

SERFF Tracking Number: AMAX-125263159 State: Arkansas
Filing Company: American Association of Insurance Services State Tracking Number: AR-PC-07-025799
Company Tracking Number: AAIS-2007-63
TOI: 09.0 Inland Marine Sub-TOI: 09.0005 Other Commercial Inland Marine
Product Name: Inland Marine Guide
Project Name/Number: CW IMG New & Rev Forms & Endts 05 07 AAIS-2007-63/AAIS-2007-63

Filing at a Glance

Company: American Association of Insurance Services

Product Name: Inland Marine Guide SERFF Tr Num: AMAX-125263159 State: Arkansas
TOI: 09.0 Inland Marine SERFF Status: Closed State Tr Num: AR-PC-07-025799
Sub-TOI: 09.0005 Other Commercial Inland Marine Co Tr Num: AAIS-2007-63 State Status:

Filing Type: Form

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Llyweyia Rawlins, Brittany Yielding
Author: SPI AAIS Disposition Date: 08/16/2007
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Effective Date Requested (New): 01/01/2008

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General Information

Project Name: CW IMG New & Rev Forms & Endts 05 07 AAIS-2007-63 Status of Filing in Domicile: Not Filed

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Corresponding Filing Tracking Number:

Filing Description:

SENT VIA SERFF

Re: AAIS-2007-63

Inland Marine Guide Program (Traditional Non-Filed Inland Marine)

New and revised Forms, Endorsements and Schedules

Dear Sir or Madam:

<i>SERFF Tracking Number:</i>	<i>AMAX-125263159</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>American Association of Insurance Services</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-025799</i>
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On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing new and revised coverage forms, endorsements, and schedules for the Builders' Risk, Miscellaneous Floaters, Radio And Television Towers & Equipment and Transit classes, which are Commercial Inland Marine classes that are traditionally considered "non-filed".

The Filing Memorandum provides background for this submission and detailed descriptions of the materials being filed. Copy of the forms, Schedules and endorsements are enclosed.

We propose that the forms, schedules and endorsements described in this filing become effective January 1, 2008 and only companies that choose not to adopt these materials on that date will be required to notify the Insurance Department. Once approved, we also ask that companies that choose to adopt these materials on an earlier date may do so by notifying the Insurance Department.

Please be advised that, once approved, the materials that are the subject of this filing will also be provided to affiliated companies in an electronic format. We will be happy to furnish you the same material electronically, upon request. Due to differences in printer configurations or other hardware or software differences, the appearance of the materials that are the subject of this filing may be altered slightly when produced by another system. Such alterations will be cosmetic only and will not affect the content of the filed materials.

Company and Contact

Filing Contact Information

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Filing Company Information

American Association of Insurance Services	CoCode: 31400	State of Domicile: Delaware
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Wheaton, IL 60187-8132	Group Name:	State ID Number:
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Filing Fees

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Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Association of Insurance Services	\$500.00	08/15/2007	15124924

State Specific

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	08/16/2007	08/16/2007

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Disposition

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Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	!IMG Forms Filing Memo 05 07 CW	Approved	Yes
Supporting Document	IM7054 05 07 to IM7054 04 04	Approved	Yes
Supporting Document	IM7059 05 07 to IM7059 04 04	Approved	Yes
Supporting Document	IM7066 05 07 to IM7066 04 04	Approved	Yes
Supporting Document	IM7606 05 07 to IM7606 04 04	Approved	Yes
Form	Builders' Risk Coverage - Rehabilitation And Renovation Form	Approved	Yes
Form	Schedule Of Coverages - Builders' Risk - Rehabilitation And Renovation	Approved	Yes
Form	Reporting Conditions Schedule - Builders' Risk	Approved	Yes
Form	Additional Scheduled Jobsite Locations	Approved	Yes
Form	Schedule Of Coverages - Broadcasting Equipment And Tower Coverage - Broadcasting And Data Processing Equipment Form	Approved	Yes
Form	Unattended Vehicle Exclusion - Transportation Coverage	Approved	Yes
Form	Theft Limitation - Transportation Coverage	Approved	Yes
Form	Unattended Vehicle Exclusion - Owner's Cargo Coverage	Approved	Yes
Form	Theft Limitation - Owner's Cargo Coverage	Approved	Yes
Form	Vehicle Alarm Endorsement	Approved	Yes
Form	Mobile Equipment Floater	Approved	Yes
Form	Schedule Of Coverages - Mobile Equipment Floater	Approved	Yes
Form	Equipment Schedule - Mobile Equipment Floater	Approved	Yes
Form	Coverage Restricted To Described Premises	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Builders' Risk Coverage - Rehabilitation And Renovation Form	IM 7054	05 07	Policy/Cove rage Form	Replaced Form #:50.35 IM 7054 04 04 Previous Filing #:		IM 7054 .PDF
Approved	Schedule Of Coverages - Builders' Risk - Rehabilitation And Renovation	IM 7059	05 07	Declaration Replaced s/Schedule	Replaced Form #:0.00 IM 7059 04 04 Previous Filing #:		IM 7059.PDF
Approved	Reporting Conditions Schedule - Builders' Risk	IM 7066	05 07	Declaration Replaced s/Schedule	Replaced Form #:0.00 IM 7066 04 04 Previous Filing #:		IM 7066.PDF
Approved	Additional Scheduled Jobsite Locations	IM 7090	05 07	Declaration New s/Schedule		0.00	IM 7090.PDF
Approved	Schedule Of Coverages - Broadcasting Equipment And Tower Coverage - Broadcasting And Data Processing Equipment Form	IM 7606	05 07	Declaration Replaced s/Schedule	Replaced Form #:0.00 IM 7606 04 04 Previous Filing #:		IM 7606.PDF
Approved	Unattended Vehicle Exclusion - Transportation Coverage	IM 7267	05 07	Endorseme New nt/Amendm ent/Condi tions		62.10	IM 7267.PDF
Approved	Theft Limitation - Transportation Coverage	IM 7268	05 07	Endorseme New nt/Amendm ent/Condi		59.26	IM 7268.PDF

