h) The value of Covered Property for animals will be the least of the following amounts:
 - (a) the actual cash value at the time of loss;
 - (b) the cost of replacement with a substantially identical animal; or
 - (c) the amount for which you are liable.In the event of "loss," the value of the animal will be determined as of the time of "loss."

- (i) Reinstatement of Limit After "Loss"

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which we will refund the unearned premium on that item.

I. The following are added to Part H., Property Definitions of the Businessowners Coverage Form:

- 15. "Loss" means accidental loss and does not mean sickness or disease.
"Loss" also includes:
 - a. your interest in the animals for incurred charges for services you have rendered which become uncollectible because of the "loss" or damage; and
 - b. any expenses for disposing of the animals that die.
- 16. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISPLAY EQUIPMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I - Property is amended as follows:

Part **B. Exclusions**, Paragraph **2, a. Electrical Apparatus** is replaced with the following:

- a.** Electrical Apparatus: Artificially generated electric current, including electric arcing, that disturbs any electrical apparatus or devices, appliances or wires, except display equipment which is similar to property held for sale.

We will not pay more than \$10,000 for all loss or damage to display equipment that occurs at any one time caused by artificially generated electric current, including electric arcing.

But if loss or damage by fire results, we will pay for that resulting loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORISTS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I. Section I – Property of the Businessowners Coverage Form is amended as follows:

A. The following is added to Paragraph A.4. Limitations:

- d.** We will not pay more for loss of or damage to any exterior glass or material that is part of a greenhouse building or structure than \$100 for each plate, pane, multiple insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than \$10,000 for all loss of or damage to exterior greenhouse glass or material that occurs at any one time.

II. Section II – Liability of the Businessowners Coverage Form is amended as follows:

A. The following is added to Paragraph A.1. Business Liability Coverages:

We will pay those sums that the Insured becomes legally obligated to pay as damages because of a misdelivery made by you or on your behalf with respect to your business as a florist. This insurance applies to any misdelivery which occurs in the coverage territory and during the policy period.

B. The following is added to Part B. Exclusions:

4. Applicable to misdelivery coverage:

This insurance does not apply to dishonest, fraudulent, criminal or malicious acts, including resulting penalties or fines.

C. As respects misdelivery coverage, Part D. Liability and Medical Expenses Limits of Insurance is replaced by the following:

- 1.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a.** Insureds;
 - b.** Claims made or suits brought; or
 - c.** Persons or organizations making claims or bringing suits.
- 2.** The Each Occurrence Limit is the most we will pay for damages arising out of any one claim or suit. The Each Occurrence Limit for this insurance is equal to, but not part of, the Each Occurrence Limit scheduled in the declarations.
- 3.** The Aggregate Limit is the most we will pay for damages for all claims or suits to which this insurance applies. The Aggregate Limit for this insurance is equal to, but not part of, the Aggregate Limit scheduled in the Declarations.
- 4.** If this insurance is in effect for a period of more than one year, the limits apply separately to each consecutive annual period, and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations. But if the policy period is extended for less than 12 months, the extended period will be deemed to be part of the last preceding period for purposes of determining the Limits of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FRAGILE ARTICLES ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The BUSINESSOWNERS COVERAGE FORM is changed as follows:

SECTION I – Property is amended as follows:

- I. **Part A. Coverage, Paragraph 4. Limitations**, subsection **b.** is hereby deleted.
- II. **Part D. Deductibles** is hereby amended by addition of the following:
 4. The Deductible amount for loss or damage due to breakage of fragile articles is \$500.
This Deductible will be used to satisfy the requirements of the Deductible in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GOODWILL REPLACEMENT VALUATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

- A.** Paragraph **5.e.** of Loss Payment of Part E., Property Loss Conditions of the Amendment - Loss Payment Provision Endorsement does not apply to "Customers' Property" which is less than two years of age.
- B.** The following is added to the Loss Payment provision of Part E., Property Loss Conditions of the Amendment - Loss Payment Provision Endorsement:

The value of customers' property which is less than two years of age shall be the cost of replacing the item(s) with substantially comparable property. No deduction for depreciation will be taken in the adjustment of claims for "loss" to such property.
- C.** "Customers' Property" means: personal property of your customers that you have accepted for the purposes of laundering, repairing or pressing.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO PHYSICAL DAMAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability of the BUSINESSOWNERS COVERAGE FORM is amended as follows:

I. Paragraph B.1.k.(4) DAMAGE TO PROPERTY in paragraph B. Exclusions, is amended to include the following:

This exclusion does not apply to a covered "auto" while in your possession. We will pay all sums you legally must pay as damages for "loss" to a covered "auto" for:

- a. Comprehensive Coverage. From any cause except:**
 - (1)** the covered "auto's" collision with another object; or
 - (2)** the covered "auto's" overturn.
- b. Collision Coverage. Caused by:**
 - (1)** the covered "auto's" collision with another object; or
 - (2)** the covered "auto's" overturn.

II. LIMIT OF INSURANCE

Regardless of the number of claims made or "suits" brought, the most we will pay for "loss" in any one "accident" is the lesser of:

- a.** the actual cash value of the damaged or stolen property as of the time of "loss"; or
- b.** the cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c.** \$35,000.

III. DEDUCTIBLE

For each covered "auto," our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible below. The Comprehensive Coverage Deductible does not apply to "loss" caused by fire or lightning.

Comprehensive Coverage Deductible \$250

Collision Coverage Deductible \$500

IV. ADDITIONAL EXCLUSIONS applicable:

- a. This insurance does not apply to "loss" due to theft or conversion caused in any way by you, your officers or directors, your employees or by your stockholders.
- b. We will not pay for "loss" to any of the following:
 - (1) Tape decks or other sound reproducing equipment unless permanently installed in a covered "auto.
 - (2) Tapes, records or other sound reproducing devices designed for use with sound reproducing equipment.
 - (3) Sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "auto" manufacturer for the installation of a radio.
 - (4) Equipment designed or used for the detection or location of radar.
- c. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:
 - (1) Wear and tear, freezing, mechanical or electrical breakdown.
 - (2) Blowouts, punctures or other road damage to tires.

V. ADDITIONAL DEFINITIONS

- a. "Accident" includes continuous or repeated exposure to the same conditions resulting in "property damage."
- b. "Auto" means a land motor vehicle you hire, rent or borrow from other than any of your employees, partners or members of their households.
- c. "Loss" means direct and accidental loss or damage and includes any resulting loss of use.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSPECTION AND APPRAISAL SERVICES EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SECTION II – Liability is amended as follows:

BUSINESSOWNERS COVERAGE FORM, B. Exclusions, subsection **j.** is deleted and replaced by the following:

- j.** "Bodily injury," "property damage," "personal injury" or "advertising injury" due to rendering or failure to render professional services in the performance of any claim, investigation, adjustment, engineering, inspection, appraisal, survey or audit services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSURANCE AND RELATED OPERATIONS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

BUSINESSOWNERS COVERAGE FORM, B. Exclusions, j. is deleted and replaced by the following:

- j.** "Bodily injury," "property damage," "personal injury" or "advertising injury" for which the Insured may be held liable:
 - 1.** with respect to any contract or treaty of insurance, reinsurance, suretyship, annuity endowment or employee benefit plan, including applications, receipts or binders:
 - a.** any obligation assumed by any Insured; or
 - b.** the failure to discharge, or the improper discharge of, any obligation or duty, contractual or otherwise;
 - 2.** due to membership in or contribution to any plan, pool, association, insolvency or guarantee fund or any similar fund, organization or association, whether voluntary or involuntary;
 - 3.** due to the rendering or failure to render professional services in:
 - a.** advising, inspecting, reporting, or making recommendations in the Insured's capacity as an insurance company, consultant, broker, agent or representative thereof;
 - b.** effecting insurance, reinsurance or suretyship coverages;
 - c.** investigating, defending or settling any claim under any contract of insurance, self-insurance, reinsurance or suretyship;
 - d.** auditing of accounts or records of others;
 - e.** conducting an investment, loan or real estate department or operation;
 - f.** acting in any capacity as a fiduciary or trustee for mutual funds, pension or welfare funds or other similar activities; or
 - g.** performing any claim, investigative, adjustment, engineering or inspection service for a fee.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LAWYERS OFFICE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

This summarizes the various coverages provided by this endorsement; no coverages are given by this summary. Actual coverage descriptions are within the form.

<u>SUBJECT</u>	<u>LIMITS OF INSURANCE OR CHANGE IN CONDITION</u>	<u>SECTION</u>
Section I – PROPERTY - BUSINESSOWNERS COVERAGE FORM		
BUSINESS INCOME	\$ 250,000 at each Newly Acquired Premises	I.D.
“CELLULAR PHONES” - COVERAGE	\$ 1,000	I.F.g.
“CELLULAR PHONES” - DEDUCTIBLE	\$ 50	I.G.
“CELLULAR PHONES” - DEFINITION		I.I.
FRAGILE ARTICLES - LIMITATION	\$ 5,000 All Covered Causes of Loss	I.B.
PERSONAL EFFECTS	\$ 15,000	I.E.
THEFT DAMAGE TO BUILDINGS	Covered, if legally liable	I.F.h.
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS	Covered as Business Personal Property	I.A.
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - LIMITATION	See endorsement	I.C.
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - LOSS PAYMENT	Valuation	I.H.
BUSINESSOWNERS PROPERTY EXTENSION ENDORSEMENTS		
NEWLY ACQUIRED OR CONSTRUCTED BUILDINGS	\$1,000,000 - up to 90 days	II.A.a.(1)
PERSONAL PROPERTY AT NEWLY ACQUIRED PREMISES	\$ 500,000 - up to 90 days	II.A.a.(2)

I. The following changes are applicable to Section I – Property of the **BUSINESSOWNERS COVERAGE FORM**:

A. UNDAMAGED TENANTS IMPROVEMENT AND BETTERMENTS

Paragraph **1.b.(3)** of Part **A. Coverage** is amended by the addition of the following:

Tenant's improvements and betterments may also include undamaged tenant's improvements and betterments which is that portion not damaged in a covered loss.

B. FRAGILE ARTICLES - LIMITATION

Paragraph **4.b.** of Part **A. Coverage** is replaced by the following:

b. We will not pay more than \$5,000 for loss of or damage to fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken, unless caused by the "specified causes of loss" or building glass breakage. This restriction does not apply to:

- (1)** Glass that is part of the exterior or interior of a building or structure;
- (2)** Containers of property held for sale; or
- (3)** Photographic or scientific instrument lenses.

C. UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - LIMITATION

The following is added to Paragraph **4.** of Part **A. Coverage**:

d. We will pay for loss of or damage to undamaged tenants' improvements and betterments only if a minimum of 6 months is required to repair the building for your occupancy and only when your lease is cancelled:

- (1)** by the lessor;
- (2)** by a valid condition of your lease; and
- (3)** due to direct physical loss or damage by a Covered Cause of Loss to property at the premises stated in the Declarations.

D. BUSINESS INCOME

The following is added to the Business Income explanation in Paragraph 5.f.(1)(c) of Part A. Coverage:

(iii) Business income means billable hours and other income that would have been earned had there been no loss.

You may extend this coverage to apply to newly acquired premises subject to a Limit of Insurance of \$250,000 at each newly acquired premises. Coverage for each newly acquired premises will remain in force until any of the following first occurs:

- (aa)** you notify us of how you want this coverage to apply to the newly acquired premises;
- (bb)** 90 days expire after you acquire the premises; or,
- (cc)** this policy is terminated.

E. PERSONAL EFFECTS

The \$2,500 limit shown in **Coverage Extensions**, Paragraph **A.6.d.** for Personal Effects and Section **V.D.** of the Property Plus Extension Endorsement is replaced with a \$15,000 limit.

F. The following are added to Coverage Extensions, Paragraph **6.** of Part **A. Coverage**:

g. "CELLULAR PHONE COVERAGE"

The most we will pay for loss or damage to "Cellular Phones" is \$1,000 in any one calendar year.

h. THEFT DAMAGE TO BUILDINGS

We will pay for damage caused directly by theft or attempted theft to:

- (1) That part of any building containing Covered Property; or
- (2) Equipment within the building used to maintain or service the Building;

only if you are legally responsible for the damage. But we will not pay for damage caused by fire; or to glass or to lettering or art work on glass.

G. CELLULAR PHONE - DEDUCTIBLE

Part **D.**, **Deductibles** is amended by the addition of the following:

- 4. A \$50 per occurrence deductible applies for Cellular Phone Coverage. But this \$50 per occurrence deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

H. UNDAMAGED IMPROVEMENTS AND BETTERMENTS - LOSS PAYMENT

Part **E.**, **Property Loss Conditions**, Paragraph **5.d.**, **Loss Payment** is amended by the addition of the following:

- (8) Undamaged improvements and betterments are valued at:
 - (a) the cost to repair or replace on the same or another site; or
 - (b) if the tenants and improvements are not repaired or replaced, a proportion of your original cost of the tenants improvements and betterments. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii) Divide the amount determined in (i) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

I. DEFINITIONS

Part **H.** **Property Definitions**, is amended by the addition of "Cellular Phone" as follows:

"Cellular Phone" is defined as any "**Cellular Phone**" that is:

- a. permanently installed in a vehicle by other than the manufacturer of the vehicle; or
- b. not permanently installed in a vehicle.

II. The following changes are applicable to the Businessowners Property Extension Endorsement and the Businessowners Property Plus Extension Endorsement:

A. NEWLY ACQUIRED OR CONSTRUCTED PROPERTY

Paragraph **A.6.a.** Newly Acquired Or Constructed Property is replaced by the following:

- a. Newly Acquired Or Constructed Property
 - (1) Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$1,000,000 at each building.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a)** Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b)** Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (c)** Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities. The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a)** This policy expires;
- (b)** 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the buildings that would qualify as covered property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LAWYERS PROFESSIONAL LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to the exclusions listed in Section II – Liability, Paragraph j. Professional Services of Section B. Exclusions:

- (10)** legal services, whether provided by lawyers or others or support services ancillary to any such legal services.

This exclusion applies whether such services are provided by you or any person or organization for which you are legally responsible.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL OFFICE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

This summarizes the various coverages provided by this endorsement; NO COVERAGES ARE GIVEN BY THIS SUMMARY. Actual coverage descriptions are within the form.

SUBJECT	LIMITS OF INSURANCE OR CHANGE IN CONDITION	SECTION
Section I – Property of the BUSINESSOWNERS COVERAGE FORM		
“CELLULAR PHONES” - COVERAGE	\$ 1,000	I.A.1.
“CELLULAR PHONES” - DEDUCTIBLE	\$ 50	I.A.2.
“CELLULAR PHONES”	Definition	I.A.3.
FRAGILE ARTICLES - LIMITATION	\$ 5,000 All Covered Causes of Loss	I.B.
MEDICAL PROFESSIONAL EQUIPMENT - EXCLUSIONS	See endorsement	I.C.2.
MEDICAL PROFESSIONAL EQUIPMENT - OFF PREMISES	Subject to Business Personal Property Limit - wherever located within the coverage territory	I.C.1.
PERSONAL EFFECTS	\$ 15,000	I.D.
SPOILAGE COVERAGE	\$ 5,000	I.E.
THEFT DAMAGE TO BUILDINGS	Covered, if legally liable	I.F.
“UNAMORTIZED”	Definition	I.G.4.
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - DIRECT DAMAGE	Covered as Business Personal Property	I.G.1
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - LIMITATION	See endorsement	I.G.2.
UNDAMAGED TENANTS IMPROVEMENTS AND BETTERMENTS - LOSS PAYMENT	Valuation	I.G.3.
Section II – Liability of the BUSINESSOWNERS COVERAGE FORM		
MEDICAL WASTE LEGAL EXPENSE REIMBURSEMENT COVERAGE	\$50,000	II.A.

I. Section I – Property of the BUSINESSOWNERS COVERAGE FORM is amended as follows:

A. “CELLULAR PHONES”

1. The following is added to COVERAGE EXTENSIONS, Paragraph 6. of Part A., COVERAGE:

g. “Cellular Phone” Coverage:

The most we will pay for loss or damage to “Cellular Phones” is \$1,000 in any one calendar year.

2. Part D., DEDUCTIBLES is amended by the addition of the following:

A \$50 per occurrence deductible applies for “Cellular Phone” coverage. But, this \$50 per occurrence deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

3. The following is added to Part H., PROPERTY DEFINITIONS:

“Cellular Phone” is defined as any “Cellular Phone” that is:

- a. permanently installed in a vehicle by other than the manufacturer of the vehicle; or
- b. not permanently installed in a vehicle.

B. FRAGILE ARTICLES

Paragraph 4.b. of Part A. COVERAGE is replaced by the following:

c. We will not pay more than \$5,000 for loss of or damage to fragile articles such as glassware, statuary, marble, chinaware and porcelains, if broken, unless caused by the “specified causes of loss” or building glass breakage. This restriction does not apply to:

- (1) Glass that is part of a building or structure;
- (2) Containers of property held for sale; or
- (3) Photographic or scientific instrument lenses.

C. MEDICAL PROFESSIONAL EQUIPMENT

1. Off Premises Coverage

a. Paragraph 1.b., BUSINESS PERSONAL PROPERTY of Part A., COVERAGE is extended to include coverage to the following described property WHEREVER LOCATED within the policy coverage territory:

- (1) Your medical, surgical and dental equipment, instruments, tools, materials, supplies and books usual to the medical, surgical or dental profession; and
- (2) At your option, similar property of others in your care, custody and control, used by you in your profession.

2. Exclusions

Part B., EXCLUSIONS is hereby amended by the deletion of the following exclusions as respects Business Personal Property:

- 1.b. Earth Movement;
- 1.g. Water;
- 2.a. Electrical Apparatus;
- 2.c. Smoke, Vapor, Gas;
- 2.d. Steam Apparatus;
- 2.e. Frozen Plumbing; and
- 2.h. Exposed Property.

D. PERSONAL EFFECTS

The following is applicable to Paragraph A.6.d. in Section I – Property of the BUSINESSOWNERS COVERAGE FORM and Section V.D. in the BUSINESSOWNERS PROPERTY PLUS EXTENSION ENDORSEMENT:

The most we will pay at each described premises shown in COVERAGE EXTENSIONS, for Personal Effects is replaced with a \$15,000 limit.

E. SPOILAGE COVERAGE

The following is added to Paragraph A.5., ADDITIONAL COVERAGES:

1. Paragraph A. 1., COVERED PROPERTY is amended as follows:

Covered Property also includes "perishable stock" at the described premises, if the "perishable stock" is:

- a. Owned by you and used in your business; or
- b. Owned by others and in your care, custody or control.

2. Paragraph A. 2., PROPERTY NOT COVERED is amended by addition of j. as follows:

- j. Property located:
 - (1) On buildings;
 - (2) In the open; or
 - (3) In vehicles.

3. Paragraph A. 3., COVERED CAUSES OF LOSS is replaced by the following:

Subject to the EXCLUSIONS described in item E.5. of this endorsement, Covered Causes of Loss means the following:

- a. Breakdown or Contamination, meaning:
 - (1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such apparatus or equipment is at the described premises; or
 - (2) Contamination by a refrigerant, only while the refrigerating apparatus or equipment is at a described premises. Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.
- b. Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

We will pay for loss or damage only when the Breakdown, Contamination or Power Outage results from fire; lightning; windstorm or hail; explosion; smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; or collapse.

4. Paragraph A. 6., COVERAGE EXTENSIONS does not apply to Spoilage Coverage.

5. Part B., EXCLUSIONS is amended as follows:

Paragraph 1. - only the following apply to this Spoilage Coverage:

- b. Earth Movement;
- c. Governmental Action;
- d. Nuclear Hazard;
- f. War And Military Action; and
- g. Water.

Exclusion 2. I. (7) is replaced by the following:

- (7) The following causes of loss to Personal Property:
 - (a) Dampness or dryness of atmosphere; and
 - (b) Marring or scratching.

6. Paragraph E.6., PROPERTY LOSS CONDITIONS, LOSS PAYMENT, d. is replaced by the following:
 - d. We will determine the value of Covered Property you have purchased as follows:
 - (1) For “perishable stock” you have sold but not delivered, at the selling price less discounts and expenses you otherwise would have had;
 - (2) For other “perishable stock”, at actual cash value.
7. Part G., OPTIONAL COVERAGES does not apply to Spoilage Coverage.
8. Part H., PROPERTY DEFINITIONS is amended by the addition of the following:

“Perishable Stock” means property:

 - a. Maintained under controlled temperature or humidity conditions for preservation; and
 - b. Susceptible to loss or damage if the controlled temperature for humidity conditions change.
9. Limits of insurance.
The most we will pay for direct physical loss or damage to “perishable stock” caused by the Covered Cause(s) of Loss of this Spoilage Coverage in any one occurrence is \$5,000.

F. THEFT DAMAGE TO BUILDINGS

The following is added to Paragraph A.6., COVERAGE EXTENSIONS:

1. We will pay for damage caused directly by theft or attempted theft to:
 - a. That part of any building containing Covered Property; or
 - b. Equipment within the building used to maintain or service the building; only if you are legally responsible for the damage.
2. But, we will not pay for damage:
 - a. Caused by fire; or
 - b. To glass or to lettering or art work on glass.

G. UNDAMAGED TENANT’S IMPROVEMENTS AND BETTERMENTS

1. Coverage - Paragraph 1.B.(3) of Part A. COVERAGE is amended by the addition of the following:

Tenant’s improvements and betterments may also include undamaged tenant’s improvements and betterments which is that portion not damaged in a covered loss.
2. Limitations - The following is added to Paragraph 4., LIMITATIONS of Part A. COVERAGE:
 - d. We will pay for loss of or damage to undamaged tenant’s improvements and betterments only if a minimum of 6 months is required to repair the building for your occupancy and only when your lease is cancelled:
 - (1) by the lessor;
 - (2) by a valid condition of your lease; and
 - (3) due to direct physical loss or damage by a Covered Cause of Loss to property at the premises stated in the Declarations.
3. Loss Payment - Part E., PROPERTY LOSS CONDITIONS, Paragraph 5.d., LOSS PAYMENT is amended by the addition of the following:
 - (8) Undamaged improvements and betterments are valued at:
 - (a) the cost to replace on the same or another site if you commence replacement within 12 months following termination of your lease; or
 - (b) the “unamortized” portion of their original cost to you if you do not replace.
4. Definitions - The following is added to Part H., PROPERTY DEFINITIONS:

“Unamortized” means:

the period of time remaining in your lease at the time of loss divided by the period of time from the date the improvements and betterments were made to the date that your lease expires.

II. Section II – Liability of the BUSINESSOWNERS COVERAGE FORM is amended to include Medical Waste Legal Expense Reimbursement Coverage as follows:

A. Medical Waste Legal Expense Reimbursement Coverage

We will reimburse you for the necessary “legal expenses” incurred by you resulting from your being a defendant or co-defendant in a “civil suit” alleging violation of a law or regulation governing disposal of medical waste.

Such “civil suit” must be brought after the effective date of this policy.

We have neither the right nor the duty to defend any claim arising from a defined “incident.”

This coverage does not apply to any “civil suit” for any “incident” that happened prior to the effective date of this policy, nor to any “incident” which we are obligated to defend under the policy form to which this endorsement is attached.

B. Limits of Liability

1. Per “Civil Suit”: \$50,000
The Limit of Liability stated above as per “Civil Suit” is the Limit of Liability for all “legal expenses” arising out of, or in connection with, the same or related “civil suit.”
2. Annual Aggregate: \$50,000

Subject to provision 1. above, the total Limit of Liability for all “legal expenses” shall not exceed the Limit of Liability stated as annual aggregate.

This limit applies regardless of the number of “civil suits” filed against you during each annual policy period.

The limits applicable to per “civil suit” and annual aggregate apply collectively for the entity named as the Named Insured, including such other entities who qualify for coverage under the definition of you.

All “civil suits” whenever filed, including any and all appeals, shall be considered first filed during the policy period in which the earliest “civil suit” arising out of the same or related “incident” was filed, and all such “civil suits” shall be subject to the same Limit of Liability.

C. Additional Definitions

1. “Civil Suit” includes administrative proceedings brought by the Federal or State Environmental Protection Agency as well as law suits brought in civil court.
2. “Incident” means the actual or alleged improper disposing of any medical waste material that results in a “civil suit” being filed against you.
3. “Legal Expenses” means fees charged by the legal counsel you select and all other fees, costs and expenses, other than loss of income, which result from the investigation, defense and appeal of a “civil suit.”

D. Our Duties

You shall give us, or any of our authorized representatives, notice as soon as practicable after you receive notice of the “civil suit” covered by this policy. Such notice shall contain details sufficient to identify you and all reasonable obtainable information regarding the time, place and circumstances of the “civil suit” and shall identify the court and all parties to the action before the court.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - PRODUCTS - COMPLETED OPERATIONS HAZARD

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

The Businessowners Coverage Form is amended by the addition of the following:

This insurance does not apply to “bodily injury” or “property damage” included within the “products - completed operations hazard.”

