

SERFF Tracking Number: GCCW-125380126 State: Arkansas
First Filing Company: General Casualty Company of Wisconsin, ... State Tracking Number: EFT \$50
Company Tracking Number: 020108 10359R
TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property Forms
Project Name/Number: Commercial Property Forms/020108 10359R

Filing at a Glance

Companies: General Casualty Company of Wisconsin, Regent Insurance Company

Product Name: Commercial Property Forms SERFF Tr Num: GCCW-125380126 State: Arkansas
TOI: 01.0 Property SERFF Status: Closed State Tr Num: EFT \$50
Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines) Co Tr Num: 020108 10359R State Status: Fees verified and received
Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding
Author: Sharon Reeve Disposition Date: 12/17/2007
Date Submitted: 12/07/2007 Disposition Status: Approved
Effective Date Requested (New): 02/01/2008 Effective Date (New): 02/01/2008
Effective Date Requested (Renewal): 04/01/2008 Effective Date (Renewal): 04/01/2008

State Filing Description:

General Information

Project Name: Commercial Property Forms

Project Number: 020108 10359R

Reference Organization:

Reference Title:

Filing Status Changed: 12/17/2007

State Status Changed: 12/10/2007

Corresponding Filing Tracking Number:

Filing Description:

Re: General Casualty Company of Wisconsin

FEIN# 39-0301590, NAIC# 400-24414

Regent Insurance Company

FEIN# 3939-6062860, NAIC# 400-24449

Commercial Property Forms

Status of Filing in Domicile: Authorized

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

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Company Filing # 020108 10359R

Effective Date: 02/01/2008

Dear Commissioner,

Attached is a Forms Filing for Property forms in our two companies, General Casualty Company of Wisconsin and Regent Insurance Company. We are filing to update our company generated forms, since our filings have not been kept up to date in the past. The attached lists include all previously filed forms with their status – some are being withdrawn as out of date. We are attaching copies of only those forms shown as “NEW”. We would like this filing to be effective February 1, 2008 for New Business and April 1, 2008 for Renewal business.

Please review the attached lists along with the sample forms. We hope you will be able to approve our filings, but please advise if you have any questions or need any additional information.

Sincerely,

Sharon Reeve
System Support Specialist
Home Office Commercial Lines
Telephone (608) 825-5970

Company and Contact

Filing Contact Information

Sharon Reeve, Rate Development Technician sharon.reeve@generalcasualty.com
One General Drive (608) 825-5970 [Phone]
Sun Prairie, WI 53596 (608) 825-5100[FAX]

Filing Company Information

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General Casualty Company of Wisconsin One General Drive Sun Prairie, WI 53596 (608) 837-4440 ext. [Phone]	CoCode: 24414 Group Code: 796 Group Name: FEIN Number: 39-0301590 -----	State of Domicile: Wisconsin Company Type: Property & Casualty State ID Number:
Regent Insurance Company One General Drive Sun Prairie, WI 53596 (608) 837-4440 ext. [Phone]	CoCode: 24449 Group Code: 796 Group Name: FEIN Number: 39-6062860 -----	State of Domicile: Wisconsin Company Type: Property & Casualty State ID Number:

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Filing Fees

Fee Required? Yes
Fee Amount: \$0.00
Retaliatory? No
Fee Explanation: \$50.00 per submission
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
General Casualty Company of Wisconsin	\$50.00	12/07/2007	17005989
Regent Insurance Company	\$0.00	12/07/2007	

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	12/17/2007	12/17/2007

Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	12/13/2007	12/13/2007	Sharon Reeve	12/14/2007	12/14/2007

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Disposition

Disposition Date: 12/17/2007
Effective Date (New): 02/01/2008
Effective Date (Renewal): 04/01/2008
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 List	Approved	Yes
Form	Business Income (And Extra Expense) Actual Loss Sustained Coverage Form	Approved	Yes
Form	Water Back Up Of Sewers Or Drains	Approved	Yes
Form	Building Glass Enhancement	Approved	Yes
Form	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Special Form	Approved	Yes
Form	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Basic and Broad Forms	Approved	Yes
Form	Equipment Breakdown Coverage	Approved	Yes
Form	Hospital Property Extension Endorsement	Approved	Yes
Form	Arkansas Changes	Approved	Yes

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Objection Letter

Objection Letter Status Pending Industry Response
Objection Letter Date 12/13/2007
Submitted Date 12/13/2007
Respond By Date 12/27/2007
Dear Sharon Reeve,

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann. §23- 79-203 and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

Please feel free to contact me if you have questions.

Sincerely,

Llyweyia Rawlins

Response Letter

Response Letter Status Submitted to State
Response Letter Date 12/14/2007
Submitted Date 12/14/2007

Dear Llyweyia Rawlins,

Comments:

In regard to the Objection Letter we received on the filing # GCCW-125380126, we are an ISO filed Company, and use all of the ISO coverage forms and endorsements in our policies. We will be attaching the ISO form IL 0163 0907 edition on all policies. I believe the issue you have raised is addressed in that form, Section C.2. regarding the Appraisal Condition. Please refer to the attached copy of that form. If that is not adequate, please advise and we will amend our filings. Thanks very much.

Response 1

Comments: Response to Objection Letter.

Changed Items:

No Supporting Documents changed.

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Form Schedule Item Changes

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
Arkansas Changes	IL 0163	0907	Endorsement/AmendmentNew/Conditions			0	IL 0163 AR Changes.pdf

No Rate/Rule Schedule items changed.

Sincerely,

Sharon Reeve

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Sharon Reeve

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Business Income (And Extra Expense) Actual Loss Sustained Coverage Form	CP 7030	0201	Endorsement/Amendment/Conditions	New	0.00	CP7030 0201.pdf
Approved	Water Back Up Of Sewers Or Drains	CP 7961	1095	Endorsement/Amendment/Conditions	New	0.00	CP7961 1095.pdf
Approved	Building Glass Enhancement	CP 7966	0201	Endorsement/Amendment/Conditions	New	0.00	CP7966 0201.pdf
Approved	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Special Form	CP 7967	1002	Endorsement/Amendment/Conditions	New	0.00	CP7967.pdf
Approved	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Basic and Broad Forms	CP 7968	1002	Endorsement/Amendment/Conditions	New	0.00	CP7968.pdf
Approved	Equipment Breakdown Coverage	CP 7994	0605	Endorsement/Amendment/Conditions	New	0.00	CP7994 0605.pdf

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Approved	Hospital Property CP 8013	0407	Endorseme New nt/Amendm ent/Condi ons	0.00	CP8013 0407 Hospital Property.pdf
Approved	Arkansas Changes	IL 0163	0907 Endorseme New nt/Amendm ent/Condi ons	0.00	IL 0163 AR Changes.pdf

BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED 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.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section E — DEFINITIONS.