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Approved	Unattended Vehicle Exclusion - Owner's Cargo Coverage	IM 7269	05 07	Endorsement/Amendment/Conditions	69.11	IM 7269.PDF
Approved	Theft Limitation - Owner's Cargo Coverage	IM 7270	05 07	Endorsement/Amendment/Conditions	56.58	IM 7270.PDF
Approved	Vehicle Alarm Endorsement	IM 7271	05 07	Endorsement/Amendment/Conditions	44.97	IM 7271.PDF
Approved	Mobile Equipment Floater	IM 7505	05 07	Policy/Coverage Form	49.89	IM 7505.PDF
Approved	Schedule Of Coverages - Mobile Equipment Floater	IM 7514	05 07	Declaration News/Schedule	0.00	IM 7514.PDF
Approved	Equipment Schedule - Mobile Equipment Floater	IM 7515	05 07	Declaration News/Schedule	0.00	IM 7515.PDF
Approved	Coverage Restricted To Described Premises	IM 7516	05 07	Endorsement/Amendment/Conditions	0.00	IM 7516.PDF

BUILDERS' RISK COVERAGE REHABILITATION AND RENOVATION FORM

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Rehabilitation And Renovation -- "We" cover buildings or structures while in the course of rehabilitation or renovation as described below.

1. Coverage --

- a. **Existing Building** -- If coverage for Existing Building is indicated on the "schedule of coverages", "we" cover direct physical loss caused by a covered peril to an "existing building" while in the course of rehabilitation or renovation.
- b. **Building Materials** -- While "existing buildings" are in the course of rehabilitation or renovation, "we" cover direct physical loss caused by a covered peril to "building materials".

2. Coverage Limitations --

- a. **Described Jobsite** -- "We" only cover "existing buildings" and "building materials" at the "jobsite" described on the "schedule of coverages".
- b. **Vacant Building** -- Refer to the "schedule of coverages" for a description of the limitation on a vacant "existing building".

3. Limits --

- a. **Existing Buildings** -- The most "we" pay in any one occurrence for loss to an "existing building" is the Existing Buildings Limit indicated on the "schedule of coverages".
 - b. **Building Materials** -- The most "we" pay in any one occurrence for loss to "building materials" is the Building Materials Limit indicated on the "schedule of coverages".
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PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.

2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Excavations, Grading, Filling, Pipes, Flues, And Drains** -- "We" do not cover:
 - a. the cost of excavations, grading, or filling; and
 - b. underground pipes; flues; and drains.
4. **Land** -- "We" do not cover land including land on which covered property is located.
5. **Money And Securities** -- "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.
6. **Roadways And Walkways** -- "We" do not cover walkways, roadways, and other paved surfaces that are not adjacent to and not part of a covered building or structure.
7. **Standing Building Or Structure** -- Except for "existing building", "we" do not cover any:
 - a. standing building or structure; or
 - b. part of a standing building or structurethat has been wholly or partially constructed, erected, or fabricated prior to the inception of this policy.
8. **Trees, Shrubs, And Plants** -- "We" do not cover trees, shrubs, plants, or lawns.
9. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.
10. **Vehicles** -- "We" do not cover automobiles or any self-propelled vehicles that are designed for highway use.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

1. **Debris Removal** --

- a. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** -- This coverage does not include costs to:
 - 1) extract "pollutants" from land or water; or
 - 2) remove, restore, or replace polluted land or water.

- c. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

2. **Limited Fungus Coverage** --

- a. **Coverage** -- "We" pay for direct physical loss to covered property caused by or relating to the existence of or any activity of "fungus".
- b. **Coverage Limitation** -- "We" only cover loss caused by "fungus":
 - 1) when the "fungus" is the result of:
 - a) a "specified peril" other than fire or lightning; or
 - b) "flood" (if the Flood Coverage is provided under this policy);that occurs during the policy period;
and
 - 2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.
- c. **Limit** -- The most "we" pay for all losses at all buildings or structures is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Limit applies regardless of the number of claims made.

The Limited Fungus Limit applies regardless of the number of locations or buildings or structures insured under this policy.

The Limited Fungus Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

- d. **If The Policy Period Is Extended** -- If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Limit.
- e. **Recurrence And Continuation Of Fungus** -- Limited Fungus Limit is the most that "we" pay with respect to a specific occurrence of a loss that results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. **Limit Applies To Other Costs Or Expenses** -- Limited Fungus Limit also applies to any cost or expense to:
 - 1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
 - 2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
 - 3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.

- g. **Loss Not Caused By Fungus** -- If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this coverage extension.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

1. Pollutant Cleanup And Removal --

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing that is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** -- The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

2. Temporary Storage Locations --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while they are temporarily in storage at a location that is not described on the "schedule of coverages".

- b. **We Do Not Cover** -- "We" do not cover property in storage if the property has not been specifically allocated to or otherwise identified with a covered building or structure.
- c. **Limit** -- The most "we" pay in any one occurrence for loss to property at a temporary storage location is \$10,000.

3. **Transit** --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while in transit.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

- 1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
 - a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Earth Movement** -- "We" do not pay for loss caused by any "earth movement".

However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".

If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.

This exclusion does not apply to covered property while in transit.

- c. **Flood** -- "We" do not pay for loss caused by "flood".

However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

This exclusion does not apply to covered property while in transit.

- d. **Fungus** -- Except as provided under Coverage Extensions - Limited Fungus Coverage, "we" do not pay for loss, cost, or expense caused by or relating to the existence of or any activity of "fungus".

But if "fungus" results in a "specified peril", we cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- 1) loss that results from fire or lightning;
or
- 2) collapse caused by hidden decay.

e. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

f. **Ordinance Or Law** -- "We" do not pay for loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.