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PEAK SEASON ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

Part C. Limits of Insurance, Paragraph 5.a., Business Personal Property - Seasonal Increase, is replaced by the following:

- a. The Limit of Insurance for Business Personal Property - Seasonal Increase will automatically increase by 100% to provide for seasonal variations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REAL ESTATE OPERATIONS - LIMITATION OF COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to Section II- Liability, Part A.1. Coverages applicable to Business Liability:

With respect to real estate operations, this insurance applies only to "bodily injury", "property damage" or "personal and advertising injury" arising out of the ownership, operation, maintenance or use of:

- 1.** Such part of any premises you use for general real estate office purposes: and
- 2.** Premises listed with you for sale or rental, if:
 - a.** You do not own, operate, manage or rent the premises;
 - b.** They are not in your care, custody, or control; or
 - c.** You do not act as agent for the collection of rents or in any supervisory capacity.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SHOPPING CENTER ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM AND BUSINESSOWNERS PROPERTY EXTENSION ENDORSEMENT

I. The following items are added to Paragraph **A.5., ADDITIONAL COVERAGES** in Section I – Property of the **BUSINESSOWNERS COVERAGE FORM**:

s. **"NON-OWNED ANCHOR PREMISES"**

We will pay up to \$30,000, but not more than \$500 per day, for the "Consequential Loss of Business Income" you sustain during the "Period of Restoration" at the "Non-Owned Anchor Premises" due to direct physical loss or damage at the "Non-Owned Anchor Premises", caused by or resulting from any Covered Cause of Loss.

t. **"TENANT" PREMISES**

We will pay up to \$5,000, but not more than \$500 per day, for the "Consequential Loss of Business Income" to a "Tenant" during the "Period of Restoration," due to direct physical loss or damage at either the "Owned Anchor" premises or the "Non-Owned Anchor Premises", caused by or resulting from any Covered Cause of Loss.

We will reduce the amount of Business Income to the "Tenant" to the extent that coverage is already provided by the "Tenant's" own insurance policy.

The maximum we will pay to all "Tenants" is \$10,000 in any one policy period.

II. The following is added to Paragraph **A.6. COVERAGE EXTENSIONS** in Section I – Property of the **BUSINESSOWNERS COVERAGE FORM**:

You may extend the insurance that applies to business personal property to cover your vending machines, trash receptacles, parking lot lighting poles, flagpoles, fire alarm boxes, parking meters, including debris removal expense, caused by or resulting from any of the following causes of loss:

- (1) fire;
- (2) lightning;
- (3) explosion;
- (4) riot or civil commotion;
- (5) aircraft; or
- (6) vehicle damage.

The most we will pay for loss or damage under this Extension is \$25,000 but not more than \$500 for any one vending machine, trash receptacle, parking lot lighting pole, flag pole, fire alarm box or parking meter.

III. Paragraph **H.9. "Period Of Restoration"** of **PROPERTY DEFINITIONS** in Section I - Property of the **BUSINESSOWNERS COVERAGE FORM** and Section **X.** of the **BUSINESSOWNERS PROPERTY EXTENSION ENDORSEMENT** are replaced by the following:

9. "Period of Restoration" means the period of time that:

- a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at:
 - (1) the described premises, and/or
 - (2) the "Non-Owned Anchor Premises."
- b. Ends 30 days following the date when the property at the described premises and/or "Non-Owned Anchor Premises" is repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

SHOPPING CENTER ENDORSEMENT

- (1) regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) regulates the prevention, control, repair, cleanup or restoration of environmental damage.

The Expiration date of this policy will not cut short the "period of restoration."

IV. The following are added to Paragraph **H. PROPERTY DEFINITIONS** in Section I - Property of the **BUSINESSOWNERS COVERAGE FORM**:

15. "Consequential Loss Of Business Income" means:

- a. The reduction of Business Income you incur due to the vacated premises by a tenant(s) other than the "Non-Owned Anchor Premises" caused by or resulting from a Covered Cause of Loss to the "Non-Owned Anchor Premises."
- b. The reduction of Business Income you incur (either by signed contract or lease), due to the diminution of a "Tenant(s)" operations caused by or resulting from a Covered Cause of Loss to the "Non-Owned Anchor Premises."
- c. The reduction of Business Income a "Tenant" incurs due to the diminution of a "Tenant's" operation caused by or resulting from a Covered Cause of Loss at either the "Owned Anchor" or the "Non-Owned Anchor Premises."

16. "Non-Owned Anchor Premises" means premises operated and owned by others whom you depend upon to:

- a. attract customers to your Premises, and
- b. who occupies a minimum of 10,000 square feet at the described premises.

17. "Owned Anchor" means a store that attracts customers to your premises, and which occupies a minimum of 10,000 square feet in your building.

18. "Tenant" means a business entity leasing space in your building.

V. Paragraph **D.2. LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE**, in Section II - Liability of the **BUSINESSOWNERS COVERAGE FORM** Paragraph **2.** is replaced by the following:

2. The most we will pay for the sum of all damages because of all:

- a. "bodily injury," "property damage" and medical expenses arising out of any one "occurrence"; and
- b. "personal and advertising injury" sustained by any one person or organization;

is the Liability limit of \$500,000 or a higher optional limit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPOILAGE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

* Schedule

Premises No.	Bldg. No.	Limit of Insurance
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* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

A. The following is added to paragraph A.5., Additional Coverages of Section I – Property of the Businessowners Coverage Form:

s. Spoilage Coverage

We will pay for direct physical loss or damage caused by spoilage to "perishable stock", at the described premises, if the spoilage is caused by one of the following:

(1) Breakdown or contamination, meaning:

(a) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such apparatus or equipment is at the described premises; or

(b) Contamination by a refrigerant, only while the refrigerating apparatus or equipment is at a described premises.

Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.

(2) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power either on or off the described premises, due to conditions beyond your control.

B. The following is added to Paragraph A.2. Property Not Covered in Section I – Property of the Businessowners Coverage Form:

j. Property located:

- (1)** On buildings;
- (2)** In the open; or
- (3)** In vehicles.

C. Of the Exclusions contained in Paragraph B. in Section I – Property of the Businessowners Coverage Form, only the following apply to Spoilage Coverage:

- (1)** Paragraph B.1.b., Earth Movement;
- (2)** Paragraph B.1.c., Governmental Action;
- (3)** Paragraph B.1.d., Nuclear Hazard;
- (4)** Paragraph B.1.f., War and Military Action; and
- (5)** Paragraph B.1.g., Water.

D. In the event of loss or damage covered by this Additional Coverage we will determine the value of "perishable stock" as follows:

- (1)** For "perishable stock" you have sold but not delivered, at the selling price less discounts and expenses you otherwise would have had;
- (2)** For other "perishable stock", at actual cash value.

- E.** The most we will pay for covered direct physical loss or damage under this Additional Coverage in any one occurrence is:
- (1)** \$10,000; or
 - (2)** the Limit of Insurance shown in the Declarations or Schedule above:
whichever is greater.
- F.** Coverage provided by this Additional Coverage is excess over any other insurance provided by this Policy covering the same loss or damage.
- G.** "Perishable stock", as used in this Additional Coverage, means property owned by you and used in your business or owned by others and in your care, custody or control that is:
- (1)** Maintained under controlled temperature or humidity conditions for preservation; and
 - (2)** Susceptible to loss or damage if the controlled temperature or humidity conditions change.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**STORAGE OF "CUSTOMERS' PROPERTY"
COVERAGE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

- I.** Your policy is extended to cover "customers' property" accepted for storage. Property Not Covered Paragraph B. of the Dry Cleaners Endorsement applies only to furs and garments trimmed with fur.
- II.** **LIMITS OF INSURANCE:** The most we will pay for any one loss to property accepted for storage is as follows:

Covered Locations	Limit
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- III.** The following additional conditions are added to Part E., Property Loss Conditions of Section I – Property of the Businessowners Coverage Form:

- a.** Records

You will keep accurate records of all Covered Property. These records will include a copy of each receipt you issue for property you accept for storage. You will retain these records for three years after the policy ends.

- b.** Receipts for Property Accepted for Storage

You will issue your receipt for any property you accept from others for storage.

Your receipt will include:

- (1)** the name and address of the storer;
- (2)** the description of the property; and
- (3)** the amount of your liability for that property.

- IV.** "Customers' Property" means: personal property of your customers that you have accepted for the purposes of laundering, repairing, pressing or storage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNEXPLAINED LOSS OR MYSTERIOUS DISAPPEARANCE

This endorsement modifies insurance provided under:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

- A.** As respects “customers’ property”, Paragraph 4.a., Limitations, Subparagraph (3) of Part A. Coverage of the Businessowners Coverage Form does not apply.
- B.** “Customers’ property” means: personal property of your customers that you have accepted for the purpose of laundering, repairing or pressing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VETERINARIAN ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- I.** The following changes are applicable to Section I – Property of the BUSINESSOWNERS COVERAGE FORM:
- A.** The following is added to Paragraph A.1.a., Building coverage of COVERED PROPERTY:
- (7)** Inside kennels, pens, cages, fences, animal runs, x-ray equipment, surgical lamps, surgical examination tables and cremation equipment, whether or not permanently attached to the building.
- B.** Paragraph A.1.b.(2), COVERED PROPERTY, Property of Others in your care, custody or control does not include animals unless coverage is provided as an option by attachment of Coverage for Pets Endorsement.
- C.** The following is added to Paragraph A.6., COVERAGE EXTENSIONS:
- Damage to Non Owned Building
- You may extend the insurance that applies to Business Personal Property to apply to loss or damage to that part of the building which you occupy but do not own and use for professional veterinarian services caused by animals held by you for treatment, boarding or other services. However, this applies only if you are legally liable for the loss or damage.
- Loss or damage under this coverage extension must be sudden and not repetitive, habitual or from animal waste.
- D.** Paragraph B.2.I.(5), EXCLUSIONS is replaced by the following:
- (5)** Nesting or infestation, or discharge or release of waste products or secretions by insects, birds, rodents or other animals, except we will pay for loss or damage caused by or resulting from animals in the care, custody or control of the Insured.
- Loss or damage must be sudden and not repetitive, habitual or from animal waste.
- II.** The following is added to Section II – Liability of the BUSINESSOWNERS COVERAGE FORM, Paragraph A., COVERAGES:
- 3.** Peer Review Expense Reimbursement
- We will pay up to \$2,500 for the reimbursement of expenses paid by a licensed veterinarian who is an Insured to defend themselves against charges made by a peer review board or state review board.
- This coverage only applies if the violations being charged were not expected or intended from the standpoint of the licensed veterinarian being charged.
- For Peer Review Expense Reimbursement coverage only, we will not reimburse you for the first \$500 of legal expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ATTORNEY FORECLOSURE AUCTION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

Businessowners Coverage Form, A. Coverages, 1. Business Liability is hereby amended by the extension of the coverage to which this policy applies to any foreclosure auction, at a premises not owned or operated by the insured, at which the insured may be present.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**AUTO LEGAL LIABILITY**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE***Locations****Limit Of
Insurance**

- A.** Paragraph 1.k.(4) of Part **B., Exclusions** in Section II - Liability of the Businessowners Coverage Form is replaced by:
- (4) Personal property in the care, custody or control of the insured.

This exclusion does not apply to an auto or auto equipment while any "Insured" is servicing or parking it in your operations. We will pay all sums the "Insured" legally must pay as damages for "loss" to an auto or auto equipment for:

- a. Comprehensive Coverage. From any cause except:
 - (1) the auto's collision with another object; or
 - (2) the auto's overturn.
- b. Collision Coverage. Caused by:
 - (1) the auto's collision with another object; or
 - (2) the auto's overturn.

B. LIMIT OF INSURANCE AND DEDUCTIBLE

Regardless of the number of claims made or suits brought, the most we will pay for each "loss" is the Limit of Insurance shown in the Schedule after the deductible of \$500 has been applied.

C. ADDITIONAL EXCLUSIONS applicable to Auto Legal Liability.

1. This insurance does not apply to any of the following:
 - a. Contractual Obligations.
Liability resulting from any agreement by which the "Insured" accepts responsibility for "loss."
 - b. Theft.
"Loss" due to theft or conversion caused in any way by you, your officers or directors, your employees or by your stockholders.
 - c. Defective Parts.
Defective parts or materials.
 - d. Faulty Work.
Faulty "work you perform."
2. We will not pay for "loss" to any of the following:
 - a. Tape Decks, CD Players or other sound reproducing equipment unless permanently installed in a covered auto.
 - b. Tapes, records, CD's or other sound reproducing devices designed for use with sound reproducing equipment.
 - c. Sound receiving equipment designed for use as a citizens' band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the auto manufacturer for the installation of a radio.

D. ADDITIONAL DEFINITIONS

1. **"Loss"** means direct and accidental loss or damage and includes any resulting loss of use.
2. **"Work You Perform"** includes work that someone performed for you.
3. **"Insured"** means any person or organization qualifying as an "Insured" in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each "Insured" who is seeking coverage or against whom a claim or "suit" is brought.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLOOD ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following coverage change applies only to your location(s) described in the Declarations:

- I. The following items are added to Section I – Property of the Businessowners Coverage Form, Additional Coverages section of Part A. Coverage:

FLOOD - DIRECT DAMAGE COVERAGE

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from:

1. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
2. Mudslide or mudflow; or
3. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings.

The most we will pay under this Additional Coverage is \$25,000 for any 12 month period.

Business Income losses or Extra Expense that would otherwise be covered under the Business Income and Extra Expense Additional Coverages are not covered if caused by any of the causes of loss under this Additional Coverage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITATION OF BUSINESS INCOME AND
EXTRA EXPENSE COVERAGES**

Schedule *

Business Income and Extra Expense Limit of Insurance:

Section I – Property is amended as follows:

BUSINESSOWNERS COVERAGE FORM, A. COVERAGE, 5. Additional Coverages, f. Business Income and **g. Extra Expense** are hereby amended by the addition of the following:

All payments for **f. Business Income** and **g. Extra Expense**, separately or together, are limited to a total of the Limit of Insurance shown in the Schedule above.

* Information required to complete this Schedule, if not shown on this Endorsement, will be shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARTHQUAKE EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

I. Section I – Property is amended as follows:

A. The following are added to COVERED CAUSES OF LOSS in Paragraph A.3.:

- 1.** Earthquake
- 2.** Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

B. All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

C. With respect to the coverage provided by this endorsement, we will not pay for loss or damage caused by or resulting from:

- 1.** Fire, explosion (other than volcanic explosion), landslide, mine subsidence, tidal wave, tsunami, flood, mudslide or mudflow, even if attributable to an Earthquake or Volcanic Eruption.
- 2.** Any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

But, if this policy replaces earthquake insurance that excludes loss or damage that occurs after the expiration of the policy we will pay for loss or damage by Earthquake or Volcanic Eruption that occurs on or after the inception of this insurance, if the series of Earthquake shocks or Volcanic Eruptions began within 168 hours prior to the inception of this insurance.

D. Exclusion B.1.b. EARTH MOVEMENT does not apply.

E. Paragraph D. DEDUCTIBLES is replaced by the following for Earthquake and Volcanic Eruption:

- 1.** We will subtract a sum from the amount of loss or damage in any one occurrence.
 - a.** The sum we subtract from each separate item will be 5% of its value.
 - b.** This Deductible applies separately to the following:
 - (1)** Each building or structure;
 - (2)** The contents of each building or structure; and
 - (3)** Personal property in the open.

Example:

When:

The value of the property is \$100,000

The Earthquake Deductible is 5%

The amount of loss is \$ 20,000

Step (a): $\$100,000 \times 5\% = \$5,000$

Step (b): $\$20,000 - \$5,000 = \$15,000$

The most we will pay is \$15,000. The remaining \$5,000 is not covered because of the Deductible.

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2. No deductible applies to the following Additional Coverages:

- a.** Business Income;
- b.** Extra Expense; and
- c.** Civil Authority.

F. The following is added to Paragraph C. LIMITS OF INSURANCE:

The most we will pay for loss or damage under this Endorsement, including any resulting covered Business Income, Civil Authority and Extra Expense loss is \$25,000.

G. Coverage provided by this Endorsement is excess over any other insurance provided by this Policy covering the same loss or damage.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL EXPENSES LIMIT AMENDMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The Medical Expenses Limit under Liability and Medical Expenses Limits of Insurance (Section D.) of Section II - Liability shall be the greater of:

- A.** \$10,000; or
- B.** The Medical Expenses Limit shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PASTORAL PROFESSIONAL LIABILITY INSURANCE
COVERAGE FORM

SCHEDULE*

NAMED INSURED:

POLICY PERIOD: TO

FORM OF BUSINESS: () Individual () Joint Venture

() Partnership () Limited Liability Company

() Organization Other Than A Partnership, Joint Venture Or Limited Liability Company

DESCRIPTION OF BUSINESS:

LOCATION OF PREMISES:

LIMITS OF INSURANCE

Aggregate Limit: \$

Each Claim Limit: \$

Number of Persons

Named Position:

Total Annual Premium: See Dec

Other Endorsements Applying to this Coverage Form:

*Information required to complete this Schedule, if not shown on this Form, will be shown in the Businessowners Policy Declarations.

Various provisions of this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine rights, duties, and what is and is not covered.

Throughout this Coverage Form the words "you" and "your" refer to the Named Insured shown in the Schedule above, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us", and "our" refer to the Company providing this insurance.

The word "Insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

SECTION I - PASTORAL PROFESSIONAL COVERAGES

1. Insuring Agreement

- a.** We will pay those sums that the Insured becomes legally obligated to pay as damages because of any act, error, or omission of the Insured, arising out of the Insured's "counseling activity" or the "counseling activity" of others for which you are liable.

This insurance applies to any act, error or omission which occurs in the "coverage territory" and during the policy period shown in the Schedule above.

We will have the right and duty to defend any "suit" seeking those damages, but:

- (1) the amount we will pay for damages is limited as described in Section III - Limits of Insurance;
- (2) we may investigate and settle any claim or "suit" at our discretion; and
- (3) our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. Exclusions

This insurance does not apply to:

- a.** "bodily injury" to an employee of the Insured arising out of and in the course of employment by the Insured, or the spouse, child, parent, brother or sister of that employee as a consequence of employment.
- b.** any obligation of the Insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
- c.** damages arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft.
- d.** liability assumed by an Insured under any contract or agreement. This exclusion does not apply to liability for damages that the Insured would have in the absence of the contract or agreement.
- e.** damages expected or intended from the standpoint of the Insured.
- f.** damages arising out of:
 - (1) the rendering of or failure to render medical, radiological, surgical, dental, or nursing service or treatments, including shock therapy;
 - (2) the prescription, utilization, furnishing or dispensing of drugs, or medical, dental or nursing supplies or appliances;
 - (3) the services by any Insured as a member of a professional board or professional society;
 - (4) the activities of any Insured as a proprietor, superintendent, officer, director, shareholder or employee of any: hospital; sanitarium; clinic with bed and board facilities; nursing home; laboratory; professional counseling organization which charges a fee for counseling services; or other business enterprise;
 - (5) the performance of any counseling services related to financial matters;
 - (6) the performance of any Insured of a criminal or fraudulent act;
 - (7) any actual, threatened or alleged abuse, molestation or sexual conduct by an Insured;

- (8) "personal and advertising injury;"
- (9) the commitment of a person to a psychiatric institution, unless the commitment was made in full compliance with the laws or statutes of the state in which the commitment was made;
- (10) any Insured accepting or undertaking custodial care or responsibility of a patient under the direct request, instruction or authorization of any government agency, authority, board or office having such authority or responsibility;

g. Any claim for which the Insured is entitled to reimbursement and/or payment by another insurer because:

- (1) the other insurer provided a policy or policies which expired prior to the effective date of this Coverage Form; and
- (2) notice was given to the other insurer of a circumstance which might give rise to a claim under their policy.

3. Supplementary Payments

We will pay, with respect to any claim we investigate or settle, or any "suit" against an Insured we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
- c. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.
- d. All costs taxed against the Insured in the "suit."
- e. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we made an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Schedule above as:

- a. An individual, you and your spouse are Insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an Insured. Your members, your partners, and their spouses are also Insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an Insured. Your members are also Insureds, but only with respect to the conduct of your business. Your managers are Insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an Insured. Your "executive officers" and directors are Insureds, but only with respect to their duties as your officers or directors. Your stockholders are also Insureds, but only with respect to their liability as stockholders.

2. Any person while occupying a position shown in the Schedule above but only with respect to duties as such.

No person, whether or not included in parts 1.a., 1.b., 1.c., or 1.d., is an Insured for damages arising out of pastoral counseling services, unless the position of the person performing the services is shown in the Schedule above.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Schedule above and the rules below fix the most we will pay despite the number of:

- a. Insureds;
- b. claims made or "suits" brought; or
- c. persons or organizations making claims or bringing "suits."

2. The Aggregate Limit is the most we will pay for the total sum of all damages from claims made or "suits" brought under this Coverage Form.
3. The Each Claim Limit is the most we will pay for the sum of all damages because of all acts, errors or omissions in connection with the same "counseling activity" regardless of the number of claims or claimants.

The limits of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Schedule above, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - PASTORAL PROFESSIONAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this Coverage Form.

2. Duties In The Event Of Counseling Activity, Claim Or Suit

- (a) You must see to it that we are notified as soon as practicable of "counseling activity" which may result in a claim. To the extent possible notice should include:
 - (1) how, when and where the damage took place;
 - (2) the names and addresses of any injured persons and witnesses;
 - (3) the nature of any injury arising out of the "counseling activity."
- (b) If a claim is made or "suit" is brought against any Insured you must:
 - (1) immediately record the specifics of the claim or "suit" and the date received; and
 - (2) notify us as soon as practicable.You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- (c) You and any other involved Insured must:
 - (1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"
 - (2) authorize us to obtain records and other information;
 - (3) cooperate with us in the investigation, settlement or defense of the claim or "suit;" and
 - (4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.
- (d) No Insureds, will, except at their own cost, voluntarily make payment, assume any obligation, or incur any expense without our consent.

3. Legal Action Against Us

No person or organization has a right under this endorsement:

- (1) to join us as a party or otherwise bring us into a "suit" asking for damages from an Insured; or
- (2) to sue us on this endorsement unless all of its terms have been fully complied with.
A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured; but we will not be liable for damages that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the Insured for a loss we cover under this Coverage Form, our obligations are limited as follows:

- a. **Primary Insurance**
This insurance is primary. Our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in b. below.

- b. **Method of Sharing**
If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its Limit of Insurance to the total Limits of Insurance of all insurers.

5. Representations

By accepting this policy, you agree:

- a. the statements in the Declarations are correct and complete;
- b. those statements are based upon representations you made to us; and
- c. we have issued this policy in reliance upon your representations.

6. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties fully assigned in this Coverage Form to the first Named Insured, this insurance applies:

- a. as if each Named Insured were the only Named Insured; and
- b. separately to each insured against whom claim is made or "suit" is brought.

7. Transfer Of Rights Of Recovery Against Others To Us.

If the Insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expense Coverage.

8. When We Do Not Renew.

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V. - DEFINITIONS

- 1. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
- 2. **"Auto"** means:
 - a. a land or motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include mobile equipment.
- 3. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 4. **"Counseling activity"** means consultation or communications between an insured and another person, where an insured offers advice or guidance with regard to conduct or proposed conduct.
- 5. **"Coverage territory"** means:
 - (a) the United States of America (including its territories and possessions), Puerto Rico and Canada;
 - (b) international waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above.

6. **“Personal and advertising injury”** means injury, including consequential “bodily injury,” arising out of one or more of the following offenses:
- a. false arrest, detention or imprisonment;
 - b. malicious prosecution;
 - c. the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
 - e. oral or written publication, in any manner, of material that violates a person’s right of privacy.
 - f. the use of another’s advertising idea in your “advertisement”; or
 - g. infringing upon another’s copyright, trade dress or slogan in your “advertisement.”
7. **“Suit”** means a civil proceeding in which damages because of injury to which this insurance applies are alleged. “Suit” includes:
- a. an arbitration proceeding in which such damages are claimed and to which the Insured must submit or does with our consent; or
 - b. any other alternative dispute resolution proceeding in which the Insured submits with our consent.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AIRCRAFT PRODUCTS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B., Exclusions** of **Section II- Liability – Coverage A – Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the manufacture of any "aircraft products."

"Aircraft products" means aircraft, missiles, spacecraft or any ground support or control equipment used with aircraft. "Aircraft products" also includes any component parts of aircraft, or any item furnished by the insured and intended for use on or in any aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS MANUFACTURERS LIABILITY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

<u>SUBJECT</u>	<u>SECTION</u>
AGGREGATE LIMITS OF INSURANCE	VIII
AUTO LEGAL LIABILITY	III
BAIL BOND – SUPPLEMENTARY PAYMENTS	I
BLANKET ADDITIONAL INSURED – OWNERS, CONTRACTORS OR LESSORS	V
BLANKET ADDITIONAL INSURED – VENDORS	VI
BODILY INJURY – DEFINITION	XI
BROAD NAMED INSURED	IV
DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT	IX
LIMITED PRODUCT RECALL EXPENSE	II
NEWLY FORMED OR ACQUIRED ORGANIZATIONS	VII
PERSONAL AND ADVERTISING INJURY - DEFINITION	XII
WORLDWIDE COVERAGE – AMENDMENT OF COVERAGE TERRITORY	X

Section II – Liability is amended as follows:

I. SUPPLEMENTARY PAYMENTS

Paragraph 1.f.(1)(b) of A Coverages is replaced by the following:

- (b) Up to \$1000 for cost of bail bond required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for “bodily injury” applies. We do not have to furnish the bonds.

II. LIMITED PRODUCT RECALL EXPENSE

A. The following is added to Part A. Coverage:

1. We will reimburse you for “product withdrawal expenses” incurred because of a “product withdrawal” to which this insurance applies.

The amount of such reimbursement is limited as described in Paragraph II.C. – Limits Of Insurance. No other obligation or liability to pay sums or perform acts or services is covered.