A. COVERAGE

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be by direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises includes the area within 1,000 feet of the site at which the described premises are located.

We will only pay for loss of Business Income that occurs within 12 consecutive months after the date of direct physical loss or damage.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

1. The portion of the building which you rent, lease or occupy; and
2. Any area within the building or on the site at which the described premises are located, if that area services or is used to gain access to the described premises.

1. Business Income

Business Income means the:

- a. Net Income (Net profit of Loss before income taxes) that would have been earned or incurred;
- b. Continuing normal operating expenses incurred, including payroll; and
- c. "Rental Value."

For manufacturing risks, Net Income includes the net sales value of production.

2. Covered Causes of Loss

See applicable Causes of Loss Form as shown in the Declarations.

3. Additional Coverages

a. Extra Expense

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Coverage Cause of Loss.

- (1) We will pay any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations":
 - (a) At the described premises; or
 - (b) At replacement premises or at temporary locations, including:
 - (i) Relocation expenses; and
 - (ii) Costs to equip and operate the replacement or temporary locations.
- (2) We will pay any Extra Expense to minimize the "suspension" of business if you cannot continue "operations".
- (3) We will pay Extra Expense to:
 - (a) Repair or replace any property; or
 - (b) Research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

We will only pay for Extra Expense that occurs within 12 consecutive months after the date of direct physical loss or damage.

b. 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 property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

The coverage for Business Income will begin 72 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 Extra Expense will begin immediately after the time of that action and will end:

(1) Three consecutive weeks after the time of that action; or

(2) When your Business Income coverage ends;

whichever is later.

c. Alterations and New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

(1) New buildings or structures, whether complete or under construction;

(2) Alterations or additions to existing buildings or structures; and

(3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:

(a) Used in construction, alterations or additions; or

(b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

d. Extended Business Income

(1) Business Income other than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

(a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and

(b) Ends on the earlier of:

(i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

(ii) 30 days after the date determined in (1) (a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

(a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

(b) Ends on the earlier of:

(i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

(ii) 30 days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

4. Coverage Extension

You may extend the insurance provided by this Coverage Part as follows:

Newly Acquired Locations

- a. You may extend your Business Income and Extra Expense coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 30 days after you acquire or begin to construct the property; or
 - (3) You report values to us.

We will charge you additional premium for values reported from the day you acquire the property.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this extension.

B. EXCLUSIONS AND LIMITATIONS

See applicable Causes of Loss Form as shown in the Declarations.

C. LIMITS OF INSURANCE

The most we will pay for loss in any one occurrence is the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration".

The limit applicable to the Coverage Extensions is in addition to the Limit of Insurance.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Alterations and New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

D. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Appraisal

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 or a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or the 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 umpires equally.

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

2. Duties In The Event Of Loss

- a. You must see that the following are done in the event of loss:
 - (1) Notify the police if a law may have been broken.
 - (2) Give prompt notice of the direct physical loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) 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.
 - (7) Cooperate with us in the investigation or settlement of the claim.
 - (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- b. 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 this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

3. Limitation — Electronic Media And Records

We will not pay for loss of Business Income caused by direct physical loss of or damage to Electronic Media and Records after the longer of:

- a. 60 consecutive days from the date of direct physical loss or damage; or
- b. The period beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises due to loss or damage caused by the same occurrence.

Electronic Media and records are:

- (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums, or cells;
- (2) Data stored on such media; or
- (3) Programming records used for electronic data processing or electrically controlled equipment.

This limitation does not apply to Extra Expense.

Example No. 1:

A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the data that was lost when the damage occurred. We will pay for the Business Income loss sustained during the period from June 1 – September 1. Loss during the period September 2 – October 1 is not covered.

Example No. 2:

A covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. We will only pay for the Business Income loss sustained during the period August 1 – September 29 (60 consecutive days). Loss during the period September 30 – October 15 is not covered.

4. Loss Determination

- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, 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 favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses.
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - (4) Other relevant sources of information including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.

b. The amount of Extra Expense will be determined based on:

(1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

(b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(2) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

(1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.

(2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. 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.

5. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all the terms of this Coverage Part and:

a. We have reached agreement with you on the amount of loss; or

b. An appraisal award has been made.

E. DEFINITIONS

1. **"Finished Stock"** means stock you have manufactured.

"Finished stock" also includes whisky and alcoholic products being aged.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. **"Operations"** means:

a. Your business activities occurring at the described premises; and

b. The tenantability of the described premises.

3. **"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 the described premises; and

b. End on the earlier of:

(1) 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.

"Period of Restoration" 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".

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

5. **“Rental Value”** means the:
 - a. Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and
 - b. Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and
 - c. Fair rental value of any portion of the described premises which is occupied by you.
6. **“Suspension”** means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part of all of the described premises is rendered untenable, if coverage for Business Income including “Rental Value” or “Rental Value” applies.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK UP OF SEWERS OR DRAINS

This following modifies insurance provided under:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. SCHEDULE

Premises Number	Building Number	Limit of Insurance
--------------------	--------------------	-----------------------

B. COVERAGE

We will pay for direct physical loss or damage to Covered Property at the premises shown in the Schedule caused by or resulting from water that backs up from a sewer or drain.

However, we will not pay for loss or damage arising from flood or conditions induced by flood.

C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Schedule.

D. 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 Limit of Insurance.

E. CONDITIONS

The coverage provided under this endorsement is subject to all other provisions of the Commercial Property Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUILDING GLASS ENHANCEMENT

The following modifies insurance provided under:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

- I. Section D. Deductible** in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is amended to include:

In the event of covered loss or damage exclusively to building glass, the most we will deduct for such building glass loss or damage at any one location and in any one occurrence is the lesser of:

- A. \$1,000; or**

The policy Deductible listed on the Declarations.

- II. If you are a tenant and are contractually required to repair or replace building glass, section 5. Coverage Extensions** is amended to include:

Tenants Building Glass

- A. You may extend the insurance that applies to Your Business Personal Property to cover direct physical loss to all building glass, including all lettering and ornamentation, at the described premises.**

- B. We will also pay for:**

- 1. Expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged building glass is delayed;**
- 2. Expenses incurred to remove or replace obstructions (excluding window displays) when repairing or replacing building glass.**

- C. The most we will pay for loss or damage in any one occurrence is the Your Business Personal Property Limit of Insurance shown in the Declarations.**

This extension is subject to Your Business Personal Property Limit of Insurance shown in the Declarations. The Additional Condition, Coinsurance, does not apply to this extension.