"We" do not pay for loss regardless if the loss is caused by or results from the:

- 1) enforcement of any code, ordinance, or law even if a building or structure has not been damaged; or
- 2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a building or structure, including the removal of debris, following a direct physical loss to the property.

g. **Penalties** -- "We" do not pay for loss caused by penalties for non-completion or non-compliance with any contract terms or conditions.

h. **Sewer Backup And Water Below The Surface** -- "We" do not pay for loss caused by:

- 1) water that backs up through or overflows from a sewer, drain, or sump; or
- 2) water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a building or structure.

If sewer backup or water below the surface of the ground results in fire, explosion, or theft, "we" will pay for the loss or damage caused by that fire, explosion, or theft.

This exclusion does not apply to covered property while in transit.

i. **War And Military Action** -- "We" do not pay for loss caused by:

- 1) war, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Collapse** -- "We" do not pay for loss caused by collapse, except as provided under Other Coverages - Collapse.

But if collapse results in a covered peril, "we" cover the loss or damage caused by that covered peril.

This exclusion does not apply to covered property while in transit.

- b. **Contamination Or Deterioration** --
"We" do not pay for loss caused by contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.
- c. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:
- 1) "you";
 - 2) others who have an interest in the property;
 - 3) others to whom "you" entrust the property;
 - 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
 - 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- d. **Defects, Errors, And Omissions** --
"We" do not pay for loss caused by an act, defect, error, or omission (negligent or not) relating to:
- 1) design or specifications; or
 - 2) planning, zoning, development, siting, surveying, grading, or compaction.
- But if an act, defect, error, or omission as described above results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".
- e. **Electrical Currents** -- "We" do not pay for loss caused by arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- f. **Explosion, Rupture, Or Bursting** -- "We" do not pay for loss caused by explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines. This exclusion applies only to loss or damage to the steam boilers, steam or gas turbines, steam pipes, or steam engines in which the loss occurred.
- g. **Freezing** -- "We" do not pay for loss caused by water; other liquids; powder; or molten material that leaks or flows from plumbing, heating, air-conditioning systems, or appliances other than fire protective systems caused by freezing.

This does not apply if "you" use reasonable care to maintain heat in the building or structure; or "you" drain the equipment and turn off the supply if the heat is not maintained.

- h. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- i. **Materials And Workmanship** -- "We" do not pay for loss caused by faulty, inadequate, or defective materials or workmanship. But if loss by a fire or explosion results, "we" pay for the resulting loss.
- j. **Mechanical Breakdown** -- "We" do not pay for loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- k. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- l. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":
- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
 - 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

- m. **Rain, Snow, Ice, Or Sleet** -- "We" do not pay for loss caused by or resulting from rain, snow, ice, or sleet to property in the open that is not part of the permanent building or structure.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- n. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by settling, cracking, shrinking, bulging, or expanding of pavements, foundations, walls, ceilings, glass, or roofs.

But if loss by a covered peril results, "we" pay for the resulting loss.

- o. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

- p. **Testing** -- "We" do not pay for loss caused by testing of covered property. Testing includes, but is not limited to, start-up, performance, stress, pressure, or overload testing of materials, supplies, machinery, fixtures, and equipment.
 - q. **Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.
 - r. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.
 - e weight of rain that collects on a roof; or
 - f. use of defective materials.
3. **Collapse Means** -- Collapse means a sudden and unexpected falling in or caving in of buildings or structures, including any portion of buildings or structures, while in the course of rehabilitation or renovation with the result that rehabilitation or renovation cannot be completed as intended.
 4. **Collapse Does Not Mean** -- The following are not considered to be in a state of collapse:
 - a. a building or structure that is standing or any portion of a building or structure that is standing even if it displays evidence of bending, bulging, cracking, expansion, leaning, sagging, settling, or shrinkage;
 - b. a building or structure or any portion of a building or structure in danger of falling in or caving; and
 - c. a portion of a building or structure that is standing even if it has separated from another portion of the building or structure.

OTHER COVERAGES

Collapse --

1. **Coverage** -- "We" pay for loss caused by direct physical loss involving collapse of buildings or structures while in the course of rehabilitation or renovation including:
 - a. any part of buildings or structures; or
 - b. personal property inside of buildings or structures.
2. **Covered Perils** -- "We" only cover collapse of buildings or structures while in the course of rehabilitation or renovation if the collapse is caused by one or more of the following perils:
 - a. "specified perils" only as insured against in this coverage form;
 - b. hidden decay, unless "you" know of the presence of the decay prior to the collapse;
 - c. hidden insect or vermin damage, unless "you" know of the damage prior to the collapse;
 - d. weight of people or personal property;
5. **Limited Fungus Coverage Does Not Increase/Decrease Coverage** -- The "terms" under Coverage Extension - Limited Fungus Coverage do not increase or decrease the coverage for Collapse.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:
 - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment Of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
 - b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
 3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;
 - b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title of the covered property during the policy period; and
 - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
 4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
 5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
 6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
 7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
 8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
 9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.
-
- ## VALUATION
-
1. **Existing Building** --
 - a. **Stated Value** -- If Stated Value is indicated on the "schedule of coverages" for Existing Building, the value of an "existing building" that is in the course of rehabilitation or renovation will be valued at the "limit" shown for "existing building" on the "schedule of coverages".
 - b. **Actual Cash Value** -- If Actual Cash Value is indicated on the "schedule of coverages" for Existing Building, the value of an "existing building" that is in the course of rehabilitation or renovation will be based on the actual cash value at the time of loss (with a deduction for depreciation).

2. **Building Materials** --

- a. **Actual Cash Value** -- The value of "building materials" will be based on the actual cash value at the time of loss (with a deduction for depreciation).
- b. **Actual Cash Value Includes** -- The actual cash value includes:
 - 1) materials and labor;
 - 2) delivery charges;
 - 3) reasonable overhead and profit; and
 - 4) related construction costs that are re-incurred as a result of a loss but only if such costs have been included as part of the "limit" for Building Materials.

3. **Pair Or Set** -- The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

- 1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
- 2. **Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
- 3. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 4., 5., and 6. under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or

- c. the "limit" that applies to the covered property.