2. This insurance applies to a “product withdrawal” only if the “product withdrawal” is initiated in the “coverage territory” during the policy period because:

- a. You determine that the “product withdrawal” is necessary; or
b. An authorized government entity has ordered you to conduct a “product withdrawal”.

3. We will reimburse only those “product withdrawal expenses”:

Which are incurred and reported to us within one year of the date the “product withdrawal” was initiated.

4. The initiation of a “product withdrawal” will be deemed to have been made only at the earliest of the following:

- a. When you have announced in any manner, to the general public, your vendors or to your employees (other than those employees directly involved in making the determination) your decision to conduct a “product withdrawal”. This applies regardless of whether the determination to conduct a “product withdrawal” is made by you or is requested by a third party;
b. When you received, either orally or in writing, notification of an order from an authorized government entity to conduct a “product withdrawal”; or
c. When a third party has initiated a “product withdrawal” and you communicate agreement with the “product withdrawal”, or you announce to the general public, your vendors or to your employees (other than those employees directly involved in making the determination) your decision to participate in the “product withdrawal”, whichever comes first.

5. “Product withdrawal expenses” incurred to withdraw “your Products” which contain:

- a. The same “defect” will be deemed to have arisen out of the same “product withdrawal”; or
b. A different “defect” will be deemed to have arisen out of a separate “product withdrawal” if newly determined or ordered in accordance with Paragraph II.A.2. of this endorsement.

B. Exclusions

This insurance does not apply to “product withdrawal expenses” arising out of:

1. Any “product withdrawal” initiated due to:
a. The failure of “your products” to accomplish their intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure has caused or is reasonably expected to cause “bodily injury” or physical damage to tangible property.
b. Copyright, patent, trade secret or trademark infringements;

- c. Transformation of a chemical nature, deterioration or decomposition of “your product”, except if it is caused by:
 - (1) An error in manufacturing, design, processing or transportation of “your product”; or
 - (2) “Product tampering”.
 - d. Expiration of the designated shelf life of “your product”.
2. A “product withdrawal”, initiated because of a “defect” in “your product” known to exist by the Named Insured or the Named Insured’s “executive officers”, prior to the inception date of this coverage or prior to the time “your product” leaves your control or possession.
 3. Recall of any specific products for which “bodily injury” or “property damage” is excluded within the “products – completed operations hazard” by endorsement.
 4. Recall of “your products” which have been banned from the market by an authorized government entity prior to the policy period.
 5. The defense of a claim or “suit” against you for “product withdrawal expenses”.

C. Limits of Insurance

1. The most we will pay during the policy period for “loss” is \$25,000, regardless of the number of:
 - a. Insureds;
 - b. “product withdrawals” initiated; or
 - c. Number of “your products” withdrawn.
2. The Limits of Insurance of Product Withdrawal Expense Coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

D. For the purpose of Products Recall Expense Coverage, Paragraph 2. Duties in the Event of Occurrence, Claim Or Suit Condition under Part E. Liability And Medical Expenses General Conditions is replaced by the following:

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened “defect” in “your products”, or any governmental investigation, that may result in a “product withdrawal”. To the extent possible, notice should include:
 - (1) How, when and where the “defect” was discovered;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature, location and circumstances of any injury or damage arising out of use or consumption of “your product”.

- b. If a “product withdrawal” is initiated, you must:

- (1) Immediately record the specifics of the “product withdrawal” and the date it was initiated; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the “product withdrawal” as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of pertinent correspondence received in connection with the “product withdrawal”;
- (2) Authorize us to obtain records and other information; and
- (3) Cooperate with us in our investigation of the “product withdrawal”.

E. In connection with Product Recall Expense Coverage, the following definitions are added to Part **F. Liability And Medical Expenses Definitions**:

1. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.
2. "Product tampering" is an act of intentional alteration of "your product" which may cause or has caused "bodily injury" or physical injury to tangible property.

When "product tampering" is known, suspected or threatened, a "product withdrawal" will not be limited to those batches of "your product" which are known or suspected to have been tampered with.
3. "Product withdrawal" means the recall or withdrawal of "your products", or products which contain "your products", from the market or from use, by any other person or organization, because of a known or suspected "defect" in "your product", or a known or suspected "product tampering", which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property.
4. "Product withdrawal expenses" means those reasonable and necessary extra expenses, listed below paid and directly related to a "product withdrawal:"
 - a. Costs of notification;
 - b. Costs of stationery, envelopes, production of announcements and postage or facsimiles;
 - c. Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations;
 - d. Costs of computer time;
 - e. Costs of hiring independent contractors and other temporary employees;
 - f. Costs of transportation, shipping or packaging;
 - g. Costs of warehouse or storage space; or
 - h. Costs of proper disposal of "your products", or products that contain "your products", that can not be reused, not exceeding your purchase price or your cost to produce the products;

but "product withdrawal expenses" does not include costs of the replacement, repair or redesign of "your product", or the costs of regaining your market share, goodwill, revenue or profit.

III. AUTO LEGAL LIABILITY

A. Paragraph **1.k.(4)** of Part **B.** Exclusions is replaced by:

- (4)** Personal property in the care, custody or control of the insured.

This exclusion does not apply to an auto or auto equipment while any "insured" is servicing or parking it in your operations. We will pay all sums the "insured" legally must pay as damages for "loss" to an auto or auto equipment for:

- (a)** Comprehensive Coverage. From any cause except:
 - (i)** the auto's collision with another object; or
 - (ii)** the auto's overturn.
- (b)** Collision Coverage. Caused by:
 - (i)** the auto's collision with another object; or
 - (ii)** the auto's overturn.

B. Limit of Insurance

Regardless of the number of claims made or suits brought, the most we will pay for each "loss" is \$10,000.

C. The following additional Exclusions apply to coverage for Auto Legal Liability:

1. This insurance does not apply to any of the following:

- a.** Contractual Obligations.
Liability resulting from any agreement by which the “insured” accepts responsibility for “loss”.
- b.** Theft.
“Loss” due to theft or conversion caused in any way by you, your officers or directors, your employees, or by your stockholders.
- c.** Defective Parts.
Defective parts or materials.
- d.** Faulty Work.
Faulty “work you perform.”

2. We will not pay for “loss” to any of the following:

- a.** Tape Decks, CD Players or other sound or video reproducing equipment unless permanently installed in a covered auto.
- b.** Tapes, records, CD’s or other sound or video reproducing devices designed for use with sound reproducing equipment.
- d.** Sound or video receiving equipment designed for use as a citizens’ band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the auto manufacturer for the installation of a radio.

D. In connection with Auto Legal Liability Coverage, the following definitions are added to Part **F. Liability And Medical Expenses Definitions**:

- 1.** “Loss” means direct and accidental loss or damage and includes any resulting loss of use.
- 2.** “Work you perform” includes work that someone performed for you.

IV. BROAD NAMED INSURED

Paragraph **2.a.(1)(d)** of Part **C. Who Is An Insured** is replaced by the following:

- (d)** Arising out of his or her providing or failing to provide professional health care services. However, this exclusion does not apply to nurses, emergency medical technicians or paramedics who are employed by you to provide medical or paramedical services to your employees.

V. BLANKET ADDITIONAL INSURED - OWNERS, CONTRACTORS OR LESSORS

A. Part **C. Who Is An Insured** is amended to include as an insured any person or organization whom you are required to name as an additional insured on this policy under a written contract or written agreement. The written contract or agreement must be:

- 1.** currently in effect or becoming effective during the term of this policy; and
- 2.** executed prior to the “bodily injury”, “property damage”, or “personal and advertising injury”.

B. The insurance provided the additional insured is limited as follows:

- 1.** The person or organization is only an additional insured with respect to liability arising out of:
 - a.** Real property, as described in a written contract or written agreement, you own, rent, lease, maintain or occupy;
 - b.** Caused in whole or in part by your ongoing operations performed for that insured.
- 2.** The limits of insurance applicable to the additional insured are those specified in the written contract or agreement or the limits available under this policy, as stated in the Declarations, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

3. The insurance provided the additional insured does not apply to:
 - a. Liability arising out of the sole negligence of the additional insured;
 - b. "Bodily injury", "property damage", "personal and advertising injury"; or defense coverage under the Supplementary Payments section of the policy arising out of an architect's, engineer's or surveyor's rendering of or failure to render any professional services including:
 - (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
 - (2) Supervisory, inspection, architectural or engineering activities.
 - (c) Any "occurrence" that takes place after you cease to be a tenant in the premises described in the Declarations; or
 - (d) Structural alterations, new construction or demolition operations performed by or for the person or organization designated in the Declarations.

- C. Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless a contract specifically requires that this insurance be primary and non-contributory or you request that it apply on a primary basis.

VI. BLANKET ADDITIONAL INSURED – VENDORS

- A. Part C. Who Is An Insured is amended to include as an additional insured any person(s) or organizations(s) whom you have agreed to add as an additional insured, but only with respect to "bodily Injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
 1. The insurance afforded the vendor does not apply to:
 - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
 - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
 - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
 - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
 - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
 - (1) The exceptions contained in Subparagraphs e. or f.; or
 - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

- i. Any loss when specific products for which “bodily injury” or “property damage” is excluded within the “products – completed operations hazard” by endorsement.
2. This insurance does not apply to any insured person or organization, from which you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

VII. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

The following is added to Part **C. Who Is An Insured**:

3. Any business entity acquired by you or incorporated or organized by you under the laws of any individual state of the United States of America over which you maintain majority ownership interest exceeding fifty percent. Such acquired or newly formed organization will qualify as a Named Insured if there is no similar insurance available to that entity. However,
 - a. Coverage under this provision is afforded only until the 180th day after the entity was acquired or incorporated or organized by you or the end of the policy period, whichever is earlier;
 - b. Coverages **A. Paragraph 1. Business Liability**, does not apply to:
 - (1) “Bodily injury” or “property damage” that occurred before the entity was acquired or incorporated or organized by you; and
 - (2) “Personal and advertising injury” arising out of an offense committed before the entity was acquired or incorporated or organized by you.
 - c. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

VIII. AGGREGATE LIMITS

The following is added to Aggregate Limits Paragraph **4. of D. Liability and Medical Expenses Limits of Insurance**:

The Aggregate Limits apply separately to each of “locations” owned by or rented to you or temporarily occupied by you with the permission of the owner.

The Aggregate Limits also apply separately to each of your projects away from premises owned by or rented to you.

For the purpose of this endorsement only, “location” means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

IX. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

1. The requirement in **E. Liability And Medical Expenses General Conditions paragraph 2.a.** that you must see to it that we are notified of an “occurrence” or offense which may result in a claim applies only when the “occurrence” is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any “employee” authorized by you to give or receive notice of an “occurrence” or claim.
2. The requirements in **E. Liability And Medical Expenses General Conditions paragraph 2.b.** that you must see to it that we receive notice of a claim or “suit” will not be considered breached unless the breach occurs after such claim or “suit” is known to any insured listed under Paragraph **C.1. Who Is An Insured** or any “employee” authorized by you to give or receive notice of an “occurrence” or claim.

X. AMENDMENT OF COVERAGE TERRITORY – WORLDWIDE COVERAGE

A. The following is added to Section II. Part **E. Liability And Medical Expenses General Conditions**:

Expanded Coverage Territory

1. If a “suit” is brought in a part of the “coverage territory” that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from defending the insured, the insured will initiate a defense of the “suit”. We will reimburse the insured, under Supplementary Payments, for any reasonable and necessary expenses incurred for the defense of a “suit” seeking damages to which this insurance applies, that we would have paid had we been able to exercise our right and duty to defend.

If the insured becomes legally obligated to pay sums because of damages to which this insurance applies in a part of the “coverage territory” that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada, and we are prevented by law, or otherwise, from paying such sums on the insured’s behalf, we will reimburse the insured for such sums.

2. All payments or reimbursements we make for damages because of judgments or settlements will be made in U.S. currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums. All payments or reimbursements we make for expenses under Supplementary Payments will be made in U.S. currency at the prevailing exchange rate at the time the expenses were incurred.
3. Any disputes between you and us as to whether there is coverage under this policy must be filed in the courts of the United States of America (including its territories and possessions), Puerto Rico or Canada.
4. The insured must fully maintain any coverage required by law, regulation or other governmental authority during the policy period, except for reduction of the aggregate limits due to payments of claims, judgments or settlements.

Failure to maintain such coverage required by law, regulation or other governmental authority will not invalidate this insurance. However, this insurance will apply as if the required coverage by law, regulation or other governmental authority was in full effect.

B. Paragraph 4. of Part F. Liability and Medical Expenses Definitions is replaced by the following:

4. “Coverage territory” means anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

C. The following is added to Paragraph H. Other Insurance in Section III – Common Policy Conditions:

4. Excess Insurance applicable to Amendment of Coverage Territory – Worldwide Coverage

a. This insurance is excess over:

(1) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(a) If the insured’s liability to pay damages is determined in a “suit” brought outside the United States of America (including its territories and possessions), Puerto Rico or Canada; or

(b) That is coverage required by law, regulation or other governmental authority in a part of the “coverage territory” that is outside the United States of America (including its territories and possessions), Puerto Rico or Canada.

XI. BODILY INJURY

Paragraph 3. of F. Liability And Medical Expenses Definitions is replaced by the following:

3. “Bodily Injury” means:

- a.** Bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b.** Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

XII. PERSONAL AND ADVERTISING INJURY

Paragraph 14. b. of F. Liability And Medical Expenses Definitions is replaced by the following:

b. Malicious prosecution or abuse of process.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS MANUFACTURERS PROPERTY EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This summarizes the various coverages provided by this endorsement; no coverages are given by this summary. Actual coverage descriptions are within the form.

<u>SUBJECT</u>	<u>LIMITS OF INSURANCE OR CHANGE IN CONDITION</u>	<u>PAGE</u>
ACCOUNTS RECEIVABLE	\$ 35,000	13
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BUSINESS INCOME AND CIVIL AUTHORITY WAITING PERIOD	24 hours	16
BUSINESS INCOME FROM DEPENDENT PROPERTY	\$50,000 or 30 days Actual Loss Sustained	4
BUSINESS INCOME	Ordinary Payroll Expense - 60 day Limitation deleted, capped at \$5,000,000	3
BUSINESS PERSONAL PROPERTY	Legal Liability requirement deleted, covered within 1,000 feet of premises	3
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DEDUCTIBLE		15
DEFINITIONS Fine Arts Period of Restoration		16 16
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EMPLOYEE TOOLS	\$ 2,500	7
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INCREASED COST OF CONSTRUCTION		4
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MONEY AND SECURITIES	\$ 10,000 on premises/\$5,000 off premises	7
MONEY ORDERS AND COUNTERFEIT MONEY	\$ 10,000	3

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NEWLY ACQUIRED OR CONSTRUCTED PROPERTY		
Building	\$ 500,000	12
Business Personal Property	\$ 250,000	12
OFF PREMISES POWER FAILURE	\$ 25,000	8
ORDINANCE OR LAW	Loss to the Undamaged Property - Included \$ 50,000 Demolition Cost and Increased Cost of Construction	8
OUTDOOR PROPERTY	All covered causes of loss	12
fences, retaining walls	\$ 2,500	
radio and television antennas	\$ 2,500 each	
trees and shrubs	\$ 2,500 occurrence/ \$500 each	
OUTDOOR SIGNS	\$ 7,500 occurrence	11
PATTERNS, DIES, MOLDS and FORMS	\$ 10,000	15
theft limitation		
PERSONAL PROPERTY OFF PREMISES		11
In Process At Premises of Others	\$ 25,000	
In Transit	\$ 15,000	
At Unscheduled Location	\$ 25,000	
PRESERVATION OF PROPERTY	60 days	3
PROPERTY NOT COVERED	Stained Glass	3
REWARD	\$ 5,000	11
SALES SAMPLES	\$ 10,000	14
VALUABLE PAPERS AND RECORDS	\$ 25,000	13
WATER BACK-UP AND SUMP OVERFLOW	\$ 25,000	14

SECTION I – PROPERTY OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

- I. Paragraph **A.1.b.** Coverage – Business Personal Property is replaced by the following:
- b. Business Personal Property located in or on the buildings at the described premises or in the open(or in a vehicle) within 1,000 feet of the described premises, including:
 - (1) Property you own that is used in your business;
 - (2) Property of others that is in your care, custody or control, plus the cost of labor, materials or services furnished or arranged by you on personal property of others. Property of others coverage does not apply to Employee Tools except as provided under Section **IV.** of this Endorsement.
 - (3) Tenant’s improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquire or made at your expense but cannot legally remove.
- II. The following is added to Section **A.2.** Property Not Covered:
- j. Stained Glass except as provided under Section **VI.C.** Fine Arts Coverage.
- III. The Additional Coverages section of Part **A.** Coverage is changed as follows:
- A. Preservation of Property.
The 30 day limit shown in paragraph **A.5.b.(2)** Preservation of Property, is replaced with a 60 day limit.
 - B. Fire Department Service Charge.
The \$2,500 limit shown in paragraph **A.5.c.** Fire Department Service Charge, is replaced with a \$15,000 limit.
 - C. Business Income.
Paragraph **A.5.f. (1)(b)** is replaced by the following:
 - (b) We will only pay for loss of Business Income that you sustain during the “period of restoration” and that occurs within 12 consecutive months after the date of direct physical loss or damage.

The most we will pay for each location under this Additional Coverage is \$5,000,000 for the sum of all expenses arising out of a Covered Cause of Loss.
 - D. Civil Authority.
The Civil Authority Additional Coverage **A.5.i.** is replaced with the following:

Civil Authority
We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to the property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The Coverage for Business Income will begin 24 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for necessary Extra Expense will begin immediately after the time of that action and ends:
 - (1) 3 consecutive weeks after the time of that action; or
 - (2) When your Business Income Coverage Ends;whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance.
 - E. Money Orders and Counterfeit Money.
The \$1,000 limit shown in **A.5.j.** Money Orders and Counterfeit Money is replaced with a \$10,000 limit.
 - F. Forgery or Alteration.
Paragraph **A.5.k.(4)** Forgery or Alteration is replaced by the following:
 - (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is the greater of \$10,000 or an amount equal to the Limit of Insurance for Employee Dishonesty shown in the Declarations.

G. Increased Cost of Construction.

Paragraph **A.5.I.** Increased Cost of Construction is not applicable. Refer to Section **IV.F.**— Ordinance or Law Additional Coverage of this endorsement.

H. Business Income From Dependent Property.

Paragraph **A.5.m.**, Business Income From Dependent Property is replaced by the following:

m. Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss to dependent property is loss or damage to “electronic data”, including destruction or corruption of “electronic data”. If the dependent property sustains loss or damage to “electronic data” and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced.

The most we will pay under this Additional Coverage is the lesser of:

- (a) \$50,000; or
(b) 30 days actual loss sustained after direct loss or damage to the property.

- (2) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operation” in whole or in part, by using any other available:
- (a) Source of materials; or
(b) Outlet for your products.
- (3) If you do not resume “operations”, or do not resume “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume “operations” as quickly as possible.
- (4) Dependent property means property owned by others whom you depend on to:
- (a) Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;
(b) Accept your products or services;
(c) Manufacture your products for delivery to your customers under contract for sale; or
(d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (5) The coverage period for Business Income under this Additional Coverage:
- (a) Begins 24 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
(b) Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- (6) The Business Income coverage period as stated in Paragraph(5), does not include any increased period required due to the enforcement of any ordinance or law that:
- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

The expiration date of this policy will not reduce the Business Income coverage period.

- (7) The definition of Business Income contained in the Business Income Additional Coverage also applies to this Business Income From Dependent Properties Additional Coverage.

I. Glass.

Paragraph **A.5.n.** Glass Expenses is replaced by the following:

n. Glass

- (1)** We will pay for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of or contained in a covered building or structure at the described premises. The glass must be owned by you, or owned by others but in your care, custody or control. We will also pay for necessary:
 - (a)** Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;
 - (b)** Repair or replacement of encasing frames; and
 - (c)** Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

J. Fire Extinguisher Systems Recharge Expense.

Paragraph **A.5.o.** Fire Extinguisher Systems Recharge Expense is replaced by the following:

o. Fire Extinguisher Systems Recharge Expense

- (1)** We will pay:
 - (a)** The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems(including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and
 - (b)** For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2)** No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- (3)** The most we will pay under this Additional Coverage is \$15,000 in any one occurrence.

IV. The following items are added to the Additional Coverages section of Part **A.** Coverages:

A. Computer Equipment.

- 1.** We will pay for direct loss of or damage to Computer Equipment resulting from direct physical loss or damage by a Covered Cause of Loss at the premises described in the Declarations.
- 2.** The most we will pay for loss under this Additional Coverage is \$25,000 in any one occurrence. Our payment will only be for the account of the owner of the computer equipment.

B. Employee Dishonesty.

- 1.** We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons(except you or your partner) with the manifest intent to:
 - a.** Cause you to sustain loss or damage; and also
 - b.** Obtain financial benefit(other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for;
 - (1)** Any employee; or
 - (2)** Any other person or organization.
- 2.** We will not pay for loss or damage;
 - a.** Resulting from any dishonest or criminal act that you or any of your partners or members commit whether acting alone or in collusion with other persons.
 - b.** Resulting from any dishonest act committed by any of your employees(except as provided in Paragraph 1.), "managers" or directors:
 - (1)** Whether acting alone or in collusion with other persons; or
 - (2)** While performing services for you or otherwise.
 - c.** The only proof of which as to its existence or amount is:
 - (1)** An inventory computation; or
 - (2)** A profit and loss computation.

3. The most we will pay for loss or damage in any one occurrence is:
- a. \$10,000; or
 - b. the Limit of Insurance shown in the Declarations for Employee Dishonesty;
- whichever is greater.
4. All loss or damage:
- a. Caused by one or more persons; or
 - b. Involving a single or series of related acts;
- is considered one occurrence.
5. If any loss is covered:
- a. Partly by this insurance; and
 - b. Partly by any prior cancelled or terminated insurance that we or any affiliate has issued to you or any predecessor in interest;
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
6. We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
7. This Additional Coverage does not apply to any employee immediately upon discovery by:
- a. You; or
 - b. Any of your partners, "members", "managers," officers or directors not in collusion with the employee;
- of any dishonest act committed by that employee before or after being hired by you.
8. We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the Policy Period.
9. If you(or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
- a. This Additional Coverage become effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
10. The insurance under paragraph 9. above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
- a. This Additional Coverage as of its effective date; or
 - b. The prior insurance had it remained in effect.
11. With respect to the Employee Dishonesty Additional Coverage Paragraph **IV.B.**, employee means:
- a. Any natural person:
 - (1) While in your service or for 30 days after termination of service;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you;
 - b. Any natural person who is furnished temporarily to you;
 - (1) To substitute for a permanent employee as defined in Paragraph a. above, who is on leave; or
 - (2) To meet seasonal or short-term work load conditions;

- c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **b.** above;
- d. Any natural person who is a former employee, director, partner, member, manager, representative or trustee retained as a consultant while performing services for you; or
- e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.

But employee does not mean;

- a. Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- b. Any "manager", director or trustee except while performing acts coming within the usual duties of an employee.

- 12. This Additional Coverage replaces the Employee Dishonesty Coverage in Part **G.3.** Optional Coverages.
- 13. Exclusion **B.2.f.**, Dishonesty, does not apply to coverage for employees as provided by this Additional Coverage.

C. Employee Tools.

We will pay for loss of or damage to tools owned by your employees located on the described premises or in transit resulting from a Covered Cause of Loss.

The most we will pay for loss under this Additional Coverage is \$2,500 in any one occurrence. Our payment will only be for the account of the owner of the tools.

D. Money and Securities.

- 1. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting from:
 - a. Theft, meaning any act of stealing;
 - b. Disappearance; or
 - c. Destruction.
- 2. In addition to the limitations and exclusions applicable to Section I— Property, we will not pay for loss:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Due to the giving or surrendering of property in any exchange or purchase; or
 - c. Of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- 3. The most we will pay for loss in any one occurrence is:
 - a. \$10,000 on premises which includes "money" and "securities" in or on the described premises or within a bank or savings institution and \$5,000 off the premises; or
 - b. the Limit of Insurance shown for Money and Securities in the Declarations; whichever is greater.
- 4. All loss caused by one or more persons or involving a single act or series of related acts, will be considered one occurrence.
- 5. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- 6. This Additional Coverage replaces the Money and Securities Coverage in Part **G.2.** Optional Coverages.

E. Off Premises Power Failure.

We will pay up to \$25,000 for loss of Business Income and Extra Expense caused by the failure of power or other utility service supplied to the described premises if the failure occurs away from the described premises.

The failure of power or other utility service must result from direct physical loss or damage by a Covered Cause of Loss.

We will only pay for loss you sustain after the first 24 hours following the direct physical loss to the off premises property.

F. Ordinance Or Law Coverage(s).

1. The following additional coverages apply only to covered Buildings written on a replacement cost basis.

2. Application of Coverage(s)

The Additional Coverage for Ordinance Or Law provided by this endorsement applies only if both **F.2.a.** and **F.2.b.** are satisfied and are then subject to the qualifications set forth in **F.2.c.**

a. The ordinance or law:

- (1)** Regulates the demolition, construction or repair of buildings or tenants improvements and betterments, or establishes zoning or land use requirements at the described premises; and
- (2)** Is in force at the time of loss.

But coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

b. The building or tenants improvements and betterments sustain direct physical damage;

- (1)** That is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (2)** That is covered under this policy and direct physical damage that is not covered under this policy, and the building or improvements and betterments damage in its entirety results in enforcement of the ordinance or law.
- (3)** But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building or tenants improvements and betterments has also sustained covered direct physical damage.

c. In the situation described in **F.2.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages 1, 2 and/or 3 of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in endorsement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages 1, 2 and/or 3.