This extension does not apply if the building glass loss or damage is otherwise covered under this coverage form or policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROVISIONS — FUNGUS, WET ROT, DRY ROT & BACTERIA — CAUSES OF LOSS — SPECIAL FORM

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS — SPECIAL FORM

- A. Exclusion B.1.h. (Fungus, Wet Rot, Dry Rot And Bacteria)** is deleted and replaced by the following:

Fungus, Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from a "specified cause of loss" and the "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the date of the "specified cause of loss"; or
2. To the extent that coverage is provided in the Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria described in this endorsement with respect to a cause of loss other than a "specified cause of loss".

- B. The following is added to Exclusion B.4. a.:**

- (7)** Any loss caused directly or indirectly by the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause Of Loss, we will pay for the loss or damage caused by that Covered Cause Of Loss.

This exclusion does not apply:

- (a)** When "fungus", wet or dry rot or bacteria results from fire or lightning and the "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the date of the fire or lightning loss; or
- (b)** To the extent that coverage is provided in the Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria described in this endorsement with respect to a cause of loss other than fire or lightning.

- C. Paragraph E. Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria** is deleted and replaced by the following:

E. Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria

1. The coverage described in **E.3.** only applies when:
 - a.** The "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period:
 - (1)** A Covered Cause of Loss other than a "specified cause of loss"; or
 - (2)** Flood, if the Flood Coverage Endorsement applies to the affected premises;
 - b.** All reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence; and
 - c.** The "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the date of the cause of loss described in **a.** above.
2. The coverage described in **E.7.** only applies when:
 - a.** The "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period:
 - (1)** A "specified cause of loss" other than fire or lightning; or
 - (2)** Flood, if the Flood Coverage Endorsement applies to the affected premises;
 - b.** All reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence; and

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- c. The “fungus”, wet or dry rot or bacteria is reported to us no later than 180 days following the date of the cause of loss described in a. above.
3. We will pay for loss or damage by “fungus”, wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by “fungus”, wet or dry rot or bacteria, including the cost of removal of “fungus”, wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the “fungus”, wet or dry rot or bacteria; and
 - c. The cost of testing performed after the removal, repair, replacement or restoration of the damaged property is completed, provided there is reason to believe that “fungus”, wet or dry rot or bacteria are present.
 4. The coverage described under E.3. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of Covered Causes of Loss (excluding “specified causes of loss”) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in “fungus”, wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the “fungus”, wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
 5. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by “fungus”, wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.
- If there is covered loss or damage to Covered Property, not caused by “fungus”, wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that “fungus”, wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
6. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (**Water Damage, Other Liquids, Powder or Molten Material Damage**) of this Causes of Loss Form or under the Additional Coverage — Collapse.
 7. The following, 7.a. or 7.b., applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the “suspension” of “operations” satisfies all terms and conditions of the applicable Business Income and/or Extra Expense coverage form.
 - a. If the loss which resulted in “fungus”, wet or dry rot or bacteria does not in itself necessitate a “suspension” of “operations”, but such the “suspension” is necessary due to loss or damage to property caused by “fungus”, wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If the covered “suspension” of “operations” was caused by loss or damage other than “fungus”, wet or dry rot or bacteria but remediation of “fungus”, wet or dry rot or bacteria prolongs the “period of restoration”, we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the “period of restoration”), but such coverage is limited to 30 days. The days need not be consecutive.
 - D. None of the provisions of this endorsement shall relieve you of any of your duties as described in the Loss Conditions of this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL PROVISIONS — FUNGUS, WET ROT, DRY ROT AND BACTERIA — CAUSES OF LOSS — BASIC AND BROAD FORMS

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS — BASIC FORM
CAUSES OF LOSS — BROAD FORM

A. Exclusion B.1.h. (Fungus, Wet Rot, Dry Rot And Bacteria) is deleted and replaced by the following:

Fungus, Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from a Covered Cause of Loss provided the "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the date of the Covered Cause of Loss; or
2. To the extent that coverage is provided in the Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria described in this endorsement.

B. The following is added to Exclusion B.3. a.:

(7) Any loss caused directly or indirectly by the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause Of Loss, we will pay for the loss or damage caused by that Covered Cause Of Loss.

This exclusion does not apply:

- (a)** When "fungus", wet or dry rot or bacteria results from fire or lightning and the "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the fire or lightning loss; or
- (b)** To the extent that coverage is provided in the Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria described in this endorsement with respect to a cause of loss other than fire or lightning.

C. The Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria (Paragraph C. of the CAUSES OF LOSS — BASIC FORM or Paragraph D. of the causes of loss — BROAD FORM) is deleted and replaced by the following:

Additional Coverage — Limited Coverage for Fungus, Wet Rot, Dry Rot And Bacteria

1. The coverage described in Paragraphs 2. and below only applies when:
 - a. The "fungus", wet or dry rot or bacteria is the result of one or more of the Flood (but only if the Flood Coverage Endorsement applies to the affected premises) that occurs during the policy period:
 - b. All reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence; and
 - c. The "fungus", wet or dry rot or bacteria is reported to us no later than 180 days following the Flood loss.
2. The coverage described in 6. below only applies when:
 - a. The "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period:
 - (1)** A Covered Cause of Loss other than fire or lightning; or
 - (2)** Flood, if the Flood Coverage Endorsement applies to the affected premises;
 - b. All reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence; and

- c. The “fungus”, wet or dry rot or bacteria is reported to us no later than 180 days following the date of the cause of loss described in **a.** above.
3. We will pay for loss or damage by “fungus”, wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by “fungus”, wet or dry rot or bacteria, including the cost of removal of “fungus”, wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the “fungus”, wet or dry rot or bacteria; and
 - c. The cost of testing performed after the removal, repair, replacement or restoration of the damaged property is completed, provided there is reason to believe that “fungus”, wet or dry rot or bacteria are present.
 4. The coverage described under Paragraph **3.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in “fungus”, wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the “fungus”, wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
 5. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by “fungus”, wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.
- If there is covered loss or damage to Covered Property, not caused by “fungus”, wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that “fungus”, wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
6. The terms of this Limited Coverage do not increase or reduce the coverage provided under:
 - a. Paragraph **b.** of Covered Cause of Loss **9.** Sprinkler Leakage;
 - b. Paragraph **b.** of Covered Cause of Loss **14.** Water Damage (if the CAUSES OF LOSS — BROAD FORM applies); or
 - c. The Additional Coverage — Collapse Damage (if the CAUSES OF LOSS — BROAD FORM applies).
 7. The following, **7.a.** or **7.b.**, applies only if Business Income and/or Extra Expense coverage applies to the described premises and only if the “suspension” of “operations” satisfies all terms and conditions of the applicable Business Income and/or Extra Expense coverage form.
 - a. If the loss which resulted in “fungus”, wet or dry rot or bacteria does not in itself necessitate a “suspension” of “operations”, but such the “suspension” is necessary due to loss or damage to property caused by “fungus”, wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If the covered “suspension” of “operations” was caused by loss or damage other than “fungus”, wet or dry rot or bacteria but remediation of “fungus”, wet or dry rot or bacteria prolongs the “period of restoration”, we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the “period of restoration”), but such coverage is limited to 30 days. The days need not be consecutive.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS — BASIC FORM
CAUSES OF LOSS — BROAD FORM
CAUSES OF LOSS — SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM

LIMITS — SUBLIMITS

A. Equipment Breakdown Coverage is subject to the Limits of Insurance shown in the Commercial Property Declarations, unless otherwise shown below.