4. **Coinsurance --**

- a. **When Coinsurance Applies --** "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of "building materials".
- b. **How We Determine Our Part Of The Loss --** "Our" part of the loss is determined using the following steps:
 - 1) determine the 100% expected completed value of "building materials", this figure is based on the estimated value of the property at completion of construction had no loss occurred;
 - 2) divide the "limit" for "building materials" by the result determined in b.1) above;
 - 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the Building Materials Limit, whichever is less. "We" do not pay any remaining part of the loss.

- c. **If There Is More Than One Limit --** If there is more than one Building Materials Limit indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
 - d. **If There Is Only One Limit --** If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all "building materials" to which the "limit" applies.
5. **Insurance Under More Than One Coverage --** If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

6. **Insurance Under More Than One Policy --**

- a. **Proportional Share --** "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount --** If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. **Loss Payment Options --**

- a. **Our Options --** In the event of loss covered by this coverage form, "we" have the following options:
 - 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;
 - 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.
- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace --** "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

2. **Your Losses --**

- a. **Adjustment And Payment Of Loss --** "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss --** An insured loss will be payable 30 days after:
- 1) a satisfactory proof of loss is received; and
 - 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

3. **Property Of Others --**

- a. **Adjustment And Payment Of Loss To Property Of Others --** Losses to property of others may be adjusted with and paid to:
- 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner --** If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others --** Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.

3. **Conformity With Statute --** When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

4. **Estates --** This provision applies only if the insured is an individual.

- a. **Your Death --** On "your" death, "we" cover the following as an insured:

- 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or

OTHER CONDITIONS

1. **Appraisal --** If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

- 2) "your" legal representative.
- This person or organization is an insured only with respect to property covered by this coverage.
- b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:
- a. "you" or any other insured have willfully concealed or misrepresented:
- 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.
- b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
- a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
- e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.
8. **Restoration Of Limits** -- Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".
9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.
- "You" may waive "your" right to recover from others in writing before a loss occurs.
10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:
- a. all of the "terms" of this coverage have been complied with; and
 - b. the suit has been brought within two years after "you" first have knowledge of the loss.
- If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.
12. **Carriers For Hire** -- "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

ADDITIONAL COVERAGE LIMITATIONS

1. **Occupancy And Use** -- "We" do not provide coverage under this policy if, without "our" prior written consent, an "existing building" is:
 - a. occupied in whole or in part; or
 - b. put to its intended use.
2. **When Coverage Ceases** -- Refer to the "schedule of coverages" for a list of conditions that describe when coverage under this policy will end.

DEFINITIONS

1. "Building materials" means:
 - a. additions, alterations, improvements, or repairs to an "existing building"; and
 - b. materials, supplies, attachments, and fixtures that will become a permanent part of an "existing building".
2. "Earth movement" means:
 - a. earthquake;
 - b. landslide;
 - c. mine subsidence whether or not the non-natural mine is currently in use;
 - d. sinking (other than "sinkhole collapse"), shifting, or rising of earth including, but not limited to, erosion, expansion, shrinking, freezing, thawing, improper soil compaction, and movement of water under the surface of the ground that cause cracking, settling, or shifting of foundations, buildings, or structures; or
 - e. eruption, explosion, or effusion of a volcano.

3. "Existing building" means a building or structure that was constructed and standing prior to the inception of this policy and that will undergo renovation or rehabilitation.

An "existing building" only includes those parts of a standing building or structure that are intended to become a permanent part of the building or structure during renovation or rehabilitation.

4. "Flood" means a general and temporary condition of partial or complete inundation of land that is normally dry resulting from:
- a. overflow of inland or tidal waters, waves, tidal waves or tsunamis, or spray that results from any of these, all whether driven by wind or not;
 - b. unusual and rapid accumulation or runoff of surface waters from any source; or
 - c. mudslides or mudflows if caused by:
 - 1) unusual and rapid accumulation or runoff of surface waters or waves; or
 - 2) currents of water exceeding anticipated cyclical levels.
5. "Fungus" means:
- a. a fungus, including but not limited to mildew and mold;
 - b. a protist, including but not limited to algae and slime mold;
 - c. wet rot and dry rot;
 - d. a bacterium; or
 - e. a chemical, matter, or compound produced or released by a fungus, a protist, wet rot, dry rot, or a bacterium, including but not limited to toxins, spores, fragments, and metabolites such as microbial volatile organic compounds.
6. "Jobsite" means any location, project, or work site where "you" are in the process of renovating or rehabilitating a building or structure.

7. "Limit" means the amount of coverage that applies.

8. "Pollutant" means:

- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
- b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

9. "Schedule of coverages" means:

- a. all pages labeled schedule of coverages or schedules that pertain to this coverage; and
- b. declarations or supplemental declarations that pertain to this coverage.

10. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

11. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

12. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.

13. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

SCHEDULE OF COVERAGES
BUILDERS' RISK -- REHABILITATION AND RENOVATION

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

SCHEDULED JOBSITE

Description Of Project

Job. No.

Jobsite

Attach Additional Scheduled Jobsite Locations (check if applicable)

Building Materials Limit -- \$ _____

Existing Building Limit -- \$ _____

Existing Building Coverage (check one):

- Coverage Provided
 Coverage Not Provided

Existing Building Valuation (check one):

- Stated Value
 Actual Cash Value

COVERAGE EXTENSIONS

Additional Debris Removal Expenses \$ _____

Limited Fungus Coverage \$ _____

SUPPLEMENTAL COVERAGES

Pollutant Cleanup And Removal \$ _____
Temporary Storage Locations \$ _____
Transit \$ _____

DEDUCTIBLE

Deductible Amount \$ _____

COVERAGE LIMITATION

Vacant Building -- "We" only cover a vacant "existing building" for _____ consecutive days from the inception date of this policy unless building permits have been obtained and rehabilitation or renovation work has begun on the "existing building".