3. We will not pay under Coverages 1, 2 or 3 of this endorsement for:

- a.** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
- b.** The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", fungi", wet or dry rot or bacteria.

4. Coverage

- a.** Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building or Tenants Improvements and Betterments

With respect to the building or tenants improvements and betterments that sustain covered direct physical damage, we will pay under Coverage 1 for the loss in value of undamaged portion of the building or tenants improvements and betterments as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building or tenants improvements and betterments. Coverage 1 is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage 1 does not increase the Limit of Insurance.

b. Coverage 2 – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I – Property does not apply to Demolition Cost Coverage.

c. Coverage 3 – Increased Cost Of Construction Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I– Property does not apply to the Increased Cost of Construction Coverage.

5. Ordinance or Law Loss Payment

a. All following loss payment provisions **5.b.** through **5.c.**, are subject to the apportionment procedure set forth in Section **F.2.c.** above.

b. When there is a loss in value of an undamaged portion of a building or tenants improvements and betterments to which Coverage 1 applies, the loss payment for that building or tenants improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building or tenants improvements and betterments, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (2) If the property is not repaired or replaced, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
 - (c) If the Tenants Improvements and Betterments are not repaired or replaced, we will pay based on a proportion of your original cost of the tenants improvements and betterments. We will determine the proportionate value as follows:
 - (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

- (ii) Divide the amount determined in(1) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.

- c. For Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction Coverage the most we will pay at each described premises, for the total of all covered losses is:
- (1) \$50,000; or
 - (2) the Limit of Insurance shown in the Declarations for Demolition Cost Coverage and Increased Cost of Construction Coverage;
- whichever is greater.

The Limit of Insurance for Demolition Cost Coverage and Increased Cost of Construction Coverage, described in Paragraph 5.c. above, is subject to the following additional loss payment provisions:

- (1) For Demolition Cost Coverage, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (2) For Increased Cost of Construction Coverage:
We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repairs or replacement are made as soon as reasonable possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

If the building or tenants improvements and betterments are repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the same premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

If the ordinance or law requires relocation to another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the new premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph 5.c. above.

6. The terms of this Additional Coverage apply separately to each Building to which this endorsement applies.
7. Under this endorsement, we will not pay for loss due to any ordinance or law that:
- a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.
8. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses(procedure as set forth in Section F.2.c. of this endorsement).
Assume:
- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
 - The building has a value of \$200,000;
 - Total direct physical damage to building: \$100,000;
 - The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
 - Portion of direct physical damage that is covered(caused by wind): \$30,000;
 - Portion of direct physical damage that is not covered(caused by flood): \$70,000; and
 - Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000$ divided by $\$100,000 = .30$

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for Coverage 3 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 and 2 of this endorsement.

G. Outdoor Signs.

1. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
 - a. Owned by you; or
 - b. Owned by others but in your care, custody or control.
2. Paragraph **A.3.**, Covered Causes of Loss, and Section **B.**, Exclusions, does not apply to this Additional Coverage, except for:
 - a. Paragraph **B.1.c.**, Governmental Action;
 - b. Paragraph **B.1.d.**, Nuclear Hazard; and
 - c. Paragraph **B.1.f.**, War and Military Action.
3. We will not pay for loss or damage caused by or resulting from:
 - a. Wear and tear;
 - b. Hidden or latent defect;
 - c. Rust;
 - d. Corrosion; or
 - e. Mechanical breakdown.
4. The most we will pay for loss or damage in any one occurrence is:
 - a. \$7,500; or
 - b. the Limit of Insurance for Outdoor Signs shown in the Declarations; whichever is greater.
5. This Additional Coverage replaces the Outdoor Signs Coverage in Part **G.1.** Optional Coverage.
6. As respects this Additional Coverage, Paragraph **2. Of C.** Limits of Insurance is deleted.

H. Personal Property Off Premises

1. We will pay for Business Personal Property, other than "money" and "securities", "valuable papers and records" or accounts receivable while it is in the course of transit or at a premises you do not own, lease or operate.
2. We will not pay more than:
 - (a) \$25,000 or an amount shown in the Declarations, whichever is higher, for Business Personal Property In Process at the Premises of Others;
 - (b) \$15,000 or an amount shown in the Declarations, whichever is higher, for Property in Transit during any one policy term; and
 - (c) \$25,000 for Business Personal Property while not at a scheduled located or covered by Paragraphs (a) or (b) above.
3. Regardless of the limits above, we will not pay more than \$2,500 for loss or damage to Employee Tools which occurs off premises.

I. Reward.

We will pay up to \$5,000 as a reward for information which leads to a conviction in connection with a fire loss or theft loss covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

V. Coverage Extensions

The Coverage Extensions section of Part **A**. Coverage is changed as follows:

A. Newly Acquired Or Constructed Property

Paragraph **A.6.a**. Newly Acquired Or Constructed Property is replaced by the following:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

- (a)** Your new buildings while being built on the described premises; and
- (b)** Buildings you acquire at premises other than the one described, intended for:
 - (i)** Similar use as the building described in the Declarations; or
 - (ii)** Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a)** Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b)** Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (c)** Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a)** This policy expires;
- (b)** 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

B. Personal Property Off Premises.

Paragraph **A.6.b**. Extension for Personal Property Off Premises does not apply.

C. Outdoor Property.

Paragraph **A.6.c**. Outdoor Property, is replaced by the following:

c. Outdoor Property

You may extend the insurance provided by this policy to apply to the following outdoor property located on the described premises:

- (1)** Outdoor fences. The most we will pay for loss or damage is \$2,500 in any one occurrence.
- (2)** Outdoor radio, television, satellite, dish-type or other antennas, including their masts, towers and lead-in and support wiring. The most we will pay for loss of or damage is \$2,500 each.
- (3)** Outdoor trees, shrubs and plants. The most we will pay for loss or damage, including debris removal expense, is \$2,500 in any one occurrence, but not more than \$500 for any one tree, shrub or plant.

D. Valuable Papers and Records.

Paragraph **A.6.e.(3)** "Valuable Papers and Records" is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at the described premises is:

- (a) \$25,000; or
 - (b) the Limit of Insurance shown for Valuable Papers and Records in the Declarations;
- whichever is greater.

The most we will pay for "valuable papers and records" not at the described premises is:

- (a) 25% of the valuable papers and records limit of insurance described above; or
 - (b) \$10,000
- whichever is less.

E. Accounts Receivable.

Paragraph **A.6.f.(2)** Accounts Receivable is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to accounts receivable in any one occurrence at the described premises is:

- (a) \$35,000
 - (b) the Limit of Insurance shown for Accounts Receivable in the Declarations;
- whichever is greater.

The most we will pay for accounts receivable not at the described premises is \$5000.

VI. The following items are added to the Coverage Extensions section of Part A. Coverage:

A. Brands and Labels.

The following is added to the Loss Payment provisions of Part **E. Property Loss Conditions.**

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, and we take all or part of the property at an agreed or appraised value, you may extend the insurance that applies to Business Personal Property to pay expenses you incur to:

1. stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. remove the brands and labels, if doing so will not physically damage the merchandise or its containers to comply with the law.

Payment of these expenses is included within the applicable Limit of Insurance.

B. Consequential Loss to Stock.

The following is added to the Loss Payment provisions of Part **E. Property Loss Conditions:**

If a Covered Cause of Loss occurs to covered stock, we will pay any reduction in value of the remaining undamaged parts of covered stock.

Payment for any reduced value in stock is included within the applicable Limit of Insurance.

C. "Fine Arts".

You may extend the insurance which applies to Your Business Personal Property to apply to "Fine Arts" that are:

1. Property you own that is used in your business; or
2. Property of others that is in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises; or the Limit of Insurance shown for "Fine Arts" in the Declarations; whichever is greater.

In the event of loss or damage to property covered under this extension, we will pay the market value of the property at the time of loss or damage.

Section **B. Exclusions** of the Property Coverage Form does not apply to this Coverage Extension except for:

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- (1) Paragraph **B.1.c.**, Governmental Action;
- (2) Paragraph **B.1.d.**, Nuclear Hazard;
- (3) Paragraph **B.1.f.**, War and Military Action;
- (4) Paragraph **B.2.f.**, Dishonesty;
- (5) Paragraph **B.2.g.**, False Pretense; and
- (6) Paragraph **B.2.k.**, Neglect.

D. Lock Replacement.

You may extend the insurance provided by this policy to apply to the cost to repair or replace the door locks or tumblers of your described premises due to theft of your door keys.

The most we will pay under this Extension is \$500 in any one occurrence.

E. Loss Adjustment Expenses.

You may extend the insurance provided by this policy to apply to your expenses for preparation of loss data, including inventories and appraisals, in connection with any claim covered under this policy. This Extension will not pay for expenses incurred insuring the services of a public adjuster.

The most we will pay under this Extension is \$5,000.

F. Sales Samples

You may extend the insurance that applies to Your Business Personal Property to apply to samples of merchandise while in the possession of your sales people or principals acting as sales people while located within the coverage territory.

This Extension does not apply to:

- 1. Property located at your place of business, or located at the premises of your sales people or representatives.
- 2. Property intended for sale, which may have been sold or shipped to others

The most we will pay for loss or damage under this Extension is \$10,000 in any one occurrence.

G. Water Back-Up And Sump Overflow.

- 1. You may extend the insurance provided by this policy to apply to physical loss or damage to your property caused by or resulting from:
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph **b.** above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

- 2. The coverage described in Paragraph **1.** above does not apply to loss or damage resulting from an Insured's failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- 3. The most we will pay for the coverage provided under the Water Back-Up And Sump Overflow Extension of coverage is \$25,000 per location.

- 4. With respect to the coverage provided under this Extension, Exclusion **B.1.g.** Water is replaced by the following exclusion:

- g. Water
 - (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
 - (2) Mudslide or mudflow; or
 - (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved nor not; or
 - (c) Doors, windows or other openings.

But, if Water, as described in **g.(1)** through **g.(3)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

VII. Limitations

A. "Fine Arts".

Paragraph **b.** in **4. Limitations of Part A.** Coverage does not apply to "Fine Arts" Extension of Coverage or to "Fine Arts" Optional Coverage.

B. Patterns, Dies, Molds and Forms Theft Limitation

Paragraph A.4.c. (3) \$2,500 theft limitation for Patterns, Dies, Molds and Forms is amended to provide \$10,000 coverage for theft.

VIII. Limits of Insurance

Paragraph **3.** Of Part **C.** Limits of Insurance, is changed as follows:

- 3.** Unless otherwise stated, the limits applicable to the Coverage Extensions and Computer Equipment, Employee Dishonesty, Employee Tools, Fire Department Service Charge, Fire Extinguisher Systems Recharge Expense, Forgery and Alterations, Money and Securities, Money Order and Counterfeit Money, Off Premises Power Failure, Personal Property Off Premises, Ordinance or Law Coverage, Pollutant Clean Up and Removal and Reward, Additional Coverages are in addition to the Limits of Insurance.

IX. Deductible

Paragraphs **2.** and **3.** Of Part **D.** Deductibles are replaced by the following:

- 2.** Regardless of the amount of the Deductible, the most we will deduct from any loss or damage is \$500 in any one occurrence under:
- a.** the following Additional Coverages:
- (1)** Employee Dishonesty;
 - (2)** Glass Coverage;
 - (3)** Forgery and Alterations Coverage;
 - (4)** Money Orders and Counterfeit Paper Money;
 - (5)** Money and Securities;
 - (6)** Outdoor Signs; or
 - (7)** Condominium Unit-Owners Loss Assessment

But this \$500 deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

- 3.** No deductible applies to:

- a.** the following Additional Coverages:
- (1)** Business Income;
 - (2)** Civil Authority;
 - (3)** Extra Expense;
 - (4)** Fire Department Service Charge;
 - (5)** Fire Extinguisher Systems Recharge Expense;
 - (6)** Off Premises Power Failure;
 - (7)** Reward; or
- b.** the following Coverage Extensions:
- (1)** Lock Replacement; or
 - (2)** Loss Adjustment Expenses.

X. Period of Restoration

Paragraph 9. "Period of Restoration," of Part H. Property Definitions, is replaced by the following:

9. "Period of Restoration" means the period of time that:

a. Begins:

- (1)** 24 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2)** Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1)** The date when our business activities at the described premises return to the level that existed immediately before the loss; but in no event for more than 30 days after the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2)** The date when business is resumed at a new permanent location.

c. Does not include any increased period required due to the enforcement of any ordinance or law that:

- (1)** Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2)** Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

XI. Property Definitions

The following are added to Part H. Property Definitions:

15. "Fine Arts" means paintings, etchings, pictures, tapestries, art or stained glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, sports memorabilia and any other similar property of rarity, historic value or artistic merit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - EXTERIOR INSULATION FINISH SYSTEM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SECTION II – Liability is amended as follows:

This insurance does not apply to "bodily injury" or "property damage" arising out of or caused by the actual or alleged:

1. Design, construction, fabrication, preparation, installation, application, maintenance or repair, including remodeling, renovation, service, correction, or replacement, of an "exterior insulation finish system" (as defined below), or any part thereof, or
2. work or operations with respect to any exterior component of the "exterior insulation finish system" (as defined below) or any fixture or feature of any structure of an "exterior insulation finish system" (as defined below) that is used on that particular part of that structure, or
3. damage caused by water intrusion penetrating the "exterior insulation finish system" sold or distributed by any insured.

DEFINITION OF "EXTERIOR INSULATION FINISH SYSTEM":

For the purpose of this endorsement, an "exterior insulation finish system" is defined as:

- (a) an exterior cladding or finish system used on any part of any structure, residential or commercial, and is also known as exterior cladding, EIFS cladding, synthetic stucco, or by such common names as Dryvit or stucco, but it may also be referred to by a variety of other common manufacturers names, but includes a cladding consisting of some or all of the following component parts:

The component parts can include all or some of the following listed component parts, but it does not necessarily have to include all of the below listed component parts:

- (1) a rigid or semi-rigid insulation board made of expanded polystyrene or other materials; sometimes referred to as gypsum wallboard;
 - (2) adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
 - (3) mesh or reinforcing mesh;
 - (4) base coat or reinforced base coat; and
 - (5) finish coat or synthetic plaster material providing surface texture and color.
- (b) For the purpose of this exclusion, the "exterior insulation finish system" also includes what may be referred to as a "water managed exterior insulation and finish system" which means a multi-lamina exterior building siding system composed of some or all of the following materials or components:
- (1) a weather-resistive barrier applied directly over exterior building sheathing; and
 - (2) insulation board composed of polystyrene or poliscyanurate foam board, with vertical grooves allowing for water drainage, and mechanically attached to the exterior building sheathing; and
 - (3) a base coat of cementous or polymeric enhanced cementous materials;
 - (4) a reinforcing material embedded in the base coat composed of fiberglass mesh or other material;
 - (5) finish coat of cementous or polymeric enhanced cementous material; and
 - (6) an architectural weep component installed at the bottom of the exterior siding and underneath windows combined with flashing elements designed to channel water intrusion to the outside of the siding system.
- (c) For the purpose of this exclusion, the "exterior insulation finish system" also includes what may be referred to as a direct-applied exterior finish system or DEFS, which is commonly known as a stucco finish and base coat applied directly to a structure's sheathing or water-durable exterior wall substrate. The DEFS system can also accommodate application of a thin brick finish.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SECTION I – PROPERTY is amended as follows:

A. As respects to the coverage provided by this endorsement, Paragraph **A. Coverage** is amended as follows:

1. The following subparagraphs **a.(1)** and **a.(2)** of Paragraph **4. Limitations** are deleted:

4. Limitations

a. We will not pay for loss of or damage to:

- (1)** Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- (2)** Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boiler or equipment, other than an explosion.

2. The following wording is added under subparagraph **h. Pollutant Clean Up And Removal** of Paragraph **5. Additional Coverages**:

5. Additional Coverages

h. Pollutant Clean Up and Removal

We will pay for the pollutant clean up and removal for loss resulting from an **Equipment Breakdown**. The most we will pay for the pollutant clean up and removal is \$25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

3. The following are added to Paragraph **6. Coverage Extensions**:

6. Coverage Extensions

g. Expediting Expense

We will pay for the expediting expense loss resulting from an **Equipment Breakdown** with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

- (1)** Make temporary repairs;
- (2)** Expedite permanent repairs; and
- (3)** Expedite permanent replacement.

Reasonable extra cost shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation. This will be a part of and not an addition to the limit per loss."

h. Refrigerant Contamination

We will pay the loss from contamination by refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as a result of **Equipment Breakdown**.

The most we will pay for loss or damage under this coverage is \$25,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

i. Spoilage Coverage

We will pay for loss of perishable goods due to spoilage resulting from lack of power, light, heat, steam or refrigeration caused by **Equipment Breakdown** to types of property covered by this policy, that are:

- (1) located on or within 1,000 feet of your described premises;
- (2) owned by the building owner at your described premises, or owned by a public utility; and
- (3) used to supply telephone, electricity, air conditioning, heating, gas, water or steam to your described premises.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

The most we will pay for loss or damage under this coverage is \$50,000 unless a higher limit is provided by an endorsement to the property form for which this endorsement is attached. In that case, whichever limit is greater will apply.

j. CFC Refrigerants

We will pay the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances as a result of an **Equipment Breakdown**. This means the additional expense to do the least expensive of the following:

- (1) Repair the damaged property and replace any lost CFC refrigerant;
- (2) Repair the damaged property, retro-fit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
- (3) Replace the system with one using a non-CFC refrigerant.

Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

B. As respects to the coverage provided by this endorsement, Paragraph **B. Exclusions** is amended as follows:

1. Paragraph **1.e.** is replaced by the following:

1. e. Power Failure

Loss resulting from an **Equipment Breakdown** to power or other utility service supplied to the described premises, however caused, if the failure occurs beyond 1,000 feet away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if failure of power or other utility service results in an **Equipment Breakdown** to covered property, we will pay for the loss or damage caused by the **Equipment Breakdown**.

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However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement and flood.

2. The following subparagraphs **2.a.**, **2.d.** and **2.I.(6)** are deleted:

2. a. Electric Apparatus

Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if artificially generated electrical current results in fire, we will pay for the loss or damage caused by fire.

We will pay for loss or damage to "computer(s)" due to artificially generated electrical current if such loss or damage is caused by or results from:

- (1) An occurrence that took place within 100 feet of the described premises; or
- (2) Interruption of electric power supply, power surge, blackout or brownout if the cause of such occurrence took place within 100 feet of the described premises.

2. d. Steam Apparatus

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

2. I. Other Types of Loss

- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force.

This exclusion does not apply with respect to the breakdown of "computer(s)";

C. As respects to the coverage provided by this endorsement, Paragraph **F. Property General Conditions** is amended as follows:

1. The following are added:

5. Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension/coverage reinstatement to:

- (a) Your last known address; or
- (b) The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

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6. Environmental, Safety and Efficiency Improvements

If Covered Property requires replacement due to an **Equipment Breakdown**, we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

7. Jurisdictional Inspections

If any Covered Property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf.

D. As respects to the coverage provided by this endorsement, Paragraph **G. Optional Coverages** is amended as follows:

1. The following subparagraph **1.c.(5)** is deleted:

1. Outdoor Signs

c. (5) Mechanical Breakdown

This endorsement covers **Equipment Breakdown** losses to all outdoor signs at the described premises whether owned by you or owned by others but in your care, custody or control.

2. Subparagraph **4. Mechanical Breakdown** is superceded by the provisions of this endorsement.

E. Paragraph **H. Property Definitions** is modified as follows:

12. "**Specified Causes of Loss**" also means **Equipment Breakdown** as used herein means:

a. Physical loss or damage both originating within:

(1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:

(a) waste disposal piping;

(b) any piping forming part of a fire protective system;

(c) furnaces; and

(d) any water piping other than

(i) boiler feed water piping between the feed pump and the boiler;

(ii) boiler condensate return piping; or

(iii) water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes

(2) All mechanical, electrical, electronic or fiber optic equipment; and

b. Caused by, resulting from, or consisting of:

(1) Mechanical breakdown; or

(2) Electrical or electronic breakdown; or

(3) Rupture, bursting, bulging, implosion, or steam explosion.

c. If covered electrical equipment requires drying out, we will pay for the direct expense of such drying out.

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However, **Equipment Breakdown** will not mean:

Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

- (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any other quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions by insects, birds, rodents or other animals.
- (6) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software.
- (7) The following causes of loss to personal property:
 - (a) Dampness and dryness of atmosphere; or
 - (b) Marring and scratching.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS PROPERTY PLUS EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This summarizes the various coverages provided by this endorsement; no coverages are given by this summary. Actual coverage descriptions are within the form.

<u>SUBJECT</u>	<u>LIMITS OF INSURANCE OR CHANGE IN CONDITION</u>	<u>PAGE</u>
ACCOUNTS RECEIVABLE	\$ 100,000	13
AMENDMENT OF LIMITATIONS		
Fine Arts		15
BRANDS AND LABELS	Included in Business Personal Property Limit	14
BUSINESS INCOME AND CIVIL AUTHORITY WAITING PERIOD	24 hours	16
BUSINESS INCOME FROM DEPENDENT PROPERTY	\$ 50,000 or 30 days Actual Loss Sustained	4
BUSINESS INCOME - ORDINARY PAYROLL EXPENSE		3
BUSINESS PERSONAL PROPERTY	Legal Liability requirement deleted, covered within 1,000 feet of premises	3
COMPUTER EQUIPMENT	\$ 25,000	5
CONSEQUENTIAL LOSS TO STOCK	Included in Business Personal Property Limit	14
DEDUCTIBLE		15
DEFINITIONS		
Fine Arts		16
Period of Restoration		16
EMPLOYEE DISHONESTY	\$ 35,000	5
EMPLOYEE TOOLS	\$ 2,500	7
ERISA	\$ 35,000	7
FINE ARTS	\$ 25,000	14
FIRE DEPARTMENT SERVICE CHARGE	\$ 15,000	3
FIRE EXTINGUISHER SYSTEMS RECHARGE EXPENSE	\$ 15,000	5
FORGERY OR ALTERATION	\$ 35,000 or follows Employee Dishonesty limit	3
INCREASED COST OF CONSTRUCTION		4
GLASS		5
LIMITS OF INSURANCE		15
LOCK REPLACEMENT	\$ 5,000	14
LOSS ADJUSTMENT EXPENSES	\$ 5,000	14
MONEY AND SECURITIES	\$ 25,000 on premises/\$10,000 off premises	8
MONEY ORDERS AND COUNTERFEIT MONEY	\$ 15,000	3

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NEWLY ACQUIRED OR CONSTRUCTED PROPERTY		
Building	\$ 1,000,000	12
Business Personal Property	\$ 500,000	12
OFF PREMISES POWER FAILURE	\$ 25,000	8
ORDINANCE OR LAW	Loss to the Undamaged Property - Included \$ 100,000Demolition Cost and Increased Cost of Construction	8
OUTDOOR PROPERTY	All covered causes of loss	13
fences, retaining walls	\$ 5,000 aggregate	
radio and television antennas		
trees and shrubs		
OUTDOOR SIGNS	\$ 20,000 occurrence	11
PERSONAL EFFECTS	\$ 500 per person/ \$ 10,000 aggregate	13
PERSONAL PROPERTY OFF PREMISES	\$ 50,000	13
PRESERVATION OF PROPERTY	60 days	3
PROPERTY NOT COVERED	Stained Glass	3
REWARD	\$ 10,000	12
SALES SAMPLES	\$ 10,000	12
VALUABLE PAPERS AND RECORDS	\$ 50,000	13
WATER BACK-UP AND SUMP OVERFLOW	\$ 25,000	14

SECTION I – PROPERTY OF THE BUSINESSOWNERS COVERAGE FORM IS AMENDED AS FOLLOWS:

- I. Paragraph **A.1.b.** Coverage – Business Personal Property is replaced by the following:
- b. Business Personal Property located in or on the buildings at the described premises or in the open (or in a vehicle) within 1,000 feet of the described premises, including:
 - (1) Property you own that is used in your business;
 - (2) Property of others that is in your care, custody or control, plus the cost of labor, materials or services furnished or arranged by you on personal property of others.

Property of others coverage does not apply to Employee Tools except as provided under Section **IV.** of this Endorsement.
 - (3) Tenant's improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquire or made at your expense but cannot legally remove.
- II. The following is added to Section **A.2.** Property Not Covered:
- j. Stained Glass except as provided under Section **VI.C.** Fine Arts Coverage.
- III. The Additional Coverages section of Part **A.** Coverage is changed as follows:
- A. Preservation of Property.
The 30 day limit shown in paragraph **A.5.b.(2)** Preservation of Property, is replaced with a 60 day limit.
 - B. Fire Department Service Charge.
The \$2,500 limit shown in paragraph **A.5.c.** Fire Department Service Charge, is replaced with a \$15,000 limit.
 - C. Business Income.
The 60 day limitation for ordinary payroll expense shown in paragraph **A.5.f.(1)(b)** Business Income is not applicable.
 - D. Civil Authority.
The Civil Authority Additional Coverage **A.5.i.** is replaced with the following:
Civil Authority
We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to the property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The Coverage for Business Income will begin 24 hours after the time of that action and will apply for a period of up to three consecutive weeks after coverage begins.