Coverages: Equipment Breakdown	Limits: \$
Business Income	\$
Extra Expense	\$
Utility Services	\$

B. The following coverages are subject to the Limits of Insurance shown in the Additional Coverage — Equipment Breakdown endorsement, unless otherwise shown below.

Coverages: Expediting Expenses	Sublimits: \$
Hazardous Substances	\$
Spoilage	\$

DEDUCTIBLES

Combined, All Coverages	\$
Direct Coverages	\$
Indirect Coverages	\$
	or _____ hrs.
	or _____ times ADV
Spoilage	\$ " " " " " " " " " " " "
	or ___ % of loss, \$ _____ minimum

The deductible(s) shown in the Commercial Property Declarations will apply except as indicated above.

OTHER CONDITIONS

- A.** The following is added as an Additional Coverage to the Causes of Loss — Basic Form, Broad Form or Special Form.

Additional Coverage — Equipment Breakdown

The term Covered Cause of Loss includes the Additional Coverage Equipment Breakdown as described and limited below.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident". As used in this Additional Coverage, "accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - d. loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - e. loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.
2. Unless otherwise shown in the Schedule, the following coverages also apply to the direct result of an "accident". These coverages do not provide additional amounts of insurance.

a. Expediting Expenses

With respect to your damaged Covered Property, we will pay up to \$50,000 unless otherwise shown in the Schedule, the reasonable extra cost to:

- (1) make temporary repairs; and
- (2) expedite permanent repairs or permanent replacement.

b. Hazardous Substances

We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$50,000 unless otherwise shown in the Schedule.

c. Spoilage

(1) We will pay:

- (a) for physical damage to "perishable goods" due to spoilage;
- (b) for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
- (c) any necessary expenses you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

(2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense under this coverage is \$50,000 unless otherwise shown in the Schedule.

d. Utility Services

- (1) Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your loss, damage or expense caused by an "accident" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (2) Unless otherwise shown in the Schedule, Utility Services coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident".
- (3) The most we will pay for loss, damage or expense under this coverage is the limit that applies to Business Income, Extra Expense or Spoilage, except that if a limit is shown in the Schedule for Utility Services, that limit will apply to Business Income and Extra Expense loss under this coverage.

e. Business Income and Extra Expenses

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. The most we will pay for loss of Business Income you sustain or necessary Extra Expense you incur is the limit shown in the Declarations for that coverage, unless otherwise shown in the Schedule.

3. EXCLUSIONS

All exclusions in the Causes of Loss form apply as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

a. The exclusions are modified as follows:

- (1) If the Causes of Loss — Basic Form or Causes of Loss — Broad Form applies, the following is added to Exclusion **B.2.**:

Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. But if an "accident" results, we will pay for the resulting loss, damage or expense.

- (2) The following is added to Exclusion **B.1.g.**:

However, if electrical "covered equipment" requires drying out because of Water as described in **g.(1)** through **g.(3)** above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

- (3) If the Causes of Loss — Special Form applies, as respects this endorsement only, the last paragraph of Exclusion **B.2.d.** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **2.d.(1)** through **(7)** results in an "accident", we will pay for the loss, damage or expense caused by that "accident".

b. We will not pay under this endorsement for loss, damage or expense caused by or resulting from:

- (1) any defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense; or

- (2) any of the following tests:

a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.

- c. With respect to Utility Services coverage, we will also not pay for an "accident" caused by or resulting from:

fire; lightning; windstorm or hail; explosion (except as specifically provided in **A.1.c.** above); smoke; aircraft or vehicles; riot or civil commotion; vandalism, sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.

- d. With respect to Business Income, Extra Expense and Utility Services coverages, we will also not pay for:

(1) loss caused by your failure to use due diligence and dispatch and all reasonable means to resume business; or

(2) any increase in loss resulting from an agreement between you and your customer or supplier.

- e. We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident":

Any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under Spoilage coverage.

- f. We will not pay under this endorsement for any loss or damage to animals.

4. DEFINITIONS

The following definitions are added:

- a. "Boilers and vessels" means:

(1) Any boiler, including attached steam, condensate and feedwater piping; and

(2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

- b. "Covered equipment"

(1) "Covered equipment" means, unless otherwise specified in a Schedule, Covered Property:

(a) that generates, transmits or utilizes energy; or

(b) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

(2) None of the following is "covered equipment":

(a) structure, foundation, cabinet, compartment or air supported structure or building;

(b) insulating or refractory material;

(c) sewer piping, underground vessels or piping, or piping forming part of a sprinkler system;

(d) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;

(e) "vehicle" or any equipment mounted on a "vehicle";

(f) satellite, spacecraft or any equipment mounted on a satellite or spacecraft;

(g) dragline, excavation or construction equipment;

(h) equipment manufactured by you for sale; or

(i) "Electronic Data Processing Equipment", its component parts, "data" and "media", unless used to control or operate "covered equipment".

- c. "Data" means information stored on "media", including computer programs.

- d. "Electronic Data Processing Equipment" means desktop or mainframe computers. "Electronic Data Processing Equipment" does not mean computerized equipment or related component parts used to operate or direct machinery.

- e. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
- f. "Media" means material on which "data" is stored. "Media" also includes instructional materials provided with computer programs.
- g. "One accident" means: If an initial "accident" causes other "accidents", all will be considered "one accident". All "accidents" that are the result of the same event will be considered "one accident".
- h. "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
- i. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

This term does not appear elsewhere in this endorsement, but may appear in a Schedule.

- j. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.

However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle".

B. The Building and Personal Property Coverage Form is modified as follows. The definitions stated above also apply to section **B.** of this endorsement.