Vacant Building Limitation Waived

WHEN COVERAGE CEASES

Coverage will end when one of the following first occurs:

1. this policy expires or is canceled;
2. a covered building or structure is accepted by the purchaser;
3. "your" insurable interest in the covered property ceases;
4. "you" abandon construction with no intent to complete it; or
5. a covered building or structure has been completed for more than 30 days (unless a different number of days is shown below).

Optional Number Of Days (replaces item 5. above if number is entered)

A covered building or structure has been completed for more than _____ days.

OPTIONAL COVERAGES AND ENDORSEMENTS

REPORTING CONDITIONS SCHEDULE BUILDERS' RISK

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

LIMITS

Building Limit -- The most "we" pay for
loss to any one building or structure is: \$ _____

Catastrophe Limit -- The most "we" pay
for loss to all buildings or structures
in any one occurrence is: \$ _____

REPORTING CONDITIONS

Reporting Period -- (check one) **Adjustment Period** -- (check one)

- | | |
|---|---|
| <input type="checkbox"/> Monthly
<input type="checkbox"/> Quarterly
<input type="checkbox"/> Annual | <input type="checkbox"/> Monthly
<input type="checkbox"/> Quarterly
<input type="checkbox"/> Annual |
|---|---|

Additional Premium Due After Expiration -- When the premium for the
coverage provided by this policy is based upon reports of value any additional
premium owed to "us" is due on the due date that appears on the billing notice.

Coverage/Construction	Rate
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Deposit Premium \$ _____ **Minimum Premium** \$ _____

ADDITIONAL SCHEDULED JOBSITE LOCATIONS

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

Description Of Project

Job. No.

Jobsite

Building Materials Limit --

\$ _____

Existing Building Limit --

\$ _____

Existing Building Coverage (check one):

Coverage Provided

Coverage Not Provided

Existing Building Valuation (check one):

Stated Value

Actual Cash Value

Description Of Project

Job. No.

Jobsite

Building Materials Limit --

\$ _____

Existing Building Limit --

\$ _____

Existing Building Coverage (check one):

Coverage Provided

Coverage Not Provided

Existing Building Valuation (check one):

Stated Value

Actual Cash Value

SCHEDULE OF COVERAGES
BROADCASTING EQUIPMENT AND TOWER COVERAGE
BROADCASTING AND DATA PROCESSING EQUIPMENT FORM

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

DESCRIBED PREMISES

Prem.
No.

PREMISES

Check if applicable:

[] Attach Additional Premises Schedule to schedule more locations

LIMITS

Prem. No.

"Broadcast Equipment" and
"Computer Equipment"

"Broadcast Software" and
"Computer Software"

	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____

Loc. No.	"Telecommunications Equipment"	"Towers" and Dishes	Income Coverage
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____

Off-Site Coverage -- The most "we" pay in any one occurrence for loss to equipment and software while temporarily away from a described premises is: \$ _____

COVERAGE EXTENSIONS

Additional Debris Removal Expenses \$ _____

Electrical And Power Supply Disturbance \$ _____
 500 Feet Limitation Does Not Apply

Emergency Removal _____ days

Emergency Removal Expenses \$ _____

SUPPLEMENTAL COVERAGES

Damage To Buildings And Personal Property \$ _____

Library Coverage \$ _____

Newly Acquired Premises \$ _____

Newly Purchased Or Leased Equipment And Software \$ _____

Pollutant Cleanup And Removal \$ _____

Rewards \$ _____

SUPPLEMENTAL COVERAGES (cont)

Sewer Backup Coverage \$ _____

Virus and Hacking Coverage

- Limit Any One Occurrence \$ _____

- Limit Each Separate 12 month Period \$ _____

Earthquake Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Earthquake Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Earthquake Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is: \$ _____

Flood Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Flood Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Flood Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is: \$ _____

DEDUCTIBLE AND COINSURANCE

DEDUCTIBLE

Deductible Amount \$ _____

Deductible Amount

Check If Applicable:

Earthquake Coverage \$ _____

Flood Coverage \$ _____

COINSURANCE

Not Applicable

100%____ 90%____ 80%____ ____%

VALUATION

The value of "broadcast equipment", "computer equipment", "telecommunications equipment", "towers", and satellite dishes will be based on (check one):

Actual Cash Value Replacement Cost

INCOME COVERAGE PART

COVERAGE OPTIONS (check one)

- Earnings And Extra Expense
- Extra Expense only
- Income Coverage Not Provided

INCOME COVERAGE EXTENSIONS

Interruption By Civil Authority _____ days

Period of Loss Extension _____ days

SUPPLEMENTAL INCOME COVERAGES

Newly Acquired Premises \$ _____

Earthquake Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Earthquake Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Earthquake Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is: \$ _____

Flood Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Flood Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Flood Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is: \$ _____

Sewer Backup Coverage (check one)

- Coverage Provided \$ _____

- Coverage Not Provided

INCOME COVERAGE OPTIONS

Income Coverage Waiting Period (check one)

Not Applicable

Waiting Period _____ hours

Interruption By Civil Authority Waiting Period _____ hours

Coinsurance (check one)

Not Applicable

100%____ 90%____ 80%____ ____%

OPTIONAL COVERAGES AND ENDORSEMENTS

UNATTENDED VEHICLE EXCLUSION TRANSPORTATION COVERAGE

PERILS EXCLUDED

The following exclusion is added:

Theft From An Unattended Vehicle --

1. "We" do not pay for loss caused by or resulting from theft from an "owned vehicle" unless at the time of the loss:
 - a. "you" have assigned an employee to guard or otherwise watch over the "owned vehicle" and its contents; and
 - b. the employee is in or on the "owned vehicle" while the vehicle is in "transit" or the vehicle is at a "terminal" or other location for loading and unloading.
2. "We" do not pay for loss caused by or resulting from theft from a vehicle operated by a "carrier for hire" unless at the time of the loss:
 - a. the "carrier for hire" has assigned an employee or hired an owner-operator to guard or otherwise watch over the vehicle and its contents; and
 - b. the "carrier for hire's" employee or owner-operator is in or on the vehicle while the vehicle is in "transit" or the "carrier for hire's" vehicle is at a "terminal" or other location for loading and unloading.