The coverage for necessary Extra Expense will begin immediately after the time of that action and ends:
 - (1) 3 consecutive weeks after the time of that action; or
 - (2) When your Business Income Coverage Ends;whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance.
 - E. Money Orders and Counterfeit Money.
The \$1,000 limit shown in **A.5.j.** Money Orders and Counterfeit Money is replaced with a \$15,000 limit.
 - F. Forgery or Alteration.
Paragraph **A.5.k.(4)** Forgery or Alteration is replaced by the following:
 - (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is the greater of \$35,000 or an amount equal to the Limit of Insurance for Employee Dishonesty shown in the Declarations.

G. Increased Cost of Construction.

Paragraph **A.5.i.** Increased Cost of Construction is not applicable. Refer to Section **IV.F.**— Ordinance or Law Additional Coverage of this endorsement.

H. Business Income From Dependent Property.

Paragraph **A.5.m.**, Business Income From Dependent Property is replaced by the following:

m. Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss to dependent property is loss or damage to “electronic data”, including destruction or corruption of “electronic data”. If the dependent property sustains loss or damage to “electronic data” and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced.

The most we will pay under this Additional Coverage is the lesser of:

- (a) \$50,000; or
(b) 30 days actual loss sustained after direct loss or damage to the property.

- (2) We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operation” in whole or in part, by using any other available:

- (a) Source of materials; or
(b) Outlet for your products.

- (3) If you do not resume “operations”, or do not resume “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume “operations” as quickly as possible.

- (4) Dependent property means property owned by others whom you depend on to:

- (a) Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;
(b) Accept your products or services;
(c) Manufacture your products for delivery to your customers under contract for sale; or
(d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (5) The coverage period for Business Income under this Additional Coverage:

- (a) Begins 24 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
(b) Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- (6) The Business Income coverage period as stated in Paragraph(5), does not include any increased period required due to the enforcement of any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
(b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

The expiration date of this policy will not reduce the Business Income coverage period.

- (7) The definition of Business Income contained in the Business Income Additional Coverage also applies to this Business Income From Dependent Properties Additional Coverage.

I. Glass.

Paragraph **A.5.n.** Glass Expenses is replaced by the following:

n. Glass

- (1)** We will pay for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of or contained in a covered building or structure at the described premises. The glass must be owned by you, or owned by others but in your care, custody or control. We will also pay for necessary:
 - (a)** Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;
 - (b)** Repair or replacement of encasing frames; and
 - (c)** Expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

J. Fire Extinguisher Systems Recharge Expense.

Paragraph **A.5.o.** Fire Extinguisher Systems Recharge Expense is replaced by the following:

o. Fire Extinguisher Systems Recharge Expense

- (1)** We will pay:
 - (a)** The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems(including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and
 - (b)** For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.
- (2)** No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- (3)** The most we will pay under this Additional Coverage is \$15,000 in any one occurrence.

IV. The following items are added to the Additional Coverages section of Part **A.** Coverages:

A. Computer Equipment.

- 1.** We will pay for direct loss of or damage to Computer Equipment resulting from direct physical loss or damage by a Covered Cause of Loss at the premises described in the Declarations.
- 2.** The most we will pay for loss under this Additional Coverage is \$25,000 in any one occurrence. Our payment will only be for the account of the owner of the computer equipment.

B. Employee Dishonesty.

- 1.** We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a.** Cause you to sustain loss or damage; and also
 - b.** Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for;
 - (1)** Any employee; or
 - (2)** Any other person or organization.
- 2.** We will not pay for loss or damage;
 - a.** Resulting from any dishonest or criminal act that you or any of your partners or members commit whether acting alone or in collusion with other persons.
 - b.** Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph **1.**), "managers" or directors:
 - (1)** Whether acting alone or in collusion with other persons; or
 - (2)** While performing services for you or otherwise.
 - c.** The only proof of which as to its existence or amount is:
 - (1)** An inventory computation; or
 - (2)** A profit and loss computation.

3. The most we will pay for loss or damage in any one occurrence is:
 - a. \$35,000; or
 - b. the Limit of Insurance shown in the Declarations for Employee Dishonesty; whichever is greater.
4. All loss or damage:
 - a. Caused by one or more persons; or
 - b. Involving a single or series of related acts; is considered one occurrence.
5. If any loss is covered:
 - a. Partly by this insurance; and
 - b. Partly by any prior cancelled or terminated insurance that we or any affiliate has issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

6. We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
7. This Additional Coverage does not apply to any employee immediately upon discovery by:
 - a. You; or
 - b. Any of your partners, "members", "managers," officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

8. We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the Policy Period.
9. If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - a. This Additional Coverage become effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
10. The insurance under paragraph 9. above is part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - a. This Additional Coverage as of its effective date; or
 - b. The prior insurance had it remained in effect.

11. With respect to the Employee Dishonesty Additional Coverage Paragraph IV.B., employee means:
 - a. Any natural person:
 - (1) While in your service or for 30 days after termination of service;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you;
 - b. Any natural person who is furnished temporarily to you;
 - (1) To substitute for a permanent employee as defined in Paragraph a. above, who is on leave; or
 - (2) To meet seasonal or short-term work load conditions;

- c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **b.** above;
- d. Any natural person who is a former employee, director, partner, member, manager, representative or trustee retained as a consultant while performing services for you; or
- e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.

But employee does not mean;

- a. Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- b. Any "manager", director or trustee except while performing acts coming within the usual duties of an employee.

- 12. This Additional Coverage replaces the Employee Dishonesty Coverage in Part **G.3.** Optional Coverages.
- 13. Exclusion **B.2.f.**, Dishonesty, does not apply to coverage for employees as provided by this Additional Coverage.

C. Employee Tools.

We will pay for loss of or damage to tools owned by your employees located on the described premises or in transit resulting from a Covered Cause of Loss.

The most we will pay for loss under this Additional Coverage is \$2,500 in any one occurrence. Our payment will only be for the account of the owner of the tools.

D. ERISA Compliance – Welfare and Pension Plan

Employee Dishonesty Coverage is applicable to any Employee Welfare or Pension Plan (insured under this insurance). In addition, Employee Dishonesty Coverage is amended as follows so as to be in compliance with certain provisions of the Employee Retirement Income Security Act (ERISA):

- 1. Employee also includes any natural person who is:
 - a. A trustee, an officer, employee, administrator or a manager, except an administrator or a manager who is an independent contractor, of any Employee Welfare or Pension Benefit Plan (hereafter called Plan) insured under this insurance; and
 - b. Your director or trustee while that person is handling funds or other property of any Plan insured under this insurance.
- 2. If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that insured for loss sustained by any Plan will be held by that insured for the use and benefit of the Plan(s) sustaining the loss.
- 3. If two or more Plans are insured under this insurance, any payment we make for loss:
 - a. Sustained by two or more plans; or
 - b. Of commingled funds or other property of two or more Plans that arises out of one occurrence, is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.
- 4. The Deductible provision of the Employee Dishonesty coverage does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- 5. Any Plan intended to benefit your employees is also considered an insured, but only as it pertains to Employee Dishonesty coverage.
- 6. The most we will pay under this Additional Coverage is \$35,000.
- 7. When the optional Welfare and Pension Plan ERISA Compliance coverage and endorsement is attached to this policy, the Additional Coverage provided by this endorsement is not applicable and is replaced by that optional coverage.

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E. Money and Securities.

1. We will pay for loss of “money” and “securities” used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting from:
 - a. Theft, meaning any act of stealing;
 - b. Disappearance; or
 - c. Destruction.
2. In addition to the limitations and exclusions applicable to Section I– Property, we will not pay for loss:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Due to the giving or surrendering of property in any exchange or purchase; or
 - c. Of property contained in any “money” operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.
3. The most we will pay for loss in any one occurrence is:
 - a. \$25,000 on premises which includes “money” and “securities” in or on the described premises or within a bank or savings institution and \$10,000 off the premises; or
 - b. the Limit of Insurance shown for Money and Securities in the Declarations; whichever is greater.
4. All loss caused by one or more persons or involving a single act or series of related acts, will be considered one occurrence.
5. You must keep records of all “money” and “securities” so we can verify the amount of any loss or damage.
6. This Additional Coverage replaces the Money and Securities Coverage in Part **G.2. Optional Coverages.**

F. Off Premises Power Failure.

We will pay up to \$25,000 for loss of Business Income and Extra Expense caused by the failure of power or other utility service supplied to the described premises if the failure occurs away from the described premises.

The failure of power or other utility service must result from direct physical loss or damage by a Covered Cause of Loss.

We will only pay for loss you sustain after the first 24 hours following the direct physical loss to the off premises property.

G. Ordinance Or Law Coverage(s).

1. The following additional coverages apply only to covered Buildings written on a replacement cost basis.
2. Application of Coverage(s)

The Additional Coverage for Ordinance Or Law provided by this endorsement applies only if both **F.2.a.** and **F.2.b.** are satisfied and are then subject to the qualifications set forth in **F.2.c.**

 - a. The ordinance or law:
 - (1) Regulates the demolition, construction or repair of buildings or tenants improvements and betterments, or establishes zoning or land use requirements at the described premises; and
 - (2) Is in force at the time of loss.But coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.
 - b. The building or tenants improvements and betterments sustain direct physical damage;
 - (1) That is covered under this policy and such damage results in enforcement of the ordinance or law; or
 - (2) That is covered under this policy and direct physical damage that is not covered under this policy, and the building or improvements and betterments damage in its entirety results in enforcement of the ordinance or law.

(3) But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building or tenants improvements and betterments has also sustained covered direct physical damage.

c. In the situation described in **F.2.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages 1, 2 and/or 3 of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in endorsement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages 1, 2 and/or 3.

3. We will not pay under Coverages 1, 2 or 3 of this endorsement for:

- a. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
- b. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

4. Coverage

a. Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building or Tenants Improvements and Betterments
With respect to the building or tenants improvements and betterments that sustain covered direct physical damage, we will pay under Coverage 1 for the loss in value of undamaged portion of the building or tenants improvements and betterments as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building or tenants improvements and betterments. Coverage 1 is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage 1 does not increase the Limit of Insurance.

b. Coverage 2 – Demolition Cost Coverage
With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I – Property does not apply to Demolition Cost Coverage.

c. Coverage 3 – Increased Cost Of Construction Coverage
With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.5.d.** Loss Payment Property Loss Condition in Section I– Property does not apply to the Increased Cost of Construction Coverage.

5. Ordinance or Law Loss Payment

a. All following loss payment provisions **5.b.** through **5.c.**, are subject to the apportionment procedure set forth in Section **F.2.c.** above.

b. When there is a loss in value of an undamaged portion of a building or tenants improvements and betterments to which Coverage 1 applies, the loss payment for that building or tenants improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1)** If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a)** The amount you actually spend to repair, rebuild or reconstruct the building or tenants improvements and betterments, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b)** The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (2)** If the property is not repaired or replaced, we will not pay more than the lesser of:
 - (a)** The actual cash value of the building at the time of loss; or
 - (b)** The Limit of Insurance shown in the Declarations as applicable to the covered building.
 - (c)** If the Tenants Improvements and Betterments are not repaired or replaced, we will pay based on a proportion of your original cost of the tenants improvements and betterments. We will determine the proportionate value as follows:
 - (i)** Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (ii)** Divide the amount determined in **(1)** above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.

c. For Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction Coverage the most we will pay at each described premises, for the total of all covered losses is:

- (1)** \$100,000; or
- (2)** the Limit of Insurance shown in the Declarations for Demolition Cost Coverage and Increased Cost of Construction Coverage;

whichever is greater.

The Limit of Insurance for Demolition Cost Coverage and Increased Cost of Construction Coverage, described in Paragraph **5.c.** above, is subject to the following additional loss payment provisions:

- (1)** For Demolition Cost Coverage, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (2)** For Increased Cost of Construction Coverage:

We will not pay for the increased cost of construction:

 - (a)** Until the property is actually repaired or replaced, at the same or another premises; and
 - (b)** Unless the repairs or replacement are made as soon as reasonable possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

If the building or tenants improvements and betterments are repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a)** the increased cost of construction at the same premises; or
- (b)** the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph **5.c.** above.

If the ordinance or law requires relocation to another premises, the most we will pay under the Increased Cost of Construction Coverage is the lesser of:

- (a) the increased cost of construction at the new premises; or
- (b) the applicable Demolition Cost Coverage and Increased Cost of Construction Coverage Limit of Insurance described in Paragraph **5.c.** above.

- 6. The terms of this Additional Coverage apply separately to each Building to which this endorsement applies.
- 7. Under this endorsement, we will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.

- 8. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section **F.2.c.** of this endorsement).

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000 \text{ divided by } \$100,000 = .30$

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for Coverage 3 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 and 2 of this endorsement.

H. Outdoor Signs.

- 1. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
 - a. Owned by you; or
 - b. Owned by others but in your care, custody or control.
- 2. Paragraph **A.3.**, Covered Causes of Loss, and Section **B.**, Exclusions, does not apply to this Additional Coverage, except for:
 - a. Paragraph **B.1.c.**, Governmental Action;
 - b. Paragraph **B.1.d.**, Nuclear Hazard; and
 - c. Paragraph **B.1.f.**, War and Military Action.
- 3. We will not pay for loss or damage caused by or resulting from:
 - a. Wear and tear;
 - b. Hidden or latent defect;
 - c. Rust;
 - d. Corrosion; or
 - e. Mechanical breakdown.
- 4. The most we will pay for loss or damage in any one occurrence is:
 - a. \$20,000; or
 - b. the Limit of Insurance for Outdoor Signs shown in the Declarations; whichever is greater.
- 5. This Additional Coverage replaces the Outdoor Signs Coverage in Part **G.1.** Optional Coverage.
- 6. As respects this Additional Coverage, Paragraph **2. Of C.** Limits of Insurance is deleted.

I. Reward

We will pay up to \$10,000 as a reward for information which leads to a conviction in connection with a fire loss or theft loss covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

J. Sales Samples

1. We will pay for direct loss or damage to samples of merchandise while in the possession of your sales people or principals acting as sales people.
2. Loss must be as a result of direct physical loss or damage by a Covered Cause of Loss and is subject to all of the exclusions and conditions of Section I. – Property.
3. The most we will pay for loss under this Additional Coverage is \$10,000 in any one occurrence.

V. Coverage Extensions

The Coverage Extensions section of Part **A**. Coverage is changed as follows:

A. Newly Acquired Or Constructed Property

Paragraph **A.6.a**. Newly Acquired Or Constructed Property is replaced by the following:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

- (a)** Your new buildings while being built on the described premises; and
- (b)** Buildings you acquire at premises other than the one described, intended for:
 - (i)** Similar use as the building described in the Declarations; or
 - (ii)** Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$1,000,000 at each building.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a)** Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b)** Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- (c)** Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a)** This policy expires;
- (b)** 90 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c)** You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

- B.** Personal Property Off Premises.
Paragraph **A.6.b.** Personal Property Off Premises is replaced by the following:
b. You may extend the insurance provided by this policy to apply to your Covered Property, other than “money” and securities”, “valuable papers and records” or accounts receivable, while it is in the course of transit or temporarily at a premises you do not own, lease or operate. The most we will pay for loss or damage under this Extension is \$50,000.

Regardless of the limits above, we will not pay more than \$2,500 for loss or damage to Employee Tools which occurs off premises.

- C.** Outdoor Property.
Paragraph **A.6.c.** Outdoor Property, is replaced by the following:
c. Outdoor Property

You may extend the insurance provided by this policy to apply to the following outdoor property located on the described premises:

- (1)** Outdoor fences.
- (2)** Outdoor radio, television, satellite, dish-type or other antennas, including their masts, towers and lead-in and support wiring.
- (3)** Outdoor trees, shrubs and plants.

The most we will pay in any one occurrence is \$5,000 at any one location for all loss or damage to the above outdoor property.

- D.** **Personal Effects**
Paragraph **6.d.** Personal Effects is replaced by the following:

d. Personal Effects

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or “members”, your “managers” or your employees. This extension does not apply to:

- (1)** Tools or equipment used in your business except as provided by Additional Coverage IV.C. Employee Tools of this endorsement; or
- (2)** Loss or damage by theft.

The most we will pay for loss or damage under this Extension is \$500 per person or \$10,000 aggregate at each described premises.

- E.** Valuable Papers and Records.
Paragraph **A.6.e. (3)** “Valuable Papers and Records” is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to “valuable papers and records” in any one occurrence at the described premises is:

- (a)** \$50,000; or
- (b)** the Limit of Insurance shown for Valuable Papers and Records in the Declarations; whichever is greater.

The most we will pay for “valuable papers and records” not at the described premises is:

- (a)** 25% of the valuable papers and records limit of insurance described above; or
- (b)** \$10,000
whichever is less.

- F.** Accounts Receivable.
Paragraph **A.6.f. (2)** Accounts Receivable is replaced by the following:

The most we will pay under this Coverage Extension for loss or damage to accounts receivable in any one occurrence at the described premises is:

- (a)** \$100,000
- (b)** the Limit of Insurance shown for Accounts Receivable in the Declarations; whichever is greater.

The most we will pay for accounts receivable not at the described premises is \$5000.

VI. The following items are added to the Coverage Extensions section of Part **A.** Coverage:

A. Brands and Labels.

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions.

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, and we take all or part of the property at an agreed or appraised value, you may extend the insurance that applies to Business Personal Property to pay expenses you incur to:

1. stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. remove the brands and labels, if doing so will not physically damage the merchandise or its containers to comply with the law.

Payment of these expenses is included within the applicable Limit of Insurance.

B. Consequential Loss to Stock.

The following is added to the Loss Payment provisions of Part **E.** Property Loss Conditions:

If a Covered Cause of Loss occurs to covered stock, we will pay any reduction in value of the remaining undamaged parts of covered stock.

Payment for any reduced value in stock is included within the applicable Limit of Insurance.

C. "Fine Arts".

You may extend the insurance which applies to Your Business Personal Property to apply to "Fine Arts" that are:

1. Property you own that is used in your business; or
2. Property of others that is in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$25,000 at each described premises; or the Limit of Insurance shown for "Fine Arts" in the Declarations; whichever is greater.

In the event of loss or damage to property covered under this extension, we will pay the market value of the property at the time of loss or damage.

Section **B.** Exclusions of the Property Coverage Form does not apply to this Coverage Extension except for:

- (1) Paragraph **B.1.c.**, Governmental Action;
- (2) Paragraph **B.1.d.**, Nuclear Hazard;
- (3) Paragraph **B.1.f.**, War and Military Action;
- (4) Paragraph **B.2.f.**, Dishonesty;
- (5) Paragraph **B.2.g.**, False Pretense; and
- (6) Paragraph **B.2.k.**, Neglect.

D. Lock Replacement.

You may extend the insurance provided by this policy to apply to the cost to repair or replace the door locks or tumblers of your described premises due to theft of your door keys.

The most we will pay under this Extension is \$5,000 in any one occurrence.

E. Loss Adjustment Expenses.

You may extend the insurance provided by this policy to apply to your expenses for preparation of loss data, including inventories and appraisals, in connection with any claim covered under this policy. This Extension will not pay for expenses incurred insuring the services of a public adjuster.

The most we will pay under this Extension is \$5,000.

F. Water Back-Up And Sump Overflow.

1. You may extend the insurance provided by this policy to apply to physical loss or damage to your property caused by or resulting from:
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph (b.) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

2. The coverage described in Paragraph (1.) above does not apply to loss or damage resulting from an Insured's failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.
3. The most we will pay for the coverage provided under the Water Back-Up And Sump Overflow Extension of coverage is \$25,000 per location.
4. With respect to the coverage provided under this Extension, Exclusion **B.1.g.** Water is replaced by the following exclusion:
 - g. Water
 - (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
 - (2) Mudslide or mudflow; or
 - (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved nor not; or
 - (c) Doors, windows or other openings.

But, if Water, as described in **g.(1)** through **g.(3)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage causes by that fire, explosion or sprinkler leakage.

VII. Limitations

- A. "Fine Arts".
Paragraph b. in 4. Limitations of Part A. Coverage does not apply to "Fine Arts" Extension of Coverage or to "Fine Arts" Optional Coverage.

VIII. Limits of Insurance

Paragraph 3. Of Part C. Limits of Insurance, is changed as follows:

3. Unless otherwise stated, the limits applicable to the Coverage Extensions and Computer Equipment, Employee Dishonesty, Employee Tools, Fire Department Service Charge, Fire Extinguisher Systems Recharge Expense, Forgery and Alterations, Money and Securities, Money Order and Counterfeit Money, Off Premises Power Failure, Ordinance or Law Coverage, Pollutant Clean Up and Removal and Reward, Additional Coverages are in addition to the Limits of Insurance.

IX. Deductible

Paragraphs 2. and 3. Of Part D. Deductibles are replaced by the following:

2. Regardless of the amount of the Deductible, the most we will deduct from any loss or damage is \$500 in any one occurrence under:
 - a. the following Additional Coverages:
 - (1) Employee Dishonesty;
 - (2) Glass Coverage;
 - (3) Forgery and Alterations Coverage;
 - (4) Money Orders and Counterfeit Paper Money;
 - (5) Money and Securities;
 - (6) Outdoor Signs; or
 - (7) Condominium Unit-Owners Loss Assessment

But this \$500 deductible will not increase the deductible shown in the Declarations. This deductible will be used to satisfy the requirements of the deductible in the Declarations.

3. No deductible applies to:
 - a. the following Additional Coverages:
 - (1) Business Income;
 - (2) Civil Authority;
 - (3) Extra Expense;

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- (4) Fire Department Service Charge;
- (5) Fire Extinguisher Systems Recharge Expense;
- (6) Off Premises Power Failure;
- (7) Reward; or

b. the following Coverage Extensions:

- (1) Lock Replacement; or
- (2) Loss Adjustment Expenses.

X. Period of Restoration

Paragraph 9. "Period of Restoration," of Part H. Property Definitions, is replaced by the following:

9. "Period of Restoration" means the period of time that:

a. Begins:

- (1) 24 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage; caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1) The date when our business activities at the described premises return to the level that existed immediately before the loss; but in no event for more than 30 days after the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

c. Does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

XI. Property Definitions

The following are added to Part H. Property Definitions:

15. "Fine Arts" means paintings, etchings, pictures, tapestries, art or stained glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, sports memorabilia and any other similar property of rarity, historic value or artistic merit.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – FIDUCIARY OR REPRESENTATIVE
LIABILITY OF FINANCIAL INSTITUTIONS**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Section II – Liability, Paragraph B. Exclusions:

This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of the ownership, maintenance or use, including all related operations, of property for which you are acting in a fiduciary or representative capacity.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FINANCIAL SERVICES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to Section II – Liability, Paragraph B.1.j. Professional Services Exclusions:

This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” resulting from the rendering of or the failure to render financial services by any insured to others. For the purpose of the exclusion, financial services include but are not limited to:

- 1.** Planning, administering or advising on:
 - a.** Any:
 - (1)** Investment;
 - (2)** Pension;
 - (3)** Annuity;
 - (4)** Savings;
 - (5)** Checking; or
 - (6)** Individual retirement plan, fund or account;
 - b.** The issuance or withdrawal of any bond, debenture, stock or other securities;
 - c.** The trading of securities, commodities or currencies; or
 - d.** Any acquisitions or mergers;
- 2.** Acting as a dividend disbursing agent, exchange agent, redemption or subscription agent, warrant or scrip agent, fiscal or paying agent, tax withholding agent, escrow agent, clearing agent, or electronic funds transfer agent;
- 3.** Lending, or arranging for the lending of, money, including credit card, debit card, leasing or mortgage operations or activities or interbank transfers;
- 4.** Repossessing of real or personal property from a borrower or acting as an assignee for the benefit of creditors;
- 5.** Checking or reporting of credit;
- 6.** Maintaining of financial accounts or records;
- 7.** Tax planning, tax advising or the preparation of tax returns; or
- 8.** Selling or issuing travelers checks, letters of credit, certified checks, bank checks or money orders.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ANIMAL/PET ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

LIMITS OF INSURANCE

Per Animal	\$500
Per Occurrence	\$5,000
Deductible	\$100

SECTION I – Property is amended as follows:

A. COVERAGE

The following is added to Paragraph 1.b. of Part A., Coverage of the Businessowners Coverage Form:

- (6) animals owned by your clients while in your care, custody or control;
 - (a) at your premises; or
 - (b) in transit in a vehicle or in a mobile clinic owned or operated by you; or for grooming, boarding or other services. Boarding of pets is limited to 24 hours.

B. PROPERTY NOT COVERED

The following is added to Paragraph 2., Property Not Covered of Part A., Coverage of the Businessowners Coverage Form.

- j. Covered property does not include "livestock" or "exotic animals".

C. COVERED CAUSES OF LOSS

Paragraph 3., Covered Causes of Loss of Part A., Coverage of the Businessowners Coverage Form is amended by the addition of Subparagraphs c., d. and e. applying to Pets Coverage as follows:

- c. We will pay for direct "loss" due to death or destruction of Pets caused by or resulting from, or made necessary by, any of the following:
 - (1) fire or lightning;
 - (2) windstorm or hail;
 - (3) explosion;
 - (4) riot or civil commotion;
 - (5) vandalism;
 - (6) aircraft, meaning "loss" caused by contact of an aircraft or objects falling from aircraft;
 - (7) vehicular, meaning "loss" resulting from being struck by a vehicle or by an object thrown up by a vehicle;
 - (8) smoke;
 - (9) attack by another animal;
 - (10) flood, surface water, tidal water or tidal wave, water which backs up through sewers or drains;
 - (11) earthquake, volcanic eruption, landslide or sinkhole collapse;
 - (12) collapse of bridges or culverts, collision, upset or overturn of the vehicles in which the animal is being transported;
 - (13) drowning.