1. DEDUCTIBLE

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the Schedule. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision **D.**

DEDUCTIBLE is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one accident".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one accident", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the Schedule.
- (2) Unless more specifically indicated in the Schedule:
 - (a) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss; and
 - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one accident" until the amount of loss, damage or expense exceeds the applicable Deductible shown in the Schedule. We will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the Schedule, we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident". If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" occurred, divided by the number of working days in that period. No reduction shall be made for the Business Income not being earned, or in the number of working days, because of the "accident" or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration".

The number indicated in the Schedule will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.

(4) Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

2. CONDITIONS

The following conditions are in addition to the Conditions in the Building and Personal Property Coverage Form and the Common Policy Conditions.

a. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment". This can be done by mailing or delivering a written notice of suspension to:

- (1)** your last known address; or
- (2)** the address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium for that "covered equipment" for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

b. Jurisdictional Inspections

If any property that is "covered equipment" 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. We do not warrant that conditions are safe or healthful.

c. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident", 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.

d. Coinsurance

If a coinsurance percentage is shown in a Schedule for specified coverages, the following condition applies.

We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the Schedule. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOSPITAL PROPERTY COVERAGE EXTENSION ENDORSEMENT

The following modifies insurance provided under:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS — BROAD FORM
CAUSES OF LOSS — SPECIAL FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM

I. BLANKET COVERAGE EXTENSIONS

With respect to the following Coverage Extensions, found under this Section I. BLANKET COVERAGE EXTENSIONS, A. through I., we will pay up to \$250,000, for loss or damage caused by a Covered Cause of Loss.

You may apply this limit to one or any combination of these Coverage Extensions, but under no circumstances will the aggregate apportionment be permitted to exceed the Blanket Coverage Extension Limit for any one location.

If you purchase coverage separately for any of the blanketed coverages, the limit available in this Blanket Coverage Extension will be in addition to the specific limit purchased.

This Blanket Coverage Extensions Limit of insurance applies separately at each covered location shown in the Declarations and is subject to the Property Deductible shown in the Declarations.

A. ELECTRONIC DATA PROCESSING EQUIPMENT AND MEDIA

1. We will pay for loss or damage to:

- a. "Electronic Data Processing Equipment", and related component parts that are:
 - (1) Owned by you; or
 - (2) Leased, rented or under your control and for which you are liable;
- b. Your "data" and "media" or "data" and "media" for which you are liable.

2. If the Causes of Loss — Special Form applies, the following Exclusions do not apply to this Extension:

- a. Exclusion 1.b. (Earth Movement);
- b. Exclusion 1.e. (Utility Services);
- c. Exclusion 1.g. (Water);
- d. Exclusion 2.a. (Artificially generated electric current);
- e. Exclusion 2.d.(6) (Mechanical breakdown);
- f. Exclusion 2.d.(7) (Changes in or extremes of temperature or humidity and marring or scratching).

3. As used in this Extension:

- a. "Electronic Data Processing Equipment" means desktop or mainframe computers. "Electronic Data Processing Equipment" does not mean computerized equipment or related component parts used to operate or direct machinery;
 - b. "Data" means the information stored on "media", including computer programs.
 - c. "Media" means the material on which "data" is stored. "Media" also includes instructional materials provided with computer programs.
4. The value of the Covered Property will be determined as follows:

Includes copyrighted material of ISO Commercial Risk Services Inc.,
with its permission.

- a. Equipment will be valued per the Valuation Condition, item 7. of the LOSS CONDITIONS in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM;
- b. Data at the actual cost of reproducing the data. If data is not replaced or reproduced, then the cost of blank media;
- c. Media at the actual cost to repair or replace the property with material of like kind and quality.

B. ACCOUNTS RECEIVABLE

1. We will pay:
 - a. All amounts due from your customers you are unable to collect, including sums you are unable to collect as a direct result of loss or damage to credit card slips;
 - b. Interest charges on any loan required to offset amounts you are unable to collect;
 - c. Collection expenses in excess of your normal collection expenses that are made necessary by the "loss"; and
 - d. Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from Covered Causes of Loss to your records of accounts receivable.
2. In addition to the exclusions and limitations applicable to commercial property coverage, we will not pay for:
 - a. Loss or damage caused by or resulting from electrical or magnetic injury, disturbance or erasure of electronic recordings. But we will pay for direct loss caused by lightning.
 - b. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- c. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
3. Determination of Receivables
 - a. If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss, the following method will be used:
 - (1) Determine the total average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs; and
 - (2) Adjust that total for any normal fluctuations in the amounts of accounts receivable for the month in which the loss 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:
 - (1) The amount of the accounts for which there is no loss;
 - (2) The amount of the accounts that you are able to re-establish or collect;
 - (3) All unearned interest and service charges.

C. PERSONAL EFFECTS AND PROPERTY OF OTHERS

The coverage limit provided by the Coverage Extension Personal Effects and Property of Others (paragraph A.5.b. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted .

D. VALUABLE PAPERS AND RECORDS

The coverage limit provided by the Coverage Extension **Valuable Papers and Records** (paragraph A.5.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted.

E. DETACHED OUTDOOR SIGNS

We will pay for loss or damage to any detached outdoor sign permanently fixed in place as a result of a Covered Cause of loss.

F. FINE ARTS

We will pay for loss or damage to paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value, or artistic merit caused by or resulting from a covered cause of loss.

G. FIRE DEPARTMENT SERVICE CHARGE

The coverage limit provided by the Additional Coverage Fire Department Service Charge (paragraph A.4.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted.

H. RECHARGING

We will pay for expenses you incur for the recharging of fire extinguishers or fire extinguishing systems when used to fight fire on your premises or adjacent premises.

I. NEW LOCATIONS COVERAGE

1. You may extend the coverage that applies under these **BLANKET COVERAGE EXTENSIONS** to apply to any premises you acquire.
2. Insurance under this extension for each newly acquired premises will end when any of the following first occurs:
 - a. This policy expires;
 - b. 90 days after you acquire or begin construction at the new premises; or
 - c. You report values to us.

This extension does not apply to locations covered by the Builders' Risk Coverage Endorsement.

Each of the preceding Coverage Extensions is subject to the **PROPERTY COVERAGE EXTENSION ENDORSEMENT, BLANKET COVERAGE EXTENSION LIMIT** shown above.

Each of these extensions is additional insurance. The Additional Condition, Coinsurance, does not apply to these extensions.

II. BUILDING AND PERSONAL PROPERTY COVERAGE EXTENSIONS

A. BUSINESS PERSONAL PROPERTY AND MEDICAL EMERGENCY EQUIPMENT OFF PREMISES

The Coverage Extension — Property Off Premises (paragraph A.5.d. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced with the following:

1. We will pay up to \$50,000 for loss or damage to Your Business Personal Property and Medical Emergency Equipment while it is away from the described premises, if it is:
 - a. Temporarily at a location you do not own, lease or operate; or
 - b. In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.
2. This Extension does not apply to Covered Property:
 - a. In transit;
 - b. In the care, custody or control of your salespersons; or
 - c. At any fair or exhibition.