THEFT LIMITATION TRANSPORTATION COVERAGE

(The entries required to complete this endorsement
will be shown below or on the "schedule of coverages".)

THEFT LIMITATION SCHEDULE

PERILS EXCLUDED

Theft -- Except as provided under Limited Theft Coverage, "we" do not pay for loss to covered property caused by or resulting from theft from:

1. an "owned vehicle" or a "carrier for hire's" vehicle;
2. an "aircraft" or "railroad car"; or
3. a "terminal".

SUPPLEMENTAL COVERAGES

Limited Theft Coverage --

1. **Coverage** -- "We" pay for direct physical loss caused by theft of property described in the Theft Limitation Schedule.

2. Coverage Limitation --

- a. **Vehicle, Aircraft, And Railcar Limitation** -- "We" only cover theft of described property that is on or in an "owned vehicle", a "carrier for hire's" vehicle, an "aircraft", or "railroad car" that is transporting the described property.
- b. **Terminal Limitation** -- "We" only cover theft of described property that is located at a "terminal" that:
 - 1) "you" own or operate; or
 - 2) is owned or operated by a "carrier for hire".

3. **Limit** -- The most "we" pay in any one occurrence for theft of property described in the Theft Limitation Schedule is:

\$ _____.

IM 7268 05 07

UNATTENDED VEHICLE EXCLUSION OWNER'S CARGO COVERAGE

PERILS EXCLUDED

The following exclusion is added:

Theft From An Unattended Vehicle -- "We" do not pay for loss caused by or resulting from theft from an "owned vehicle" unless at the time of the loss:

1. "you" have assigned an employee to guard or otherwise watch over the "owned vehicle" and its contents; and
2. the employee is in or on the "owned vehicle" while the vehicle is in "transit" or the vehicle is at a "terminal" or other location for loading and unloading.

THEFT LIMITATION OWNER'S CARGO COVERAGE

(The entries required to complete this endorsement
will be shown below or on the "schedule of coverages".)

THEFT LIMITATION SCHEDULE

PERILS EXCLUDED

Theft -- Except as provided under Limited Theft Coverage, "we" do not pay for loss to covered property caused by or resulting from theft from an "owned vehicle".

SUPPLEMENTAL COVERAGES

Limited Theft Coverage --

1. **Coverage** -- "We" pay for direct physical loss caused by theft of property described in the Theft Limitation Schedule.

2. Coverage Limitation --

- a. **Vehicle Limitation** -- "We" only cover theft of described property that is on or in an "owned vehicle" that is transporting the described property.
- b. **Terminal Limitation** -- "We" only cover theft of described property that is located at a "terminal" that "you" own or operate.

3. **Limit** -- The most "we" pay in any one occurrence for theft of property described in the Theft Limitation Schedule is:

\$ _____.

IM 7270 05 07

VEHICLE ALARM ENDORSEMENT

ADDITIONAL DEFINITIONS

Vehicle Alarm -- "Vehicle alarm" means an alarm on an "owned vehicle" that is transporting covered property.

ADDITIONAL CONDITIONS

Vehicle Alarm --

1. **Property In Transit** -- Except while the property is being loaded or unloaded, "you" are required to maintain a "vehicle alarm" on "owned vehicles" that transport covered property, and the "vehicle alarm" must always be activated while the covered property is in "transit".
2. **Property Being Loaded And Unloaded** -- While covered property is being loaded and unloaded, "you" must assign an employee to guard or otherwise watch over the property.

PERILS EXCLUDED

The following exclusion is added to Perils Excluded:

"We" do not pay for loss caused by theft from an "owned vehicle" if:

1. the "vehicle alarm" was not activated while the covered property was in "transit";
2. prior to the theft "you" failed to maintain in complete working order the "vehicle alarm"; or
3. the covered property is being loaded or unloaded and "you" do not assign an employee to guard or otherwise watch over the property.

IM 7271 05 07

MOBILE EQUIPMENT FLOATER

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Mobile Equipment Floater. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Mobile Equipment --

1. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:
 - a. "your" "mobile equipment"; and
 - b. "mobile equipment" of others in "your" care, custody, or control.

2. **Coverage Limitation** -- "We" only cover "your" "mobile equipment" and "mobile equipment" of others that are described on the "equipment schedule".

OPTIONAL COVERAGES

1. Your Tools --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "your" "tools".
- b. **Coverage Limitation** -- "We" only cover "your" "tools" if coverage for Your Tools is indicated on the "schedule of coverages".
- c. **Limit** -- The most "we" pay for loss to "your" "tools" is the "limit" for Your Tools indicated on the "schedule of coverages".
- d. **Separate Deductible** -- The Tool Deductible indicated on the "schedule of coverages" applies to "your" "tools".

2. Employee Tools --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "tools" owned by "your" employees.
- b. **Coverage Limitation** --
 - 1) "We" only cover employee "tools" if coverage for Employee Tools is indicated on the "schedule of coverages".
 - 2) "We" only cover employee "tools" while:
 - a) at a premises "you" own, lease, or rent and that "you" occupy; or
 - b) being used as part of "your" business operations away from "your" premises.

- c. **Limit** -- The most "we" pay for loss to employee "tools" is the "limit" for Employee Tools indicated on the "schedule of coverages".
- d. **Separate Deductible** -- The Tool Deductible indicated on the "schedule of coverages" applies to employee "tools".

PROPERTY NOT COVERED

- 1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
- 2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
- 3. **Leased Or Rented Property** -- "We" do not cover property that "you" lease or rent to others.
- 4. **Loaned Property** -- "We" do not cover property that "you" loan to others.
- 5. **Vehicles** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use.
- 6. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

Debris Removal --

- 1. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- 2. **We Do Not Cover** -- This coverage does not include costs to:
 - a. extract "pollutants" from land or water; or
 - b. remove, restore, or replace polluted land or water.
- 3. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- 4. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.

5. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

1. **Newly Purchased Equipment** --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to additional "mobile equipment" that "you" purchase during the policy period.
- b. **Limit** -- The most that "we" pay for any loss under this supplemental coverage is the least of the:
 - 1) value of covered property as described in the Valuation section of this coverage form; or
 - 2) \$50,000.
- c. **Time Limitation** -- "We" extend coverage to the additional "mobile equipment" that "you" purchase for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- 1) this policy expires;
 - 2) 60 days after "you" obtain the additional "mobile equipment"; or
 - 3) "you" report the additional "mobile equipment" to "us".
- d. **Additional Premium** -- "You" must pay any additional premium due from the date "you" purchase the additional "mobile equipment".

2. **Pollutant Cleanup And Removal** --

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.

- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing that is necessary for the extraction of "pollutants" from land or water.
- d. **Limit** -- The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

- 1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
 - a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

- b. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.
- c. **War And Military Action** -- "We" do not pay for loss caused by:
 - 1) war, including undeclared war or civil war; or
 - 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
 - 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Contamination Or Deterioration --**

"We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts --** "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

- 1) "you";
- 2) others who have an interest in the property;
- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

c. **Loss Of Use --** "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.

d. **Mechanical Breakdown --** "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.

But if a mechanical, structural, or electrical breakdown or malfunction results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

e. **Missing Property --** "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

f. **Pollutants --** "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

g. **Temperature/Humidity --** "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

h. **Voluntary Parting --** "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

i. **Wear And Tear --** "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- j. **Weight Of Load** -- "We" do not pay for loss caused by the weight of a load which, under the operating conditions at the time of a loss, exceeds the registered lifting capacity of any equipment.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:
 - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment Of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
 - b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property that has not been damaged by a peril insured against.
3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;
 - b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title of the covered property during the policy period; and
 - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

VALUATION

1. **Actual Cash Value** -- When actual cash value is shown on the "schedule of coverages" for covered property, the value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation).
2. **Replacement Cost** -- When replacement cost is shown on the "schedule of coverages" for covered property, the value of covered property will be based on the replacement cost without any deduction for depreciation.
 - a. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
 - b. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
 - c. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.
3. **Pair Or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
3. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 4., 5., and 6. under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
 - c. the "limit" that applies to the covered property. However, the most "we" pay for loss in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages".
4. **Coinsurance** --
 - a. **When Coinsurance Applies** -- "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
 - b. **How We Determine Our Part Of The Loss** -- "Our" part of the loss is determined using the following steps:
 - 1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;

- 2) divide the "limit" for covered property by the result determined in b.1) above;
- 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

- c. **If There Is More Than One Limit** -- If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
 - d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
 - e. **When Coinsurance Does Not Apply** -- Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".
5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
6. **Insurance Under More Than One Policy** --
- a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.

- b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. Loss Payment Options --

- a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:
 - 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;
 - 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.
- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

2. Your Losses --

- a. **Adjustment And Payment Of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** -- An insured loss will be payable 30 days after:
 - 1) a satisfactory proof of loss is received, and

- 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

3. **Property Of Others --**

- a. **Adjustment And Payment Of Loss To Property Of Others --** Losses to property of others may be adjusted with and paid to:
 - 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner --** If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others --** Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute --** When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
4. **Estates --** This provision applies only if the insured is an individual.

OTHER CONDITIONS

1. **Appraisal --** If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

- a. **Your Death --** On "your" death, "we" cover the following as an insured:
 - 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
 - 2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

- b. **Policy Period Is Not Extended --** This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud --** This coverage is void as to "you" and any other insured if, before or after a loss:
 - a. "you" or any other insured have willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or

- 2) "your" interest herein.
 - b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
 7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
 - a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.
 8. **Restoration Of Limits** -- A loss "we" pay under this coverage does not reduce the total applicable "limit" unless it is a total loss to a scheduled item. In the event of a total loss to a scheduled item, "we" refund the unearned premium on that item.
 9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

DEFINITIONS

1. "Equipment schedule" means a schedule of "mobile equipment" that is attached to this policy and that describes each piece of covered equipment.
2. "Limit" means the amount of coverage that applies.
3. "Mobile equipment" means equipment of a mobile nature that "you" use as part of "your" business operations.

"Mobile equipment" does not mean:

- a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
- b. vehicles designed for highway use that are unlicensed and not operated on public roads; or
- c. "tools".

4. "Pollutant" means:
- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
5. "Schedule of coverages" means:
- a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
 - b. declarations or supplemental declarations which pertain to this coverage.
6. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.
7. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.
- Falling objects does not include loss to:
- a. personal property in the open; or
 - b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.
- Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.
8. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
9. "Tools" means hand held devices that are designed for use in "your" business operations that:
- a. function by directing manually applied force or by means of a motor; and
 - b. are valued at \$1,000 or less.
10. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.
- Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

SCHEDULE OF COVERAGES MOBILE EQUIPMENT FLOATER

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

PROPERTY COVERED

Scheduled Equipment (Refer to Equipment Schedule)

	Limit
Catastrophe Limit -- The most "we" pay for loss in any one occurrence for all "mobile equipment" is:	\$ _____

OPTIONAL COVERAGES (check if applicable)

<input type="checkbox"/> Your Tools	\$ _____
<input type="checkbox"/> Employee Tools	\$ _____

COVERAGE EXTENSIONS

Additional Debris Removal Expenses	\$ _____
------------------------------------	----------

SUPPLEMENTAL COVERAGES

Newly Purchased Equipment	\$ _____
Pollutant Cleanup And Removal	\$ _____

COINSURANCE

(check one)

80% 90% 100% Other _____%

VALUATION (check one)

Actual Cash Value

Replacement Cost

DEDUCTIBLE

Mobile Equipment Deductible \$ _____

Tool Deductible (if applicable) \$ _____

OPTIONAL COVERAGES AND ENDORSEMENTS

**EQUIPMENT SCHEDULE
MOBILE EQUIPMENT FLOATER**

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

EQUIPMENT SCHEDULE

Item No.	Description of Equipment	Limit
_____	_____	\$ _____

_____	_____	\$ _____

_____	_____	\$ _____

_____	_____	\$ _____

_____	_____	\$ _____

COVERAGE RESTRICTED TO DESCRIBED PREMISES

Coverage Restriction -- "We" only provide coverage for covered property while at the premises described below.