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- d. We will pay for direct "loss" by theft including attempted theft and escape.
- e. We will pay for direct "loss" caused by or resulting from voluntarily parting with any property by you or anyone entrusted with the animals if;
 - (1) induced to do so by any fraudulent scheme, trick, device or false pretense; or
 - (2) unauthorized instructions being given to transfer animals to any person or to any place.

However, you must do everything possible to insure that any place you provide for animals to which this coverage applies is safe and wholesome for the animals. Otherwise, this coverage will not apply.

D. ADDITIONAL COVERAGES

The following items are added to Paragraph 5., Additional Coverages of Part A., Coverage of the Businessowners Coverage Form:

1. Recovery Expense Coverage

We will reimburse you up to \$500 in any one policy year for the reasonable expenses that you incur for recovering or attempting to recover animals which are in your care, custody or control;

- (a) for grooming; or
- (b) for boarding; or
- (c) for other services;

and which escape, are stolen or which you voluntarily part with because of being induced to do so by fraudulent scheme, tricks, device or false pretense.

Reasonable expenses include expenses for advertising, travel, communications and animal transport.

2. Reward Expense Coverage

We will reimburse you up to \$1,000 in any one policy year for the reasonable expenses that you incur for rewards for the safe return of, or information leading to the safe return of animals which are in your care, custody or control;

- (a) for grooming; or
- (b) for boarding; or
- (c) for other services;

and which escape, are stolen or which you voluntarily part with because of being induced to do so by fraudulent scheme, tricks, device or false pretense.

However, we will not pay more under this Reward Expense Coverage than the smaller of;

- (a) \$500; or
- (b) the actual cash value of the animal;

for the safe return of, or information leading to the safe return of any one animal.

3. Emergency Removal Coverage

We will reimburse you up to \$1,000 in any one event for the reasonable expenses that you incur in the emergency removal of animals which are in your care, custody or control;

- (a) for grooming; or
- (b) for boarding; or
- (c) for other services;

However, we will not pay for the removal of any animals due to and confined to their individual medical conditions. By emergency, we mean imminent danger of loss to animals by a covered cause of loss which is covered under this coverage.

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E. EXCLUSIONS

Part B., Exclusions, Paragraph 1. of the Businessowners Coverage Form is amended by the addition of:

- j.** Any "loss" that is expected or intended by you.
- k.** Any "loss" to animals caused by or resulting from:
 - (1)** any disease or parasite infestation, or the treatment for any disease or parasite infestation; or
 - (2)** any condition or injury for which an animal is in your care for professional veterinary services and any treatment for that condition or injury including intentional destruction of the animal; or
 - (3)** seizure, confiscation or destruction by or at the direction of any government authority including customs authorities.
- l.** Any "loss" that occurs after, and as a result of, any loss of or damage to animals, except as specifically provided in this coverage.

F. COVERAGE EXTENSIONS

The following is added to Coverage Extensions, Paragraph 6. of Part A. Coverage of the Businessowners Coverage Form:

Non-Owned Building

- (1)** You may extend the insurance that applies to your Business Personal property to apply to loss or damage to that part of the building which you occupy but do not own, provided that:
 - (a)** the building is used for an "animal specialty" business; and
 - (b)** the loss or damage is caused by animals held in your care, custody or control at the premises described in the Declarations; and
 - (c)** You are legally liable for the loss.

The loss or damage under this coverage extension must be sudden and not repetitive, habitual or from animal waste.

G. LIMITS OF INSURANCE

Part C., Limits Of Insurance of the Businessowners Coverage Form is replaced by:

The most we will pay for "loss" is the applicable Limit of Insurance shown in the Schedule Per Animal and Per Occurrence.

H. DEDUCTIBLES

The following replaces Part D., Deductibles, Paragraph 3.a. of the Businessowners Coverage Form and the Businessowners Property Extension Endorsement or Businessowners Property Plus Extension Endorsement.

- a.** No deductible applies to:
 - (1)** Business Income;
 - (2)** Civil Authority;
 - (3)** Extra Expense;
 - (4)** Fire Department Service Charge;
 - (5)** Fire Extinguisher Recharge Expense;
 - (6)** Off Premises Power Failure;
 - (7)** Reward;
 - (8)** Recovery Expense Coverage;
 - (9)** Reward Expense Coverage; or
 - (10)** Emergency Removal Coverage.

- I.** Part E., Property Loss Conditions, Paragraph 5., Loss Payment of the Businessowners Coverage Form is amended by the addition of:

(h) The value of Covered Property for animals will be the least of the following amounts:

- (a)** the actual cash value at the time of loss;
- (b)** the cost of replacement with a substantially identical animal; or
- (c)** the amount for which you are liable.

In the event of "loss," the value of the animal will be determined as of the time of "loss."

(i) Reinstatement of Limit After "Loss"

The Limit of Insurance will not be reduced by the payment of any claim, except for total "loss" of a scheduled item, in which we will refund the unearned premium on that item.

J. The following are added to Part H., Property Definitions of the Businessowners Coverage Form:

15. "Loss" means accidental loss and does not mean sickness or disease.

"Loss" also includes:

- a.** your interest in the animals for incurred charges for services you have rendered which become uncollectible because of the "loss" or damage; and
- b.** any expenses for disposing of the animals that die.

16. "Livestock" means cattle, sheep, swine, goats, horses, mules and donkeys.

17. "Animal specialty business" means establishments primarily engaged in performing services other than veterinary; such as, but not limited to, domestic boarding kennels and domestic pet groomers for other than livestock animals.

18. "Exotic animal" means an animal that is strikingly different or unusual.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EMPLOYMENT-RELATED PRACTICES
LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Employment-Related Practices Liability Annual Aggregate Limit Of Insurance	\$
Deductible Amount	\$
Retroactive Date	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

For the purposes of the coverage provided by this endorsement, **Section II – Liability** is amended as follows:

A. The following is added to Paragraph A. Coverages:

1. Insuring Agreement

a. We will pay those sums the insured becomes legally obligated to pay as damages resulting from an "injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages because of an "injury" to which this insurance does not apply. We may, at our discretion, investigate any incident that may result in "injury". We may, with your written consent, settle any "claim" that may result. But:

- (1)** The amount we will pay for damages and "defense expenses" is limited as described in Paragraph D.1. Employment-Related Practices Liability Annual Aggregate Limit Of Insurance and Paragraph D.2. Deductible of this endorsement; and
- (2)** The coverage and duty to defend provided by this endorsement will end when we have used the applicable Limit of Insurance for "defense expenses" or the payment of judgments or settlements.

No other obligation or liability to pay sums, such as civil or criminal fines, imposed on you or any other insured, or to perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to "injury" only if:

- (1)** The "injury" arises out of an offense that takes place in the "coverage territory";
- (2)** The offense out of which the "injury" arose did not commence before the Retroactive Date, if any, shown in the Schedule, or after the end of the policy period; and

(3) A "claim" because of the "injury" is first made against any insured, in accordance with Paragraph c. below, during the policy period.

c. A "claim" will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claim" is received by any insured and reported to us in writing; or

(2) When a "claim" against an insured is made directly to us in writing.

A "claim" received by the insured during the policy period and reported to us within 30 days after the end of the policy period will be considered to have been reported within the policy period. However, this 30 day grace period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would have been covered but for exhaustion of the amount of insurance applicable to such "claims".

d. All "claims" arising out of "injury" to the same person, including damages claimed by any person for care, loss of services or death resulting at any time from the "injury", will be deemed to have been made at the time the first of such "claims" is made, regardless of the number of "claims" subsequently made.

B. For the purposes of the coverage provided by this endorsement, the following is added to Paragraph B. Exclusions, Subparagraph 1. Applicable To Business Liability Coverage:

This insurance does not apply to:

a. Criminal, Fraudulent Or Malicious Acts

An insured's liability arising out of criminal, fraudulent or malicious acts or omissions by that insured.

This exclusion does not affect our duty to defend, in accordance with Paragraph A.1. of this endorsement, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal, fraudulent or malicious act or omission.

b. Contractual Liability

"Injury" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement.

c. Violation Of Laws Applicable To Employers

A violation of your responsibilities or duties required by any other federal, state or local statutes, rules or regulations, and any rules or regulations promulgated therefor or amendments thereto, except for the following: Title VII of the Civil Rights Act of 1964 and amendments thereto, the Americans With Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act, the Pregnancy Discrimination Act of 1978, the Immigration Reform Control Act of 1986 and the Family and Medical Leave Act of 1993 or any other similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

However, this insurance does not apply to "injury" arising out of your failure to comply with any of the accommodations for the disabled required of you by, or any expenses incurred as the result of physical modifications made to accommodate any person pursuant to, the Americans With Disabilities Act, or any amendments thereto, or any similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

This exclusion does not apply to any "claim" for regulatory treatment by an insured against any person making a "claim" pursuant to such person's rights under any statutes, rules or regulations.

d. Strikes And Lockouts

"Injury" to any striking or locked-out "employee", or to an "employee" who has been temporarily or permanently replaced due to any labor dispute.

C. For the purposes of the coverage provided by this endorsement, Section II – Who Is An Insured is amended to include as an insured:

1. Your "employees", unless otherwise excluded in this endorsement.
2. Your former "employees", unless otherwise excluded in this endorsement, but only with respect to offenses committed while in your employ.

D. For the purposes of the coverage provided by this endorsement, Paragraph D. Liability And Medical Expenses Limits Of Insurance is replaced by the following:

1. Employment-Related Practices Liability Annual Aggregate Limit Of Insurance

a. The Employment-Related Practices Liability Annual Aggregate Limit Of Insurance shown in the Schedule of this endorsement is the most we will pay in any one policy year, regardless of the number of:

- (1) Insureds;
- (2) "Claims" made or "suits" brought; or
- (3) Persons, organizations or government agencies making "claims" or bringing "suits".

b. The Employment-Related Practices Liability Annual Aggregate Limit Of Insurance shown in the Schedule of this endorsement is the most we will pay for the sum of:

- (1) All damages; and
- (2) All "defense expenses"

because of the total of all "claims" first made against an insured during the policy period.

If the first loss payment for damages or "defense expenses" under this endorsement does not exhaust the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance, then the balance of that Limit is available for subsequent damage or "defense expenses" sustained in but not after that policy year.

2. Deductible

a. We will not pay for our share of damages and "defense expenses" until the amount of damages and "defense expenses" exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of damages and "defense expenses" in excess of the Deductible, up to the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance.

Example No. 1

Deductible: \$2,500

Limit of Insurance: \$30,000

Damages and "Defense Expenses": \$25,000

The Deductible will be subtracted from the amount of damages and "defense expenses" in calculating the amount payable:

$\$25,000 - \$2,500 = \$22,500$ Amount Payable

Example No. 2

Deductible: \$2,500

Limit of Insurance: \$30,000

Damages and "Defense Expenses": \$40,000

The Deductible will be subtracted from the amount of damages and "defense expenses" ($\$40,000 - \$2,500 = \$37,500$). Since the amount of the damages and "defense expenses" minus the Deductible exceeds the Limit of Insurance, the policy will pay the full Limit of Insurance (\$30,000).

b. The Deductible amount shown in the Schedule applies to all "claims" arising out of:

(1) The same "injury"; or

(2) A series of incidents, circumstances or behaviors which arise from a common cause

regardless of the number of persons, organizations or government agencies making such "claims".

c. We may pay any part or all of the Deductible amount to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.

E. For the purposes of the coverage provided by this endorsement, the following are added to Paragraph E. Liability And Medical Expenses General Conditions:

1. Consent To Settle

If we recommend a settlement to you which is acceptable to the claimant, but to which you do not consent, the most we will pay as damages in the event of any later settlement or judgment is the amount for which the "claim" could have been settled, to which you did not give consent, less any deductible.

2. Duties In The Event Of A Claim Or An Incident That May Result In Injury

a. If a "claim" is received by any insured, you must:

(1) Immediately record the specifics of the "claim" and the date received; and

(2) Notify us, in writing, as soon as practicable.

b. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and

- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury" or damage to which this insurance may also apply.
- c. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense without our written consent.
- d. If you have knowledge of an incident which may result in "injury" and for which a "claim" has not yet been received, you must notify us, in writing, as soon as practicable. Notice of an incident is not notice of a "claim".

3. Representations

By accepting this policy, you agree that:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

4. If You Are Permitted To Select Defense Counsel

If, by mutual agreement or court order, the insured is given the right to select defense counsel and the Limit of Insurance has not been used up, the following provisions apply:

- a. We retain the right, at our discretion, to:
 - (1) Settle, approve or disapprove the settlement of any "claim"; and
 - (2) Appeal any judgment, award or ruling at our expense.
- b. You and any other involved insured must:
 - (1) Continue to comply with Paragraph E.2. Duties In The Event Of A Claim Or An Incident That May Result In Injury Condition of this endorsement as well as the other provisions of this policy; and
 - (2) Direct defense counsel of the insured to:
 - (a) Furnish us with the information we request to evaluate those "suits" for coverage under this policy; and
 - (b) Cooperate with any counsel we may select to monitor or associate in the defense of those "suits".
- c. If we defend you under a reservation of rights, both your and our counsel will be required to maintain records pertinent to your "defense expenses". These records will be used to determine the allocation of any "defense expenses" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

5. Transfer Of Duties When Limit Of Insurance Is Used Up

- a. If we conclude that, based on "claims" which have been reported to us and to which this insurance may apply, the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance is likely to be used up in the payment of judgments or settlements for damages or the payment of "defense expenses", we will notify the first Named Insured, in writing, to that effect.

- b. When the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance has actually been used up in the payment of judgments or settlements for damages or the payment of "defense expenses", we will:
 - (1) Notify the first Named Insured in writing, as soon as practicable, that such a limit has actually been used up and that our duty to defend the insured against "suits" seeking damages subject to that limit has also ended;
 - (2) Initiate, and cooperate in, the transfer of control, to any appropriate insured, of all "suits" for which the duty to defend has ended for the reason described in preceding Paragraph 5.b.(1) and which are reported to us before that duty to defend ended; and
 - (3) Take such steps, as we deem appropriate, to avoid a default in, or continue the defense of, such "suits" until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.
- c. If the circumstances described in Paragraph 5.b.(1) have occurred, the first Named Insured, and any other insured involved in a "suit" seeking damages subject to that limit, must:
 - (1) Cooperate in the transfer of control of "suits"; and
 - (2) Arrange for the defense of such "suit" within such time period as agreed to between the appropriate insured and us. Absent any such agreement, arrangements for the defense of such "suit" must be made as soon as practicable.
- d. We will take no action with respect to defense for any "claim" if such "claim" is reported to us after the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance has been used up. It becomes the responsibility of the first Named Insured, and any other insured involved in such a "claim", to arrange defense for such "claim".
- e. The first Named Insured will reimburse us as soon as practicable for expenses we incur in taking those steps we deem appropriate in accordance with Paragraph 5.b.
- f. The exhaustion of the Employment-Related Practices Liability Annual Aggregate Limit Of Insurance and the resulting end of our duty to defend will not be affected by our failure to comply with any of the provisions of this Condition.

F. For the purposes of the coverage provided by this endorsement, the following is added to Paragraph F. Liability And Medical Expenses Definitions of the policy:

- 1. "Claim" means a "suit" or demand made by or for the injured person for damages because of alleged "injury".
- 2. "Defense expenses" means payments allocated to a specific "claim" we investigate, settle or defend, for its investigation, settlement or defense, including:
 - a. Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our "employees".
 - b. Fees of attorneys the insured retains when, by our mutual agreement or court order (or when required by administrative hearing or proceeding), the insured is given the right to retain defense counsel to defend against a "claim".
 - c. All other litigation or administrative hearing expenses, including fees or expenses of expert witnesses hired either by us or by the defense attorney retained by an insured.

- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim", including actual loss of earnings up to \$250 a day because of time off from work.
- e. Costs taxed against the insured in a "suit".

"Defense expenses" does not include salaries and expenses of our "employees" or the insured's "employees" (other than those described in Paragraphs a. and d. of this definition).

- 3. "Discrimination" means violation of a person's civil rights with respect to such person's race, color, national origin, religion, gender, marital status, age, sexual orientation or preference, physical or mental condition, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.
- 4. "Injury" means injury to your "employee" arising out of one or more of the following offenses:
 - a. Demotion or failure to promote, negative evaluation, reassignment or discipline of your current "employee" or wrongful refusal to employ;
 - b. Wrongful termination, meaning the actual or constructive termination of an "employee":
 - (1) In violation or breach of applicable law or public policy; or
 - (2) Which is determined to be in violation of a contract or agreement, other than any employment contract or agreement, whether written, oral or implied, which stipulates financial consideration if such financial consideration is due as the result of a breach of the contract;
 - c. Wrongful denial of training, wrongful deprivation of career opportunity, or breach of employment contract;
 - d. Negligent hiring or supervision which results in any of the other offenses listed in this definition;
 - e. Retaliatory action against an "employee" because the "employee" has:
 - (1) Declined to perform an illegal or unethical act;
 - (2) Filed a complaint with a governmental authority or a "suit" against you or any other insured in which damages are claimed;
 - (3) Testified against you or any other insured at a legal proceeding; or
 - (4) Notified a proper authority of any aspect of your business operation which is illegal;
 - f. Coercing an "employee" to commit an unlawful act or omission within the scope of that person's employment;
 - g. Work-related harassment;
 - h. Employment-related libel, slander, invasion of privacy, defamation or humiliation; or
 - i. Other work-related verbal, physical, mental or emotional abuse arising from "discrimination".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**GARAGEKEEPER'S LOSS OR DAMAGE TO CUSTOMERS' AUTOS
(DIRECT PRIMARY COVERAGE)**

This endorsement modifies insurance provided under the following:

**AUTOMOBILE SERVICES AMENDATORY ENDORSEMENT
BUSINESSOWNERS COVERAGE FORM**

This endorsement replaces Section V. paragraph C. of the Automobile Services Amendatory Endorsement

Coverage is subject to all the provisions of SECTION I – PROPERTY of the Businessowners Coverage Form, except as provided in this endorsement.

- A.** Coverage applies only for each premises described in the Declarations for which a limit of insurance is shown for Loss or Damage to Customers' Autos. If limit of insurance is higher than \$10,000, additional premium must also be shown.
- B.** We will pay for direct physical loss of or damage (including any resulting loss of use) to "autos" or "auto" equipment left in your care while you are attending, servicing, repairing, parking or storing the "autos" at or temporarily away from a premises shown in the Declarations. Such loss or damage must be caused by or result from a Covered Cause of Loss. Our payment for loss or damage will only be for the account of the owner of the "auto".
- C.** Coverage will apply to any boat or other marine equipment while contained on any trailer and attached to any auto the insured is attending, servicing, repairing, parking, or storing in this "auto business".
- D.** As used in this endorsement, Covered Cause of Loss means any cause of loss or damage not specifically excluded in Section **E.** of this endorsement.
- E.** This insurance does not apply to any of the following:
 - 1.** Theft
Loss or damage due to theft or conversion caused in any way by you or any other insured.
 - 2.** Defective Parts
Defective parts or materials
 - 3.** Faulty Work
Defective work you performed, including work that someone performed for you.
- F.** LIMIT OF INSURANCE AND DEDUCTIBLE
 - 1.** Regardless of the number of "autos" left in your care, the most we will pay for all loss or damage at each premises in any one event is \$10,000 or the Limit Of Insurance shown in the Declarations minus the applicable deductible for loss or damage caused by collision, theft or mischief or vandalism.
 - 2.** A basic \$250 property damage deductible (or higher as shown in the Declarations) applies to damages in any accident resulting from property damage to each customer's auto as a result of work you performed on that auto. A \$1,000 maximum deductible applies for all losses in any one event.
- G.**
 - 1.** As used in this endorsement "auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads including any attached machinery or equipment; or any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged. However "auto" does not include mobile equipment.
 - 2.** "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CREMATORY OPERATIONS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B., Exclusions** of **Section II- Liability – Coverage A – Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of errors or omissions in the cremation of dead bodies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL EVENTS COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE*

Name or Description of Event:

Event Begins:

Number of Days:

*Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Paragraph A.6.b. Coverage Extensions of Section I – PROPERTY is amended to add the following:

An additional \$2,500 coverage for your Covered Business Personal Property, other than “money” and “securities”, “valuable papers and records” or accounts receivable is provided while:

1. At the event scheduled above; and
2. During the period shown in the schedule.

B. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance.

C. Section II – LIABILITY applies to “bodily injury”, “property damage”, “personal and advertising injury” and medical expense occurring:

1. At the event scheduled above; and
2. During the period shown in the schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – LESSOR OF
LEASED EQUIPMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE*

Name of Additional Insured Person or Organization:

Description of Leased Equipment:

Location(s) of Leased Equipment:

The following is added to Paragraph C. WHO IS AN INSURED in Section II – Liability:

3. The person or organization shown in the Schedule is an additional insured, but only with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused in whole or in part by your maintenance, operation or use of equipment leased to you by such person or organization and shown in the Schedule.

With respect to the insurance afforded to an additional insured, this insurance does not apply to any “occurrence” which takes place after the equipment lease expires.

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASBESTOS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

This insurance does not apply to:

"Bodily injury", "property damage", or "personal and advertising injury" arising out of or related in any way to asbestos or asbestos -containing materials.

We shall not have the duty to defend any such claim or "suit".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

EXCLUSION - LIABILITY ARISING OUT OF LEAD

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

This insurance does not apply to any:

- a.** Claim, suit, or "occurrence" alleging or arising out of any "bodily injury" "property damage", "personal and advertising injury" actually or allegedly arising out of or resulting from, or in any way directly or indirectly caused by or related to any actual or alleged:
 - (1)** ingestion, use, inhalation, handling or absorption of lead in any form from any source; or
 - (2)** contact with or exposure to lead in any form and from any source;
- b.** Damages, loss, cost, expense, liability or other obligation of any nature arising out of, resulting from, or in any way related to, any:
 - (1)** Claim, suit, request, demand, directive or order by or on behalf of any person, entity or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, abate or in any way respond to, or assess the presence or effects of lead in any form from any source; or
 - (2)** Claim or suit by or on behalf of any person entity or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating or detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead in any form.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESTAURANT VALET PARKING LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following replaces Part (3) under Exclusion **g. Aircraft, Auto** or **Watercraft** in Section II - Liability:

- (3)** Parking an "auto" provided the "auto" is not owned by or rented or loaned to you or any insured;

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL EXPENSE AT YOUR REQUEST ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Coverage 2. Medical Expenses in Section II - Liability is amended by the addition of the following:

Medical expenses will be paid only if an insured has requested that we pay such expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHURCH DIRECTORS AND OFFICERS COVERAGE FORM

PROVIDES CLAIMS MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.

SCHEDULE*

NAMED INSURED:

POLICY PERIOD: TO

Limits of Insurance

Aggregate Limit:

Each Loss Limit:

Total Annual Premium: See Dec

Other Endorsements applying to this Coverage Form:

*Information required to complete this Schedule, if not shown on this Form, will be shown in the Businessowners Policy Declarations.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Schedule above. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "Insured" means any person or organization qualifying as such under SECTION II - WHO IS AN INSURED.

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION VI - DEFINITIONS.

SECTION I - RELIGIOUS INSTITUTIONS DIRECTORS AND OFFICERS COVERAGES

1. Insuring Agreement

- a. We will pay those sums that the "Insured" becomes legally obligated to pay as "damages" because of a "wrongful act" to which this insurance applies. We will also reimburse you for those sums which you are required or permitted to pay to the "Directors" and "Officers" according to the applicable law, or the by-laws of your Church Board pursuant to such law, to indemnify them for "damages" for claims against them because of a "wrongful act" to which this insurance applies. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

This insurance applies to a "wrongful act" which results in a claim first made against the "Insured" during the policy period providing the "Insured" at the effective date of this insurance had no knowledge of or could not have reasonably foreseen any circumstances which might result in a claim or "suit." The "wrongful act" must take place in the "coverage territory." We will have the right and duty to defend any "suit" seeking those "damages." But:

- (1) the amount we will pay for "damages" is limited as described in Section III - Limits of Insurance;
 - (2) we may, at our discretion, investigate any "wrongful act" and settle any claim or "suit" that may result; and
 - (3) our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments or settlements under this Coverage Part.
- b. This insurance applies to a "wrongful act" only if a claim for "damages" because of the "wrongful act" is first made against any "Insured" during the policy period.
- (1) A claim by a person or organization seeking "damages" will be deemed to have been made when notice of such claim is received and recorded by any "Insured" or by us, whichever comes first.
 - (2) All claims for "damages" causing "loss" to the same person or organization as a result of a "wrongful act" will be deemed to have been made at the time the first of those claims is made against any "Insured".