B. FAIRS OR EXHIBITIONS

We will pay up to \$50,000 for loss or damage to Your Business Personal Property while temporarily on display to the public at fairs or exhibitions on premises not owned, operated or leased by the Named Insured. This extension does not apply to your Salespersons Samples or Fine Arts.

C. SALESPERSONS SAMPLES

We will pay up to \$10,000 for loss or damage to:

1. Samples of your stock in trade; and
2. Similar property of others;

while such property is in the care, custody, or control of your salespersons, sales agents, or yourself while acting as a salesperson and not on premises you own, lease or operate.

Coverage does not apply to property on display at any fair or exhibition or to Fine Arts.

D. NEWLY ACQUIRED OR CONSTRUCTED PROPERTY

The Coverage Extension — Newly Acquired or Constructed Property (paragraph A.5.a. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced with the following:

1. Buildings

If this policy covers Building, 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 locations, other than the described premises, intended for:

- (1) Similar use as the building described in the Declarations; or
- (2) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$1,000,000 at each building.

2. Your Business Personal Property

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

- (1) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;
- (2) 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
- (3) Business personal property that you newly acquire, located at the described premises.

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

b. This extension does not apply to:

- (1) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
- (2) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

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 the 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.

E. OUTDOOR PROPERTY

The Coverage Extension — Outdoor Property (paragraph **A.5.e.** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**) is deleted and replaced by the following:

You may extend the insurance provided by this coverage form to apply to radio and television antennas (including satellite dishes), lawns, trees, plants, and shrubs (other than "stock" of trees, shrubs, or plants), including debris removal expense, while located outside of buildings for the following causes of loss:

1. Fire;
2. Lightning;
3. Explosion;
4. Riot or Civil Commotion;
5. Aircraft.

The most we will pay for loss or damage under this extension is \$10,000, but not more than \$500 for any one tree, plant, or shrub. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

F. MONEY AND SECURITIES

1. We will pay up to \$10,000 for loss of "money" and "securities" by the actual destruction, disappearance or wrongful abstraction from:

- a. Any location described in the Declarations;
- b. Any banking premises;
- c. Outside your premises while being conveyed by a "messenger"; or
- d. Within the living quarters of any "messenger".

2. "Messenger" means you, any of your partners or any employee while having care and custody of the money and securities outside the described premises.

3. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and

- b. Travelers checks, registered checks and money orders held for sale to the public.
- 4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money".
- 5. In addition to the exclusions and limitations applicable to commercial property coverage, we will not pay for loss:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Resulting from the giving or surrendering of property in any exchange or purchase;
 - 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.
- 6. You must keep records of all money and securities so we can verify the amount of any loss.

The terms of these extensions of coverage apply separately to each building.

Each of these extensions is additional insurance. The Additional Condition, Coinsurance, does not apply to these extensions.

III. BUILDING AND PERSONAL PROPERTY ADDITIONAL COVERAGES

A. ORDINANCE OR LAW COVERAGE

Paragraph 4.e. **Increased Cost of Construction** of the Additional Coverages Section in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is deleted and replaced by:

1. Application Of Coverage

The Coverage(s) provided by this endorsement apply only if both **1.a.** and **1.b.** are satisfied and are then subject to the qualifications set forth in **1.c.**

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

But coverage under this Additional 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 under this Additional Coverage.

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

- c. In the situation described in **1.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this Additional Coverage. 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.

(Paragraph 7. of this Additional Coverage provides an example of this procedure.)

However, if the covered direct physical damage alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this Additional Coverage.

2. We will not pay under this Additional Coverage for 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".

3. Coverage

- a. Coverage A — Coverage for Loss to the Undamaged Portion of the Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **A** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage **A** is included within the Limit Of Insurance shown in the Declarations as applicable to the covered building and does not increase the Limit of Insurance.

- b. Coverage B — 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 undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

- c. Coverage C — Increased Cost of Construction

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

- (a) Repair or reconstruct damaged portions of the building; and/or
- (b) Reconstruct or remodel undamaged portions of the 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:

- (a) This coverage applies only if the Replacement Cost Optional Coverage applies to the building loss.
- (b) 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.
- (c) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction.

- (2) When a building is damaged or destroyed and Coverage **C** applies to that building in accordance with **c.(1)** above, coverage for the Increased Cost of Construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **c.(1)**:

- (a) The cost of excavations, grading, backfilling, and filling;
- (b) Foundations of the building;
- (c) Pilings; and
- (d) Underground pipes, flues, and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in this provision, **c.(2)**.

4. Loss Payment

- a. The following payment provisions, **4.b.** and **4.c.**, are subject to the apportionment procedures set forth in section **1.c.** of this Additional Coverage.
 - b. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - (1) If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same premises or another premises, we will not pay more than the lesser of:
 - (a) The amount you would actually spend to repair, rebuild or reconstruct the building, but not more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparative 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 Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, 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. The most we will pay, for the total of all covered losses for Demolition Cost Coverage and Increased Cost of Construction Coverage in any one occurrence is \$250,000. Subject to the applicable Limit of Insurance, the following provisions apply:
 - (1) For Demolition Cost we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
 - (2) With respect to the Increased Cost of Construction:
 - (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the same premises.
 - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the new premises.

5. The terms of this Additional Coverage apply separately to each building to which this Additional Coverage applies.
6. This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such exclusion would conflict with the provisions of this Additional Coverage.
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 Building Ordinance coverage losses (procedure as set forth in section 1.c. of this Additional Coverage).

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
- Loss under Building Ordinance Coverage **C** of this Additional Coverage: \$60,000

Step 1:

Determine the proportion that the covered direct physical damage bears to the total direct physical damage,

$$\$30,000/\$100,000 = .30$$

Step 2:

Apply that proportion to the Building Ordinance loss.

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

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

NOTE: The same procedure applies to losses under Coverages **A** and **B** of this Additional Coverage.