2. Exclusions

This insurance does not apply to:

- a. "bodily injury", "property damage", "personal and advertising injury",
- b. an account of profits or losses made from the purchase or sale of securities under:
 - (1) the Federal Securities Act of 1933; the Security Exchange Act of 1934; the Public Utilities Holding Company Act of 1935; the Investment Company Act of 1940; or to any amendments of or additions to any of these acts;
 - (2) any so-called Blue Sky Laws of any state, as they now exist or may be amended;
 - (3) the rules and regulations of any security, commodity or similar exchange; or
 - (4) any statute or regulation of any Province in the Dominion of Canada or any statute or regulation of the Federal Government of Canada relating to purchase sale or disposition of securities.
- c. salary, compensation or bonuses or other remuneration voted to "Officers" or "Directors" by your Board of Directors or Board of Governors.
- d. anything other than money "damages".
- e. any negligent act, error, omission, or failure or breach of duty:

- (1) in effecting and maintaining insurance; or
- (2) with respect to amount, form, conditions or provisions of insurance.
- f. an "Insured" gaining any personal profit or remuneration or advantage to which the "Insured" is not legally entitled.
- g. judgment adverse to your "Directors" or "Officers" if a "suit" brought against them will establish that their affirmative dishonesty or actual intent to deceive or defraud was material to the cause of action so adjudicated.
- h. discrimination on account of race, religion, sex or age, or in any way connected with a violation of any state or federal civil rights law.
- i. for "loss" which you or an "Insured" are entitled to reimbursement and/or payment by another insurer because:
 - (1) the other insurer provided a policy or policies which expired prior to the effective date of this endorsement; and
 - (2) notice was given to the other insurer of a circumstance which might give rise to a claim under their policy.

SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the "Insured" at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
4. All costs taxed against the "Insured" in the "suit".
5. Prejudgment interest awarded against the "Insured" on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance. These payments will not reduce the Limits of Insurance.

SECTION II - WHO IS AN INSURED

1. Each of the following is an "Insured":
 - a. you;
 - b. any individual who was, now is or shall be a "Director" or "Officer", trustee, clergy, wardens or members of the vestry.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Schedule above and the rules below fix the most we will pay regardless of the number of:
 - a. "Insureds";
 - b. claims made or "suits" brought; or
 - c. persons or organizations making claim or bringing "suits".
2. The Limits of Liability shown in the Schedule above applicable to Each "Loss" is the most we will pay for all claims arising out of the same act or interrelated acts of one or more of the "Insureds". The Limit of Liability shown in the Schedule above as Aggregate is, subject to the above provision respecting Each "Loss", the most we will pay for all "losses".

The limits of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Schedule above, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - RELIGIOUS INSTITUTIONS DIRECTORS AND OFFICERS CONDITIONS

1. **Bankruptcy**
Bankruptcy or insolvency of the "Insured" will not relieve us of our obligations under this Coverage Part.
2. **Duties in the event of "wrongful act", claim or "suit"**
 - a. The "Insured" must see to it that we are notified as soon as practicable of a "wrongful act" which may result in a claim.

To the extent possible, notice should include:

- (1) how, when and where the "wrongful act" took place;
- (2) the names and addresses of any injured persons and witnesses; and
- (3) the nature of any injury or "damage" arising out of the "wrongful act".

Notice of a "wrongful act" will be treated as a claim first made during the policy period.

- b. If a claim is received by any "Insured" you must:
 - (1) immediately record the specifics of the claim and the date received; and
 - (2) notify us as soon as practical.
- c. You and any other involved "Insured" must:
 - (1) immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or a "suit";
 - (2) authorize us to obtain records and other information.
 - (3) cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
 - (4) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or "damage" to which this insurance may also apply.
- d. No "Insured" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Form:

- a. to join us as a party or bring us into a "suit" asking for "damages" from an "Insured"; or
- b. to sue us on this Coverage Form unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "Insured"; but we will not be liable for "damages" that are not due under the terms of this Coverage Form or that are in excess of the Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "Insured" and the claimant or the claimant's legal agent.

4. Other Insurance

- a. The Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase or that would be covered but for exhaustion of the amount of insurance applicable to such claims.
- b. As respects all other situations we will share with all that other insurance by the method described below:
 - (1) if all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the "loss" remains, whichever comes first.
 - (2) If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable Limits of Insurance of all insurers.

5. Representations

By accepting this policy you agree:

- a. the statements in the Declarations are correct and complete;
- b. those statements are based upon representations you made to us; and
- c. we have issued this policy in reliance upon your representations.

6. Transfer Of Rights Of Recovery Against Others To Us

If the "Insured" has rights to regain all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The "Insured" must do nothing after "loss" to impair them. At our request, the "Insured" will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Expense Coverage.

SECTION V - EXTENDED REPORTING PERIOD

If this Coverage Form is cancelled or not renewed you have the right, upon payment of an additional premium of 25% of the expiring annual premium for this Coverage Form, to an extended reporting period with respect to any claim which shall be first made against the "Insured" during the period of twelve calendar months after the date of such cancellation or nonrenewal, but only with respect to any "wrongful act" committed before the date of such cancellation or nonrenewal. A claim first made during the Extended Reporting Period will be deemed to have been made on the last day of the policy period. The first Named Insured shown in the Schedule above must give us a written request for this extension, together with payment of the appropriate premium, within sixty (60) days after the effective date of cancellation or nonrenewal.

SECTION VI - DEFINITIONS

1. "Bodily injury" means "bodily injury", sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
3. "Damages" means any amount which the "Insured" may be legally obligated to pay or for which you may be required or permitted by law to pay as indemnity to your "Directors" and "Officers", for a claim or claims made against them for "wrongful acts", however "damages" shall not include fines and penalties imposed by law.
4. "Directors" means all of your "directors" or members of the Church Board.
5. "Insured" means any person who is an "Officer" or "Director", and also includes the estate, heirs, or legal representatives of an "Officer" or "Director" who dies or becomes incompetent.
6. "Loss" means "damages", settlement costs, and expenses involved in the investigation and defense of actions, proceedings, and appeals there from, made against "Directors" or "Officers" for "wrongful acts".
7. "Officers" means the holders of the titles or positions created by your Church Board.
8. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
9. "Property damage" means:
 - a. physical injury to tangible property, including all resulting loss of use of that property; or
 - b. loss of use of tangible property that is not physically injured.For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
10. "Suit" means a civil proceeding in which "damages" to which this insurance applies are alleged. "Suit" includes an arbitration proceeding alleging such "damages" to which you must submit or submit with our consent.
11. "Wrongful act" means any or all of the following:
 - a. actual or alleged errors;
 - b. misstatement or misleading statement;
 - c. act or omission; or
 - d. negligent act or breach of duty;by the "Directors" or "Officers" while acting in their capacity as such.

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Company Tracking Number: CL20070027(F)
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners
Liability
Product Name: Businessowners Forms Revision
Project Name/Number: BOP 2002/2006 Changes/CL20070027(F)

Supporting Document Schedules

Satisfied -Name:	Uniform Transmittal Document- Property & Casualty	Review Status: Approved	10/11/2007
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Comments:

All information requested on the NAIC Property & Casualty Transmittal Form and on the Form Filing Schedule is provided under the General Information tab and Form Schedule tab of this SERFF filing.

Satisfied -Name:	Forms Filing Summary	Review Status: Approved	10/11/2007
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Comments:

Attached is the Forms Filing Summary which outlines the form and endorsement revisions included in this filing.

Attachment:

AR Forms Filing Summary.pdf

FORMS FILING SUMMARY

Adopt ISO forms filings:

Arkansas

BP-2004-OFRO4 – Multistate Forms Filing

BP-2006-OTFO1 – Multistate Terrorism Forms Filing

Revised Company Forms with Editorial Changes only – new edition date 01 07

Form Number	Title	Previous Form # and Title (if different)
BP 79 00	Ambulance Professional Liability	BP 79 00 11 97
BP 79 16	Business Income and Extra Expense Exclusion	BP 79 16 01 88
BP 79 26	Businessowners Retail Gasoline Sales Amendment	BP 79 26 11 97
BP 79 47	Businessowners Printers Property Extension Endorsement	BP 79 47 11 97
BP 79 48	Additional Insured - Grantor of Franchise	BP 79 48 12 92
BP 79 60	Restaurant Amendatory Endorsement	BP 79 60 11 97
BP 79 75	Incidental Medical Malpractice	BP 79 75 07 96
BP 79 90	Businessowners Food Contamination Coverage	BP 79 90 06 99
BP 79 97	Additional Insured - Lessor of Leased Workers	BP 79 97 11 97
BP 80 06	Businessowners Policy Changes	BP 80 06 11 97
BP 80 23	Arts and Crafts Endorsement	BP 80 23 06 99
BP 80 26	Blanket Business Personal Property Insurance	BP 80 26 06 99
BP 80 27	Bookstore Endorsement	BP 80 27 06 99
BP 80 31	Computer Software Professional Liability Exclusion	BP 80 31 06 99
BP 80 32	Consulting Errors and Omissions Exclusion	BP 80 32 06 99
BP 80 33	Coverage For Pets	BP 80 33 06 99
BP 80 35	Display Equipment Endorsement	BP 80 35 06 99
BP 80 38	Florist Endorsement	BP 80 38 06 99
BP 80 39	Fragile Articles Endorsement	BP 80 39 06 99
BP 80 41	Goodwill Replacement Valuation Endorsement	BP 80 41 06 99
BP 80 43	Hired Auto Physical Damage	BP 80 43 06 99

BP 80 44	Inspection and Appraisal Services Exclusion	BP 80 44 06 99
BP 80 45	Insurance and Related Operations Exclusion	BP 80 45 06 99
BP 80 51	Lawyers Professional Liability Exclusion	BP 80 51 06 99
BP 80 56	Medical Office Endorsement	BP 80 56 06 99
BP 80 58	Products and Completed Operations Coverage Exclusion	BP 80 58 06 99
BP 80 60	Peak Season Endorsement	BP 80 60 06 99
BP 80 64	Shopping Center Endorsement	BP 80 64 06 99
BP 80 65	Spoilage Coverage Endorsement	BP 80 56 06 99
BP 80 68	Unexplained Loss Or Mysterious Disappearance	BP 80 68 06 99
BP 80 70	Veterinarian Endorsement	BP 80 70 06 99
BP 80 78	Attorney Foreclosure Auction Endorsement	BP 80 78 06 99
BP 80 81	Auto Legal Liability	BP 80 81 06 99
BP 80 82	Flood Endorsement	BP 80 82 06 99
BP 80 83	Business Income and Extra Expense Limitation	BP 80 83 06 99
BP 80 90	Earthquake Extension Endorsement	BP 80 90 06 99
BP 80 94	Medical Expenses Limit Amendment Endorsement	BP 80 94 06 99
BP 80 96	Pastoral Professional Liability Coverage Form	BP 80 96 06 99
BP 81 73	Exclusion - Exterior Insulation Finish System	BP 81 73 12 02

Company Withdrawn Forms – general – being replaced by ISO forms or no longer in use

Amendment of Collapse Coverage	BP 80 36 06 99
Arkansas Changes	BP 82 38 02 07
Auto Service Cancellation and Nonrenewal Amendatory Endorsement - Various states	BP 79 52 02 93
Business Income Changes Beginning of the Period of Restoration – no waiting period	BP 80 91 06 99

Certified Public Accountant	BP 80 28 06 99
Christian Bookstore Endorsement	BP 80 29 06 99
Computer Equipment	BP 79 06 01 95
Conditional Exclusion of Terrorism	BP 82 13 01 07
Conditional Exclusion Of Terrorism Including Nuclear, Biological Or Chemical Terrorism	BP 82 10 01 07
Continuous Leakage or Moisture Exclusion	BP 82 03 11 03
Earthquake Exclusion	BP 79 51 06 93
Exclusion – Electronic Distribution of Unsolicited Material	BP 82 20 10 04
Exclusion of Druggist Professional Liability	BP 80 37 06 99
Exclusion of Terrorism	BP 82 30 01 06
Exclusion of Terrorism Involving Nuclear, Biological Or Chemical Terrorism	BP 82 29 01 06
Flood Exclusion	BP 79 50 06 93
Fungus or Bacteria Exclusion	BP 81 63 11 01
Fungi or Bacteria Exclusion (liability)	BP 82 04 11 03
Hired and Non-Owned Automobile Liability	BP 80 93 06 99
Printers Errors and Omissions	BP 80 04 11 97
Punitive or Exemplary Damages Exclusion	BP 81 04 06 99
Window Butlers Endorsement	BP 80 71 06 99

Company Withdrawn forms used only with Automobile Services Program (Auto Service will now use the same forms as all other programs)

FORM NUMBER	TITLE
CA 85 76	Additional Insured - Controlling Interest
CA 85 74	Additional Insured - Co-Owners of Insured Premises
CA 20 48	Additional Insured - Designated Insured
CA 20 49	Additional Insured - Grantor of Franchise
CA 85 27	Additional Insured - Lessor of Leased Equipment
CA 86 21	Additional Insured - Lessor of Leased Workers
CA 85 73	Additional Insured - Mortgagee, Assignee or Receiver
BP 79 11	Additional Insured - Owner or Other Interest From Whom Land Has Been Leased
CA 85 70	Additional Insured - Owners of Automobiles While In The Insureds Care, Custody or Control
CA 85 75	Additional Insured - State or Political Subdivisions
CA 85 69	Amendment - Aggregate Limits
BP 79 03	Auto Services Common Policy Conditions
BP 79 17	Auto Services Supplemental Declarations
BP 80 02	Business Liability Coverage
BP 82 16	Conditional Exclusion of Terrorism
BP 82 17	Conditional Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism
BP 79 83	Employee Benefits Liability Coverage Endorsement
BP 82 34	Exclusion of Terrorism
BP 82 33	Exclusion of Terrorism Involving Nuclear, Biological or Chemical Terrorism
BP 79 29	Exclusion - Personal / Advertising Injury

Company withdrawn forms used only with Jewelers Program

BP 80 47 06 99	Jewelers Professional Appraisal Liability
BP 80 48 06 99	Kidnap Or Extortion Coverage Form
BP 80 49 06 99	Burglary and Robbery Protective Systems
BP 80 52 06 99	Amendment of Limit for Property Away From Premises
BP 80 59 06 99	Overnight Mail Coverage Extension
BP 80 61 06 99	Personal Property At Subcontractor
BP 80 63 06 99	Registered Mail Coverage Extension
BP 80 66 06 02	Jewelers Form
BP 80 75 06 99	Amendment of Loss Payment Provisions for Jewelers
BP 80 76 06 99	Jewelers Alarm Guidelines
BP 80 77 06 99	Jewelers Shipping Guidelines

New and Revised Company Forms with content changes explained below – new edition date 01 07

Form Number	Title	Previous Form # and Title (if different)
BP 79 01	Automobile Services Amendatory Endorsement	BP 79 01 06 02
BP 79 02	Barber/Styling Salon Professional Liability Coverage	BP 79 02 06 99
BP 79 19	Businessowners Property Extension Endorsement	BP 79 19 06 02
BP 79 25	Funeral Directors Professional Liability	BP 79 25 06 99
BP 79 66	Employee Tools - Amendment of Limits	BP 79 66 11 97
BP 79 70	ERISA - Employee Dishonesty (Welfare and Pension Plan ERISA Compliance)	BP 79 70 06 99
BP 79 74	Amendment of Pollution Exclusion	BP 79 74 11 97
BP 79 82	Employee Benefits Liability	BP 79 82 12 95
BP 79 89	Liquor Liability Endorsement	BP 79 89 11 97
BP 79 96	Businessowners Liability Extension Endorsement	BP 79 96 06 99
BP 79 98	Amendment Loss Payment Provision	BP 79 98 06 99
BP 80 00	Condominium Commercial Unit-Owners Optional Coverage	BP 80 00 11 97
BP 80 05	Condominium Association Directors and Officers Liability Coverage	BP 80 05 11 97
BP 80 15	Mechanics Professional Liability Coverage	BP 80 15 11 98
BP 80 24	Dry Cleaners Endorsement	BP 80 24 06 99
BP 80 25	Blanket Building Insurance	BP 80 25 06 99

BP 80 30	Church Endorsement	BP 80 30 06 99
BP 80 50	Lawyers Office Endorsement	BP 80 50 06 99
BP 80 62	Real Estate Operations - Limitation of Coverage	BP 80 62 06 99
BP 80 67	Storage of Customers Property Coverage	BP 80 67 06 99
BP 80 98	Church Directors and Officers Liability Coverage (claims made basis)	BP 80 98 06 99
BP 81 07	Aircraft Products Exclusion	NEW
BP 81 09	Businessowners Manufacturers Liability Extension	NEW
BP 81 10	Businessowners Manufacturers Property Extension	NEW
BP 81 15	Exclusion – Asbestos	LC 87 00 03 99
BP 81 16	Exclusion – Liability Arising Out Of Lead	LC 87 01 30 99
BP 81 17	Restaurant Valet Parking Endorsement	LC 87 03 03 99
BP 81 18	Medical Expense At Your Request	LC 87 08 07 99
BP 82 37	Equipment Breakdown Enhancement Endorsement	BP 79 93 06 99 Equipment Breakdown Coverage Endorsement
BP 82 42	Businessowners Property Plus Extension Endorsement	NEW
BP 82 43	Fiduciary or Representative Liability of Financial Institutions Exclusion	NEW
BP 82 44	Financial Services Exclusion	NEW

BP 82 45	Animal/Pet Endorsement	NEW
BP 82 46	Employment-Related Practices Liability Coverage	NEW
BP 82 47	Garagekeepers' - Loss or Damage To Customers' Autos (Direct Primary Coverage)	NEW
BP 82 48	Exclusion of Crematory Operations	NEW
BP 82 52	Special Events Coverage Endorsement	NEW
BP 82 56	Additional Insured - Lessor of Leased Equipment	BP 04 16 06 89

BP 79 01 – Revised – Automobile Services Amendatory Endorsement

- 1. Clarify** - Index changes to show changes to body of form.
- 2. Clarify** - Lead-in paragraph added to show form amends Section I – Property of the Businessowners Coverage Form.
- 3. Clarify** - Section III added. Stained glass is added as Property Not Covered except as provided under Fine Arts Extension of Coverage. Subsequent sections are renumbered.
- 4. Clarify** - Delete reference to Property Coverage Form throughout BP 79 01.
- 5. Clarify** - Paragraph IV.B. Amended to show BP 00 03 now provides \$2,500 coverage for Fire Department Service Charge.
- 6. Clarify** - Paragraph IV.D.
Moved from previous Section XIII. Since this is really a change to Civil Authority Additional Coverage under BP 00 03.
Changed to show Extra Expense Coverage for Civil Authority begins immediately after a loss and ends either 3 consecutive weeks after loss or when Business Income Coverage ends, whichever is later.
- 7. Clarify** - Paragraph IV.E. Changes coverage title from Money Orders and Counterfeit ~~Paper Currency~~ to Money Orders and Counterfeit Money (follows title in BP 00 03).
- 8. Clarify** - Paragraph IV.F. Change title from Forgery ~~and~~ Alteration to Forgery Or Alteration.
- 9. Clarify** - Adds Paragraph IV.G. to show Increased Cost of Construction Additional Coverage is not applicable. We provide Ordinance or Law for Coverages 1, 2 & 3 instead. See Section V.E.

10. Section IV.H.
Clarify - Business Income From Dependent Properties is moved here from previous Extensions of Coverage in BP 79 01 to replace ISO Additional Coverage.
Reduction - Cap has been added for \$50,000 or 30 days whichever is less.
11. **Clarify** - Section IV.I. Glass.
Renumbered.
Deletes (2) through (7) as now that ISO covers glass these are not necessary.
12. **Clarify** - Section IV.J.
Fire Extinguisher Systems Recharge Expense is moved from BP 79 01 Additional Coverage to replace new ISO Additional Coverage in BP 00 03.
Changes name of Additional Coverage to Fire Extinguisher Systems Recharge Expense.
Separates coverage for discharge and accidental discharge.
Adds exclusion for installation and testing (to follow ISO).
13. **Clarify** - Section V. Renumber company Additional Coverages and place in alphabetical order.
14. **Broadening** - Section V.A. Computer Equipment is moved to Additional Coverage from previous Extensions of Coverage. Although Computer Equipment is now considered Business Personal Property in BP 00 03, we are continuing to provide \$25,000 SPECIFIC coverage.
15. **Broadening** – Section V.C. Garagekeepers Loss Or Damage To Customers Autos (Legal Liability Coverage). Covers damage to autos or auto equipment left in your care. Incidental Coverage is extended to Boats and Other Marine Equipment located on a trailer attached to a customers auto left in your care.
16. **Clarify** - Section V.E.
Ordinance or Law is moved to here. Previously we showed as replacement of ISO Additional Coverage for Increased Cost of Construction. Since this provides for Coverage 1, 2 & 3, it is not really just a replacement of ISO Additional Coverage for coverage 3, Increased Cost of Construction.
Revised to follow ISO form BP 04 56 format and changes.
17. **Clarify** - Section V.F. Outdoor Signs. Changed from “outdoor signs ~~attached to buildings or detached signs~~” to “all outdoor signs” to follow ISO formatting.
18. **Clarify** - Section VI.A. Combined Coverage Extensions for Newly Acquired Buildings and Newly Acquired Business Personal Property under heading Newly Acquired or Constructed Property since both are now Extension of Coverage under BP 00 03.

19. **Clarify** - Section VI.B. Personal Property Off Premises. Replaced ISO Paragraph A.6.b. to clarify intent is only to provide this coverage for property temporarily off premises.
20. **Clarify** - Section VI.E. Valuable Papers. Removed reference to ~~Cost of Research~~ to follow ISO formatting.
21. **Broadening** - Section VI.F. Increased coverage for Accounts Receivable from \$25,000 to \$35,000.
22. **Clarify** - Section VII. Removed reference to Computer Equipment as an Extension. Now considered Business Personal Property.
23. **Clarify** - Renumbered all of Section VII. Extensions of Coverage and put in alphabetical order.
24. **Reduction** - Section VII.D. Fine Arts. Added exclusion for Neglect.
25. **Clarify** - Removed company extension for Business Income From Dependent Properties. See Additional Coverages under Section IV.D.
26. **Broadening** - Section VII.G. Water Back-Up and Sump Overflow. Clarify coverage applies per location.
27. **Clarify** - Section VIII. Limitations. Removed reference to Interior Glass Limitation since this no longer appears in BP 00 03.
28. **Clarify** - Section IX. Limits of Insurance. Editorial to follow ISO titles.
29. **Reduction** - Section X. Deductibles. Replaced \$250 with \$500 deductible which is now base deductible. Car wash deductible is unchanged at \$500.
30. **Clarify** - Section XI. Period of Restoration. Clarify does not apply to Ordinance or Law or Pollutants and that coverage ends when business is resumed at a new permanent location.
31. **Clarify** - Section XII. Definitions.
 Added definition for “auto” and “auto business”.
 Remove definition for Business Income From Dependent Properties. Now in Section IV.D.
 Remove definition for “Fungi”. Now defined in BP 00 03.
32. **Clarify** - Added reference to Section II – Liability.
33. **Reduction** – Section I – Paragraph – B. - Coverage for “damage to your work” is excluded.
34. **Broadening** – Section II – Coverage indicates that Hired Auto Liability may be added as an option. This insurance applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

- Non-owned Liability is automatically included. This insurance applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person.
35. Broadening – Section III – Paragraph A.(b) - Bail bonds has been increased to \$3,000.
 36. **Clarify** – Section V.4. c. to indicate insured must maintain records.
 37. **Clarify** - Section VI. – Aggregate Limits – Removed information relating to aggregate limits being twice the occurrence limit. This was incorporated into ISO form BP 00 03.
 38. **Clarified** – Section VII. A. 1. and VII A.2. – Who Is An Insured is amended to add reference to “employee” authorized by you to give or receive notice of an “occurrence” or claim.
 39. **Clarify** – Added definitions for “Auto Business”, “Hired Auto” and “Non-Owned Auto”.

BP 79 02 – Revised - Barber/Styling Salon Professional Liability Coverage

1. **Clarify** - Editorial changes to follow ISO formatting.
2. **Clarify** - Section II.C. Exclusions is amended to modify the Contractual Liability exclusion in BP 00 03 following what ISO did to their Beautician Professional Liability endorsement.
3. **Clarify** - Section II.D.9. of additional exclusions is modified to delete reference to specific products following ISO example.
4. **Clarify** - Section II.E. Who Is An Insured, is modified to mirror ISO.
5. **Clarify** - Section II.F. Liability and Medical Expenses Limits Of Insurance is added to replace provisions found in BP 00 03 (mirrors ISO)

BP 79 19 – Revised - Businessowners Property Extension Endorsement

1. **Clarify** - Index changes to show changes to body of form.
2. **Clarify** - Lead-in paragraph added to show form amends Section I – Property of the Businessowners Coverage Form.
3. **Clarify** - Section II added. Stained glass is added as Property Not Covered except as provided under Fine Arts Extension of Coverage. Subsequent sections are renumbered.
4. **Clarify** - Delete reference to Property Coverage Form throughout BP 79 19.

5. **Clarify** - Paragraph III.B. Amended to show BP 00 03 now provides \$2,500 coverage for Fire Department Service Charge.
6. **Clarify** - Paragraph III.D.
Moved from previous Section XII. Since this is really a change to Civil Authority Additional Coverage under BP 00 03.
Changed to show Extra Expense Coverage for Civil Authority begins immediately after a loss and ends either 3 consecutive weeks after loss or when Business Income Coverage ends, whichever is later.
7. **Clarify** - Paragraph III.E. Changes coverage title from Money Orders and Counterfeit ~~Paper Currency~~ to Money Orders and Counterfeit Money (follows title in BP 00 03).
8. **Clarify** - Paragraph III.F. Change title from Forgery ~~and~~ Alteration to Forgery Or Alteration.
9. **Clarify** - Adds Paragraph III.G. to show Increased Cost of Construction Additional Coverage is not applicable. We provide Ordinance or Law for Coverages 1, 2 & 3 instead. See Section IV.E.
10. Section III.H.
Clarify - Business Income From Dependent Properties is moved here from previous Extensions of Coverage in BP 79 19 to replace ISO Additional Coverage.
Reduction - Cap has been added for \$50,000 or 30 days whichever is less.
11. **Clarify** - Section III.I. Glass.
Renumbered.
Deletes (2) through (7) as now that ISO covers glass these are not necessary.
12. **Clarify** - Section III.J.
Fire Extinguisher Systems Recharge Expense is moved from BP 79 19 Additional Coverage to replace new ISO Additional Coverage in BP 00 03.
Changes name of Additional Coverage to Fire Extinguisher Systems Recharge Expense.
Separates coverage for discharge and accidental discharge.
Adds exclusion for installation and testing (to follow ISO).
13. **Clarify** - Section IV. Renumber company Additional Coverages and place in alphabetical order.
14. **Broadening** - Section IV.A. Computer Equipment is moved to Additional Coverage from previous Extensions of Coverage. Although Computer Equipment is now considered Business Personal Property in BP 00 03, we are continuing to provide \$25,000 SPECIFIC coverage.