B. TRANSIT

If the Causes of Loss — Special Form is applicable to this policy, **Section F. Additional Coverage Extension — 1. Property in Transit** is deleted and replaced by the following:

1. We will pay up to \$50,000 for loss or damage to covered property, including emergency medical equipment, while in transit. The loss or damage must be caused by or result from one of the following causes of loss:

- a. A Covered Cause of Loss;
 - b. Collision, upset or overturn;
Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - c. Flood;
 - d. Earthquake.
2. Coverage is provided while the property is in the custody of:
 - a. Any railroad, public trucker, private trucker or land transportation company;
 - b. You or anyone else while the Covered Property is in or on vehicles you own, lease or hire;
 - c. Any air transportation carrier;
 - d. Any water transportation carrier;
 - e. Any messenger in charge or control of the Covered Property.
 3. Coverage does not apply to:
 - a. Property in the care, custody or control of your salespersons or you while acting as a salesperson;
 - b. Shipments by mail;
 - c. Property covered under import or export Ocean Cargo Policies;
 - d. Intercoastal water shipments via the Panama Canal; or
 - e. Coastwise water shipments to Alaska.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

C. EXTRA EXPENSE

We will pay up to \$50,000 for the actual and necessary Extra Expense you sustain due to direct physical loss of or damage to property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss or damage to personal property in the open or personal property in a vehicle, the described premises includes the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

1. The portion of the building which you rent, lease or occupy; or

2. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

1. We will pay any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations":
 - a. At the described premises; or
 - b. At replacement premises or at temporary locations, including:
 - (1) Relocation Expenses; and
 - (2) Costs to equip and operate the replacement or temporary locations;
2. We will pay any Extra Expense to minimize the "suspension" of business if you cannot continue "operations"; or
3. We will pay any Extra Expense to:
 - a. Repair or replace any property; or
 - b. Research, replace, or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this coverage form.
4. "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 the described premises; and
 - b. Ends on the earlier of:
 - (1) The date 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.

"Period of restoration" 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".

5. "Operations" means your business activities occurring at the described premises.
6. "Suspension" means the slowdown or cessation of your business activities.

D. UTILITY SERVICES COVERAGE

We will pay up to \$25,000 for loss or damage to Covered Property at any described premises resulting from the interruption of service to that premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the described premises:

1. Water Supply Services, meaning pumping stations and water mains supplying water to the described premises.
2. Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
 - a. Communication transmission lines, including optic fiber transmission lines;
 - b. Coaxial cables;
 - c. Microwave radio relays except satellites.
3. Power Supply Services, meaning utility generating plants, switching stations, substations, transformers and transmission lines supplying electricity, steam or gas to the described premises.

E. ARSON REWARD

We will pay up to \$25,000 for information which leads to an arson conviction in connection with a fire loss covered under this policy. Regardless of the number of persons involved in providing information our liability under this Additional Coverage shall not be increased.

F. COSTS TO PREPARE INVENTORY

1. We will pay up to \$10,000 for expenses you incur in compiling inventories at our request to assist us in determining the amount of a loss covered by this policy.
2. We will not pay for:
 - a. Expenses to prove that loss or damage is covered; and
 - b. Expenses incurred under the Appraisal Loss Condition.
 - c. Expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

G. WATER BACKUP OF SEWERS OR DRAINS

Section B. Exclusions, Paragraph 1.g.(3) of the Causes of Loss Form is deleted.

We will pay up to \$15,000 for loss or damage to Covered Property at any described premises resulting from water that backs up or overflows from a sewer, drain or sump.

H. PENALTY EXPENSE REIMBURSEMENT

We will reimburse you up to \$15,000 for penalties you incur due to your failure to deliver products as required under contracts with your customers. The penalties must result from direct physical loss or damage by a Covered Cause of Loss to Covered Property.

We will pay no more than \$30,000 under this additional coverage in any one policy year.

I. DEBRIS REMOVAL

The coverage limit provided by Additional Coverage A.4.a. Debris Removal in the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is increased to \$50,000.

J. PATIENT EVACUATION EXPENSE

We will pay up to \$100,000 for expenses you incur to evacuate patients due to direct physical loss of or damage to Covered Property at premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.

Evacuation Expense means necessary expenses you incur during the "period of restoration", to transport patients from the described premises to replacement premises or a temporary location.

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

1. Begins on the date of the evacuation; and
2. Ends on the date the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

K. RADIOACTIVE CONTAMINATION

We will pay up to \$50,000 for loss due to Radioactive Contamination.

Radioactive Contamination, means direct physical loss or damage caused by sudden and accidental radioactive contamination, including resultant radiation damage to the described property.

We will not pay for loss or damage caused by or resulting from Radioactive Contamination if:

1. The described premises contains:
 - a. A nuclear reactor capable of sustaining nuclear fission in a self-supporting chain reaction; or
 - b. Any new or used nuclear fuel intended for or used in such a nuclear reactor.
2. The contamination arises from radioactive material not located at the described premises.

L. LEASEHOLD INTEREST

We will pay up to \$50,000 for loss of Covered Leasehold Interest you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss of or damage to property at the described premises caused by or resulting from any Covered Cause of Loss. Covered Leasehold Interest includes:

1. **Tenants' Lease Interest**, meaning the difference between the:
 - a. Rent you pay at the described premises; and
 - b. Rental value of the described premises that you lease.
2. **Bonus Payments**, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is money you paid to acquire your lease. It does not include:
 - a. Rent, whether or not prepaid; or
 - b. Security.

3. **Improvements and Betterments**, meaning the unamortized portion of payments made by you for improvements and betterments. It does not include the value of improvements and betterments recoverable under any other insurance, but only to the extent of such other insurance.

Improvements and betterments are fixtures, alterations, installations or additions:

- a. Made a part of the building or structure you occupy but do not own.
- b. You acquired or made at your expense but cannot legally remove.

4. **Prepaid Rent**, meaning the unamortized portion of any amount of advance rent you paid that will not be refunded to you. This does not include the customary rent due at:

- (1) The beginning of each month; or
- (2) Any other rental period.

IV. OTHER BUILDING AND PERSONAL PROPERTY COVERAGE CHANGES

A. BUILDING DEFINITION

1. The following items are added to Section **A. 1. Covered Property, a. Buildings**, of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:
 - a. Attached signs;
 - b. Outdoor fences;
 - c. Lightpoles.
2. The second paragraph of Section **A. 1. c. Limits of Insurance** is deleted.

B. PREMISES BOUNDARY

Paragraphs **A.1.a.**, Building, **A.1.b.**, Your Business Personal Property, and **A.1.c.**, Personal Property of Others of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are amended to increase the distance limitation from within 100 feet of the described premises to within 1,000 feet of the described premises.

V. BUSINESS INCOME COVERAGE EXTENSION

The following coverage extensions apply only if Business Income Coverage is indicated as applicable in the Declarations:

A. DEPENDENT PROPERTIES BUSINESS INCOME

1. We will pay up to \$50,000 for the actual loss of Business Income you sustain due to the necessary suspension of operations during the period of restoration. The suspension must be caused by direct physical loss of or damage to property at the premises of a dependent property caused by or resulting from a Covered Cause of Loss.
2. We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume operations, in whole or in part, by using any other available:
 - a. Source of materials; or
 - b. Outlets 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 operated by others whom you depend on to:
 - a. Deliver materials or services, other than water, communication or power supply services, to you, or to others for your account; or
 - b. Accept your products or services;
5. Period of Restoration, with respect to dependent property, 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 the premises of the dependent property; and
 - b. Ends on the date the property at the premises of the dependent property should be 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:

- 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".

6. Operations with respect to dependent property, means your business activities occurring at the described premises.

7. Suspension with respect to dependent property, means the slowdown or cessation of your business activities.

B. EXTENDED BUSINESS INCOME

1. Paragraph **A.5.c.(1)(b)(ii)**, of the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM is amended to read:

- (ii) 180 consecutive days after the date determined in **(1)(a)** above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ARKANSAS CHANGES

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99** the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** The following is added to the Common Policy Conditions:

MULTI-YEAR POLICIES

We may issue this policy for a term in excess of twelve months with the premium adjusted on an annual basis in accordance with our rates and rules.

- C.1.** Except as provided in **C.2.** below, the **Appraisal** Condition, if any, is replaced by the following:

- a.** If we and you disagree on the value of the property or the amount of loss ("loss"), either party may make a written request for an appraisal of the loss ("loss"). However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss ("loss") appraised. If so agreed, 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 value of the property and amount of loss ("loss"). If they fail to agree, they will submit their differences to the umpire.
- b.** An appraisal decision will not be binding on either party.
- c.** If there is an appraisal, we will still retain our right to deny the claim.

- d.** Each party will:

- (1)** Pay its chosen appraiser; and
(2) Bear the other expenses of the appraisal and umpire equally.

- C.2.** The **Appraisal** Condition in Business Income Coverage Form (And Extra Expense) **CP 00 30** Business Income Coverage Form (Without Extra Expense) **CP 00 32** and Capital Assets Program Coverage Form (Output Policy), **OP 00 01**, Paragraph **A.7.** Business Income And Extra Expense is replaced by the following:

- a.** If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either party may make a written request for an appraisal of the loss. However, an appraisal will be made only if both we and you agree, voluntarily, to have the loss appraised. If so agreed, 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.
- b.** An appraisal decision will not be binding on either party.
- c.** If there is an appraisal, we will still retain our right to deny the claim.
- d.** Each party will:
- (1)** Pay its chosen appraiser; and
(2) Bear the other expenses of the appraisal and umpire equally.

D.1. This Paragraph, **D.2.**, does not apply to the following:

Farm Liability Coverage Form

Legal Liability Coverage Form

2. The 2-year limitation in the Legal Action Against Us Condition is changed to 5 years.

SERFF Tracking Number: GCCW-125380126 *State:* Arkansas
First Filing Company: General Casualty Company of Wisconsin, ... *State Tracking Number:* EFT \$50
Company Tracking Number: 020108 10359R
TOI: 01.0 Property *Sub-TOI:* 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property Forms
Project Name/Number: Commercial Property Forms/020108 10359R

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: GCCW-125380126 State: Arkansas
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TOI: 01.0 Property Sub-TOI: 01.0001 Commercial Property (Fire and Allied Lines)
Product Name: Commercial Property Forms
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Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 12/17/2007

Comments:

Attachment:

Form Filing Schedule.pdf

Satisfied -Name: Forms Filing List **Review Status:** Approved 12/17/2007

Comments:

Attachments:

Forms Filing list GCW 1207.pdf
Forms Filing list Regent 1207.pdf

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)
 (Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #		020108 10359R		
2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)				
3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Business Income (And Extra Expense) Actual Loss Sustained Coverage Form	CP 7030 02 01	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Water Back Up Of Sewers Or Drains	CP 7961 1095	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Building Enhancement Glass	CP 7966 0201	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss <i>Special Form</i>	CP 7967 1002	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss <i>Basic and Broad Forms</i>	CP 7968 1002	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06	Equipment Breakdown Coverage	CP 7994 0605	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07	Hospital Property Extension Endorsement	CP 8013 0407	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

Arkansas

Independent filings for Commercial Property Exception Pages

Form #	Ed Date	Title	Optional?	Premium Bearing	Status
CP 7901	10 00	Commercial Property Coverage Part Declarations	No	No	Current
CP 7902	10 00	Commercial Property Policy Declarations	No	No	Current
CP 7900	03 92	Commercial Property Policy Jacket	No	No	Obsolete-Withdraw
CP 7904	01 91	Fire Supplemental Declarations	Yes	No	Obsolete – Withdraw
CP 7905	07 86	Commercial Glass Policy Declarations	Yes	No	Obsolete – Withdraw
CP 7907	07 86	Glass Supplemental Schedule	Yes	No	Obsolete – Withdraw
CP 7030	02 01	Business Income (And Extra Expense) Actual Loss Sustained Coverage Form	Yes	Yes	New
CP 7961	10 95	Water Back Up Of Sewers Or Drains	Yes	Yes	New
CP 7966	02 01	Building Glass Enhancement	No	No	New
CP 7967	10 02	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Special Form	No	No	New
CP 7968	10 02	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Basic and Broad Forms	No	No	New
CP 7994	06 05	Equipment Breakdown Coverage	Yes	Yes	New

Arkansas

Independent filings for Commercial Property Exception Pages

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CP 7901	10 00	Commercial Property Coverage Part Declarations	No	No	Current
CP 7902	10 00	Commercial Property Policy Declarations	No	No	Current
CP 7900	03 92	Commercial Property Policy Jacket	No	No	Obsolete- Withdraw
CP 7904	01 91	Fire Supplemental Declarations	Yes	No	Obsolete – Withdraw
CP 7905	07 86	Commercial Glass Policy Declarations	Yes	No	Obsolete – Withdraw
CP 7907	07 86	Glass Supplemental Schedule	Yes	No	Obsolete – Withdraw
CP 7030	02 01	Business Income (And Extra Expense) Actual Loss Sustained Coverage Form	Yes	Yes	New
CP 7961	10 95	Water Back Up Of Sewers Or Drains	Yes	Yes	New
CP 7966	02 01	Building Glass Enhancement	No	No	New
CP 7967	10 02	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Special Form	No	No	New
CP 7968	10 02	Additional Provisions – Fungus, Wet Rot, Dry Rot & Bacteria – Causes of Loss Basic and Broad Forms	No	No	New
CP 7994	06 05	Equipment Breakdown Coverage	Yes	Yes	New
CP 8013	04 07	Hospital Property Extension Endorsement	No	No	New