15. **Clarify** - Section IV.B. Employee Dishonesty amended to follow wording in ISO optional coverage.
16. **Clarify** - Section IV.F.
Ordinance or Law is moved to here. Previously we showed as replacement of ISO Additional Coverage for Increased Cost of Construction. Since this provides for Coverage 1, 2 & 3, it is not really just a replacement of ISO Additional Coverage for coverage 3, Increased Cost of Construction.
Revised to follow ISO form BP 04 56 format and changes.
17. **Clarify** - Section IV.G. Outdoor Signs. Changed from “outdoor signs ~~attached to buildings or detached signs~~” to “all outdoor signs” to follow ISO formatting.
18. **Clarify** - Section V.A. Combined Coverage Extensions for Newly Acquired Buildings and Newly Acquired Business Personal Property under heading Newly Acquired or Constructed Property since both are now Extension of Coverage under BP 00 03.
19. **Clarify** - Section V.B. Personal Property Off Premises. Replaced ISO Paragraph A.6.b. to clarify intent is only to provide this coverage for property temporarily off premises.
20. **Clarify** - Section V.D. Valuable Papers. Removed reference to ~~Cost of Research~~ to follow ISO formatting.
21. **Broadening** - Section V.E. Increased coverage for Accounts Receivable from \$25,000 to \$35,000.
22. **Clarify** - Section VI. Removed reference to Computer Equipment as an Extension. Now considered Business Personal Property.
23. **Clarify** - Renumbered all of Section VI. Extensions of Coverage and put in alphabetical order.
24. **Reduction** - Section VI.C. Fine Arts. Added exclusion for Neglect.
25. **Clarify** - Removed company extension for Business Income From Dependent Properties. See Additional Coverages under Section III.D.
26. **Broadening** - Section VI.F. Water Back-Up and Sump Overflow. Clarify coverage applies per location.
27. **Clarify** - Section VII. Limitations. Removed reference to Interior Glass Limitation since this no longer appears in BP 00 03.
28. **Clarify** - Section VIII. Limits of Insurance. Editorial to follow ISO titles.
29. **Reduction** - Section IX. Deductibles. Replaced \$250 with \$500 deductible which is now base deductible.
30. **Clarify** - Section X. Period of Restoration. Clarify does not apply to Ordinance or Law or Pollutants and that coverage ends when business is resumed at a new permanent location.
31. **Clarify** - Section XI. Definitions.

Remove definition for Business Income From Dependent Properties. Now in Section III.D.

Remove definition for “Fungi”. Now defined in BP 00 03.

30. **Clarify** - Removed reference to Removal Permit. Now same as in BP 00 03.

BP 79 25 – Revised – Funeral Directors Professional Liability

1. **Clarify** - Editorial – amended formatting to follow ISO.
2. **Clarify** - Section I.C. regarding pollutants:
 - a. Amended to follow ISO wording for Pollutant Clean Up and Removal by:
 - (1) seepage, migration and escape to description of ways for “pollutants” to be released.
 - (2) clarify when coverage ends to follow ISO. Takes out wording that coverage ends at the end of the policy period.
 - (3) Clarify that coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of “pollutants”. But we will pay for testing which is performed in the course of extracting “pollutants” from the land or water. (follows ISO wording)
3. **Clarified** Section II.B. by adding titles to the Exclusions referenced.
4. **Clarify** - Item II.B.4. is amended to show we are replacing Exclusion r. Criminal Acts instead of adding exclusion because ISO now includes an exclusion for Criminal Acts and previously did not.

BP 79 66 – Revised – Employee Tools – Amendment of Limits

1. **Clarification.** Reformatted to remove type-on fields. Information regarding limits will be printed on the declarations, not on the endorsement.
2. **Broadened.** Removed limitation of \$500 per tool.
3. **Clarified.** Coverage also applies while in transit. This was the original intent.
4. **Clarified.** Loss payment is not limited to actual cash value for property of others for this coverage.

BP 79 70 – Revised – ERISA – Employee Dishonesty (Welfare and Pension Plan ERISA Compliance)

1. **Clarify** - Editorial – amended formatting to mirror ISO

2. **Clarify** - Added info. That “information required to complete this schedule, if not shown on this endorsement, will be shown in the Declarations.”
3. **Clarify** - Added introductory paragraph.
4. **Clarify** - Added Paragraph I. (and heading referring to the Property Plus Extension Endorsement) advising that if this endorsement applies, the coverage provided by the Property Plus Extension endorsement is replaced in its entirety. (we provide \$35,000 automatic coverage if Property Plus endorsement is attached). This endorsement is needed:
 - a. If Property Plus does not apply.
 - b. If limits exceed \$35,000 automatic and the Property Plus Extension does apply.

BP 79 74 – Revised – Amendment of Pollution Exclusion

1. **Clarify** - Editorial changes to parallel ISO formatting.
2. **Clarification**. Added change to definition of pollutants to what is required in Indiana. New definition includes “gasoline or other petroleum products”.

BP 79 82 – Revised – Employee Benefits Liability Coverage Endorsement

1. **Clarify** – Editorial changes to parallel ISO formatting.
2. **Clarify** – Section A.1.b. Exclusions is modified to mirror ISO
3. **Clarify** – Section A.2. Who Is An Insured, is modified to mirror ISO
4. **Clarify** – Section V. Updated definitions to agree with ISO.

BP 79 89 – Revised – Liquor Liability Endorsement

1. **Clarify** - Editorial changes to parallel ISO changes in BP 00 03.
2. **Clarified** when coverage does not apply by adding exclusions **2.** (with exceptions to the exclusion) and **3.** These exclusions were also added to the ISO Liquor Liability Endorsement.

BP 79 96 – Revised – Businessowners Liability Extension Endorsement

1. **Clarify** - Editorial to parallel ISO form changes.
2. **Clarify** - Added reference to Section II – Liability.

3. **Clarify** - Removed extension for Non-owned Watercraft. This is included in the BOP Coverage Form, BP 00 03.
4. **Clarify** intent. Section II – Paragraph 1. – Followed GL example, the agreement must also be “written”.
5. **Clarify** – Section II – Paragraph 2 – Removed reference to “your work” and replaced with “Caused in whole or in part by your ongoing operations performed for that insured.
6. **Clarify** – Section II. – Paragraph 2.b. – limit of insurance must be stated in the Declarations.
7. **Clarify** – Section II. – Paragraph 2.c.(2). Consolidated (1) through (5).
8. **Clarify** – Section III – Newly Formed or Acquired Organizations.
9. **Clarify** - Added reference is Section III – c. to indicate insured must maintain records.
10. **Clarify** - Section IV.4. – Aggregate Limits – Removed information relating to aggregate limits being twice the occurrence limit. This was incorporated into ISO form BP 00 03.
11. **Clarified** – Section V.1. and V.2. – Who Is An Insured is amended to add reference to “employee” authorized by you to give or receive notice of an “occurrence” or claim.
12. **Clarify** – Definition of Advertising Injury is removed as this is referenced in ISO Form BP 00 03.

BP 79 98 – Revised – Amendment of Loss Payment Provision

1. **Clarify** - Editorial changes to parallel ISO changes to BP 00 03.
2. **Clarify** - Renumbered Sections d.(1) (a), (b) and (c). to put the paragraph relating to replacement cost payment in from of the wording for Actual Cash Value .
3. Added Section d.(1) (a) (i) to **clarify** that we would not pay more than the Limit of Insurance shown in the declarations.
4. **Broadening** - Added wording to convey that the insured is not required to rebuild on the original premises, but payment is limited by the cost that would have been incurred in rebuilding at the original location in the event of loss. (change was included in ISO revisions)
5. **Broadening** - Added an exception to allow for losses, in which the building damage or loss is \$2,500 or less, to be paid on a replacement cost basis. (change was included in ISO revisions)
6. **Clarified** that loss to “works of art, antiques or rare articles, including etchings, pictures, bronzes, porcelains and bric-a-brac” are settled on a

market value basis. This has been done to parallel the clarification in the Property Extension Endorsements.

7. **Clarify** - Removed loss payment provision for valuable papers and records. This was moved in the ISO form to be included with the wording for the Coverage Extension for Valuable Papers.

BP 80 00 – Revised – Condominium Commercial Unit-Owners Optional Coverage

1. **Clarify** - Editorial changes only.
2. **Clarify** - We will continue to use company form in lieu of ISO form because of the way the type on fields are set up and the information required on type on fields. System is defined for OCG form. \$250 deductible will always apply to loss assessment coverage. Deductible for miscellaneous real property follows policy deductible.

BP 80 05 – Revised – Condominium Association Directors and Officers Liability

1. **Clarify** - Editorial changes to parallel ISO changes to BP 00 03.
2. **Clarify** - Changes cover page to eliminate type-on information and index, to make it look more like an actual coverage form.
3. **Other Changes**
 - a. **Clarify** - Throughout the form, reference to damages and judgments or settlements has been replaced with reference to “loss” or “losses”.
 - b. **Clarified by** adding to Insuring agreement “In the even the same “wrongful act” is repeated multiple times or results in multiple “claims” or “suits”, the coverage and limit applicable to the first occurrence of the “wrongful act” shall also apply to all resultant “losses”. Previously, this was found only in the definitions at the end of the BOP form. This information should be presented up front.
 - c. **Clarifies** – the exclusions for Personal and Advertising Injury, Bodily injury and Property Damage have been consolidated into one exclusion.
 - d. **Clarifies** – removed specific exclusions for Personal and Advertising injury from Section I – Paragraph 2 Exclusions and moved them to the definitions section.
 - e. **Clarifies** – reworded discrimination exclusion. Instead of just citing examples of what is excluded, refer to “violation of any civil rights law whether Federal, State or local ordinance”.
 - f. **Clarify** intent by adding exclusion relating to claims or suits about employee compensation and purchase or sale of investments. That is not the intent of this form.

- g. Clarify** - Pollution exclusion is broadened to include in definition of “Pollutants” – “petroleum products including gasoline or gasoline additives”.
- h. Clarified** – replaced “occurrence” limit with “each wrongful act” limit of insurance. This will continue to be equal to but not part of the each occurrence limit shown in the declarations.
- i.** Other insurance clause has been amended to state we are excess whether other insurance is stated to be primary, contributor, contingent, pro-rate or other. This **could be considered a reduction** in coverage.
- j. Clarify** - Amended definitions for:
 - (1) “Bodily Injury”
 - (2) “claim” or “claims”
 - (3) “directors and Officers”
 - (4) “loss” or “losses”
 - (5) “personal and advertising injury”
 - (6) “property damage”.

BP 80 15 – Revised - Mechanics Professional Liability Coverage

- 1. Clarify** - Editorial – amended formatting to mirror ISO
- 2. Clarify** - Section II – Exclusions **B.1.b.** Contractual Liability was replaced to address Contractual assumed liability.
- 3. Clarify** – Section II – Exclusions **B.1.r.** Criminal Acts was replaced with wording to address criminal acts and or fraud committed by insured.
- 4. Reduction** – Section II – Exclusions removed “damage to your work” . Adopt exclusion that is provided for in BP 00 03.
- 5. Clarify** – Section II.C. Liability and Medical Expenses Limits Of Insurance IS added to replace provisions found in BP 00 03 (mirrors ISO)

BP 80 24 – Revised – Dry Cleaners Endorsement

- 1. Clarify** - Editorial changes to parallel ISO changes to BP 00 03.

2. **Clarify** - Reference to Property Extension Endorsement throughout have been pluralized to encompass both the Property Extension Endorsement and the Property Plus Extension Endorsement.
3. **Reduction** in coverage. Limit of Insurance in Section E. Personal Property Off Premises and Section G. Limits of Insurance has been amended. Previously, no dollar limit applied to the coverage for property off premises. This has been changed to “coverage is equal to, but not part of, the Limits of Insurance applicable to Business Personal Property of the Insured shown in the Declarations”.

BP 80 25 – Revised - Blanket Building Insurance

1. **Clarify** - Editorial changes to parallel ISO changes to BP 00 03.
2. **Clarify** - Included language which indicates that loss or damage to buildings for replacement cost is applicable to any building or buildings at described premises; or all buildings at all described premises if buildings at more than one described premises are lost or damaged in any one occurrence.
3. **Clarify** - That the automatic increase provision is deleted only for buildings on a blanket basis with replacement cost applying.
4. **Clarify** – Blanket Building Insurance does not apply to any buildings where valuation basis is Actual Cash Value or Functional Replacement Cost.

BP 80 30 – Revised - Church Endorsement

1. **Clarify** - Editorial changes to parallel ISO changes to BP 00 03.
2. **Broadenings** – Section C.d.1. Personal Effects aggregate limit has been increased from \$5,000 to \$10,000.
3. **Clarify** – Section I - Abuse/Molestation exclusion updated to reference “personal and advertising injury”.

BP 80 50 – NEW – Lawyers Office Endorsement

1. **Broadening** of coverage. This endorsement was previously attached only to Mass Market class for Lawyers. Due to lack of volume, that program has been discontinued. Any remaining policies (19 countrywide) will be either not renewed or be transferred to the standard Lawyers Office class in the Office

Program. This endorsement will now be attached to all Lawyers Office classifications.

2. **Clarify** - Editorial changes have been made to parallel changes made to BP 00 03.
3. **Clarify** - Previous Section G. has been deleted and remaining sections renumbered. Since this form is new for the standard Lawyers Office class, this would not be a change in coverage.
4. **Clarify** - Definitions section has been amended to delete reference to "Unamortized". Since that term is not used in this form, it was not necessary to define.
5. **Clarify** - Coverage extension for Newly Acquired Property has changed only in formatting and to add reference to the Property Plus Extension Endorsement.

BP 80 62 – Revised – Real Estate Operations - Limitations

1. **Clarify** - Reformatted to parallel ISO changes.
2. **Clarified**. Previous wording indicated exclusion applied with "exception" to items listed, making it necessary to review the exclusion to find out what was covered. Reworded to add as Coverage instead of exception to Exclusions.

BP 80 67 – Revised – Storage of Customers Property Coverage

1. **Clarify** - Editorial changes to parallel ISO changes.
2. **Clarify**. Added "or storage" to definition of "Customer's Property". Since this endorsement provides coverage while in storage, this should have been shown previously.

BP 80 98 – Revised - Church Directors And Officers Coverage Form

1. **Clarify** - Editorial changes to parallel ISO changes to BP 00 03.
2. **Broadenings** – Section I – Supplementary Payments increased loss of earnings from \$100 a day to \$250

BP 81 07 – NEW – Aircraft Products Exclusion

1. **Reduction** – When attached, this endorsement amends Section II – Liability to exclude coverage for “bodily injury” , “property damage” and “personal and advertising injury” arising out of the manufacture of any “aircraft products”.

**BP 81 09 – NEW – Businessowners Manufacturers Liability Extension
Endorsement**

To be attached to ALL Manufacturing Program Classifications

The following are included in the form:

1. **Broadening** - Bail Bonds at \$1,000
2. **Broadening** - Limited Product Recall Expense - \$25,000
3. **Broadening** - Auto Legal Liability - \$10,000
4. **Broadening** - Broad Named Insured added to Who Is An Insured
5. **Broadening** – Added Blanket Additional Insured – Owners, Contractors or Lessors to Who Is An Insured.
6. **Broadening** - Blanket Additional Insured – Vendors added to Who Is An Insured.
7. **Broadening** - Newly Formed or Acquired Organizations added to Who Is An Insured.
8. **Broadening** - Aggregate Limits – applies per project / per location
9. **Clarify** - Duties In the Event of Occurrence, Offense, Claim or Suit
10. **Broadening** - Amendment of Coverage Territory – Worldwide Coverage
11. **Broadening** - Bodily Injury – definition includes mental anguish
12. **Broadening** - Personal and Advertising Injury definition includes malicious prosecution or abuse of process

**BP 81 10 – NEW – Businessowners Manufacturers Property Extension
Endorsement**

To be attached to ALL Manufacturing Program Classifications

**Contains the same provisions as the Businessowners Property Extension
Endorsement with the following changes.**

1. **Reduction** - Business Income loss is capped at \$5,000,000.
2. **Broadening** - Limit of insurance for Outdoor Signs is \$7,500.
3. **Broadening** - Personal Property Off Premises has 3 (three separate limits) and is an Additional Coverage instead of an Extension of Coverage.
 - a. Business Personal Property In Process at the Premises of Others \$25,000 (with option to increase)
 - b. Property in Transit \$15,000 (with option to increase)
 - c. Business Personal Property while not at a scheduled location or covered by the above \$25,000.
4. **Broadening** - Provides \$10,000 Extension of Coverage for Sales Samples.
5. **Broadening** - Theft Limitation for Patterns, Dies, Molds and Forms is changed to \$10,000. (BP 00 03 has a \$2,500 theft limitation).

BP 81 15 – Revised – Exclusion – Asbestos

1. **Clarify** – Replaced interline form LC 87 00 and made editorial changes to reference BP 00 03.

BP 81 16 – Revised – Exclusion Liability Arising Out Of Lead

1. **Clarify** – Replaced interline form LC 87 01 and made editorial changes to reference BP 00 03.

BP 81 17 – Revised – Restaurant Valet Parking

1. **Clarify** – Replaced interline form LC 87 03 and made editorial changes to reference BP 00 03.

BP 81 18 – Revised – Medical Expense At Your Request

1. **Clarify** – Replaced interline form LC 87 08 and made editorial changes to reference BP 00 03.

BP 82 37 – Equipment Breakdown Enhancement – Replaces Equipment Breakdown Coverage Endorsement BP 79 93 06 99

Clarify – Form has been amended due to contract with Mutual Boiler for reinsurance. Previously reinsured through Hartford Steam & Boiler. There are no coverage reductions. Coverage has been broadened to include Computer Equipment as covered.

EXPL BP 82 42 – NEW – Businessowners Property Plus Extension Endorsement

Optional Form – When attached this will replace provisions of BP 79 19 Businessowners Property Extension Endorsement

Contains all the provisions of the Businessowners Property Extension Endorsement BP 79 19 with the following modifications:

- 1. Broadening** - Section III.E. Money Order and Counterfeit Money Additional Coverage is amended to \$15,000.
- 2. Broadening** - Section III.F. Forgery or Alterations Additional Coverage is amended to \$35,000.
- 3. Broadening** - Section IV.B. Employee Dishonesty Additional Coverage is amended to \$35,000.
- 4. Broadening** - Section IV.D. ERISA Compliance – Welfare and Pension Plan Additional Coverage is added for \$35,000.
- 5. Broadening** - Section IV.E. Money and Securities Additional Coverage limit of insurance is changed to \$25,000 on premises and \$10,000 off premises.
- 6. Broadening** - Section IV. G. Ordinance or Law (combined limit for Demolition Cost and Increased Cost of Construction Additional Coverage is increased to \$100,000.
- 7. Broadening** - Section IV.H. Outdoor Signs Additional Coverage is increased to \$20,000
- 8. Broadening** - Section IV.I. Reward Additional Coverage is increased to \$10,000.
- 9. Broadening** - Section IV.J. Sales Samples Additional Coverage is added for \$10,000.
- 10. Broadening** - Section V.A. a.(1) Extension of Coverage for Newly Acquired Buildings is increased to \$1,000,000.
- 11. Broadening** - Section V.A.a.(2) Extension of Coverage for Newly Acquired Business Personal Property is increased to \$500,000.
- 12. Broadening** - Section V.B. increases Extension of Coverage for Personal Property Off Premises to \$50,000.
- 13. Broadening** - Section V.C. changes limit of insurance for Extension of Coverage for Outdoor Property to \$5,000 aggregate.

14. **Broadening** - Section V.D. adds Extension of Coverage for Personal Effects for \$10,000 aggregate.
15. **Broadening** - Section V.E. increases Extension of Coverage for Valuable Papers to \$50,000.
16. **Broadening** - Section V.F. increases Extension of Coverage for Accounts Receivable to \$100,000.
17. **Broadening** - Section VI.D. increases Extension of Coverage for Lock Replacement to \$5,000.

BP 82 43 – NEW – Exclusion – Fiduciary or Representative Liability of Financial Institutions

To be attached to Stockbrokers classification.

1. **Reduction** - Adds exclusion for “bodily injury”, “property damage” or “personal and advertising injury” arising out of the ownership, maintenance or use, including all related operations, of property for which you are acting in a fiduciary or representative capacity.

BP 82 44 – NEW – Exclusion – Financial Services

To be attached to Stockbrokers classification.

1. **Reduction** - Adds exclusion for professional financial services
2. **Clarify** - Defines financial services

BP 82 45 – NEW - Animal/Pet Endorsement

To be attached to Animal Pet Grooming and Domestic Animal Day Care Classifications

1. **Broadening** – Extends coverage to Business Personal Property Loss or damage within a building not owned by the named insured.
2. **Clarify** – Provides coverage for animals in your care, custody or control.

BP 82 46 – NEW – Employment-Related Practices Liability

Broadening - This new optional endorsement provides businesses with coverage for liability arising out of claims for injury to an employee when the injury results from an employment-related offense. In the event of a covered claim, the endorsement also provides the insured with a duty to defend. The amount for both defense expenses and damages is included in the Limit of Insurance listed in the Schedule of the endorsement.

This endorsement:

- Provides a Schedule for entering:
 - An Employment-Related Practices Liability Annual Aggregate Limit of Insurance;
 - A retroactive date; and
 - A deductible amount.
- Provides the basic coverage grant in the Insuring Agreement. The covered injury must take place in the coverage territory (after the policy retroactive date). Injury is defined in the endorsement to mean injury to a person arising out of a list of offenses, including wrongful termination, retaliatory action, work-related harassment, and work-related abuse arising from discrimination. The claim for damages must be first made during the policy period.
- Adds several new exclusions, including:
 - Criminal, Fraudulent Or Malicious Acts. Coverage is excluded for insured's liability arising out of that insured's "criminal, fraudulent or malicious acts or omissions". An exception to the exclusion allows coverage for defense prior to determination of an insured's responsibility for such acts or omissions.
 - Violation Of laws Applicable To Employers. Coverage is excluded for an insured's violation of duties required by federal, state or local law except for laws such as Title VII of the Civil Rights Act of 1964 and the Age Discrimination In Employment Act.
- Extends Who Is An Insured to current and former employees.
- Replaces the Liability And Medical Expenses Limits of Insurance with a single Employment-Related Practices Liability Annual Aggregate Limit of Insurance and a Deductible.
- Adds several new Liability And Medical Expenses Conditions, including:
 - Consent To Settle. Provides that if the insured does not consent to a settlement recommended by the insurer and to which the claimant agrees, the insurer will not pay more than the amount the claim could have been settled for, minus any deductible
 - Duties In The Event Of A Claim Or An Incident That May Result In Injury. Describes the duties of an insured when a claim is received.
 - If You Are Permitted To Select Defense Counsel. Describes the provisions that apply when the insured is given the right to select defense counsel and the limit of insurance is not used up.
 - Transfer Of Duties When A Limit of Insurance Is Used Up. Describes the obligations of the insurer and named insured when the limit of insurance is used up.
- Adds several new Liability And Medical Expenses Definitions, including:

- Claim, which includes suits or demands for damages because of an alleged injury.
- Defense Expenses, which are payments allocated to a claim.
- Discrimination, which is a violation of a persons civil rights with respect to certain protected categories.
- Injury, which includes offenses such as wrongful termination, retaliatory action, work-related harassment, and work-related abuse arising from discrimination.

BP 82 47 – NEW - Garagekeeper’s Loss Or Damage To Customers’ Autos (Direct Primary Coverage)

1. **Broadening** - The endorsement provides direct primary coverage for autos left in the insured’s care under the Gagekeepers without regard to our insured’s legal liability for a loss. This replaces legal liability that is provided for Garagekeepers coverage in BP 79 01 which is based on our insured being legally liable or negligent for loss to a covered auto.

BP 82 48 – NEW – Exclusion Of Crematory Operations

1. **Reduction** - Adds exclusion for “bodily injury”, “property damage” or “personal and advertising injury” arising out of errors or omissions in the cremation of dead bodies.

BP 82 52 – NEW – Special Events Coverage Endorsement

Programs where this is available:

Restaurant

Retail/Wholesale/Service/Processing

1. **Broadening** - Added property coverage that is in addition to coverage already provided by the base forms, BP 00 03 and any extensions attached to policy.
2. **Clarify** - Specify time period where additional exposure from off premises events take place and identify what the exposure is.

BP 82 56 – NEW – Additional Insured – Lessor of Leased Equipment

1. **Clarify** - New company form to take the place of ISO form BP 04 16.
 - a. ISO form BP 04 16 eliminated fields to show type of leased equipment and location of leased equipment. For underwriting reasons and claim settlement, we feel it is necessary to know the type of equipment being leased.

2 Remainder of form followed ISO design for BP 04 16.