However, the restriction described above does not apply to covered property while in transit to and from a described premises.

Loc. No.	Described Premises
_____	_____ _____

SERFF Tracking Number: *AMAX-125263159* *State:* *Arkansas*
Filing Company: *American Association of Insurance Services* *State Tracking Number:* *AR-PC-07-025799*
Company Tracking Number: *AAIS-2007-63*
TOI: *09.0 Inland Marine* *Sub-TOI:* *09.0005 Other Commercial Inland Marine*
Product Name: *Inland Marine Guide*
Project Name/Number: *CW IMG New & Rev Forms & Endts 05 07 AAIS-2007-63/AAIS-2007-63*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: AMAX-125263159 State: Arkansas
Filing Company: American Association of Insurance Services State Tracking Number: AR-PC-07-025799
Company Tracking Number: AAIS-2007-63
TOI: 09.0 Inland Marine Sub-TOI: 09.0005 Other Commercial Inland Marine
Product Name: Inland Marine Guide
Project Name/Number: CW IMG New & Rev Forms & Endts 05 07 AAIS-2007-63/AAIS-2007-63

Supporting Document Schedules

Review Status:
Bypassed -Name: Uniform Transmittal Document-
Property & Casualty **Approved** 08/16/2007
Bypass Reason: Not Applicable
Comments:

Review Status:
Satisfied -Name: !IMG Forms Filing Memo 05 07 CW **Approved** 08/16/2007
Comments:
Attachment:
!IMG Forms Filing Memo 05 07 CW.PDF

Review Status:
Satisfied -Name: IM7054 05 07 to IM7054 04 04 **Approved** 08/16/2007
Comments:
Attachment:
IM7054 05 07 to IM7054 04 04.PDF

Review Status:
Satisfied -Name: IM7059 05 07 to IM7059 04 04 **Approved** 08/16/2007
Comments:
Attachment:
IM7059 05 07 to IM7059 04 04.PDF

Review Status:
Satisfied -Name: IM7066 05 07 to IM7066 04 04 **Approved** 08/16/2007
Comments:
Attachment:
IM7066 05 07 to IM7066 04 04.PDF

Review Status:
Satisfied -Name: IM7606 05 07 to IM7606 04 04 **Approved** 08/16/2007

SERFF Tracking Number: *AMAX-125263159* *State:* *Arkansas*
Filing Company: *American Association of Insurance Services* *State Tracking Number:* *AR-PC-07-025799*
Company Tracking Number: *AAIS-2007-63*
TOI: *09.0 Inland Marine* *Sub-TOI:* *09.0005 Other Commercial Inland Marine*
Product Name: *Inland Marine Guide*
Project Name/Number: *CW IMG New & Rev Forms & Endts 05 07 AAIS-2007-63/AAIS-2007-63*

Comments:

Attachment:

IM7606 05 07 to IM7606 04 04.PDF

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
INLAND MARINE GUIDE (TRADITIONAL NON-FILED INLAND MARINE)
FORMS AND ENDORSEMENTS FILING MEMORANDUM**

On behalf of our affiliated companies, the American Association of Insurance Services (AAIS) is filing new and revised coverage forms, endorsements, and schedules for the **Builders' Risk, Miscellaneous Floaters, Radio And Television Towers & Equipment** and **Transit** classes, which are Commercial Inland Marine classes that are traditionally considered "non-filed".

The revised forms and endorsements for the Builders' Risk and Radio and Television Towers & Equipment classes incorporate format changes as well as editorial changes which are intended to clarify coverage intent. The revised forms being submitted will replace the versions of these forms currently on file in your state.

The new Mobile Equipment Floater, which is part of the Miscellaneous Floaters class, and corresponding schedules and endorsements are introduced to provide contractors' equipment coverage for equipment used by organizations that are not in the constructions business. New optional Transit endorsements are also being introduced. These new forms and endorsements represent an addition to the Inland Marine Guide forms currently on file in your state

Within this memorandum, a summary of changes is provided for each revised form, schedule, and endorsement and a description is provided for each new form, endorsement, and schedule. Copies of the countrywide forms, schedules, and endorsements being submitted for approval are enclosed with this filing. A state amendatory endorsement (if any) will be used to amend these forms to comply with legislative requirements. A full comparison (current to proposed) is attached for the revised forms.

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
INLAND MARINE GUIDE (TRADITIONAL NON-FILED INLAND MARINE)
FORMS AND ENDORSEMENTS FILING MEMORANDUM**

SUMMARY OF CHANGES

BUILDERS' RISK

FORMS

IM 7054 05 07, Builders' Risk Coverage - Rehabilitation And Renovation Form (replaces IM 7054 04 04) - This coverage form provides the ability to schedule more than one location. The Coverage provision under Property Covered has been revised to clarify intent. Language has been added to Coverage Limitations under Property Covered to clarify that the description and limitation on a vacant "existing building" is shown on the schedule of coverages. Text has been added to the coverage form to address separate limits for an "existing building" and for "building materials". Other notable changes include: the addition of a Roadways And Walkways provision under Property Not Covered; the elimination of the Supplemental Coverage for Testing (testing coverage is available via an optional endorsement); an Actual Cash Value valuation option has been added for Existing Buildings; the list of conditions describing when coverage ceases has been moved to the schedule of coverages (see description of changes to IM 7059 05 07 below); and the definitions for "flood" and "earth movement" have been updated. The defined term "existing building" replaces "existing buildings or structures". "Building materials" is a newly defined term.

SCHEDULES

IM 7059 05 07, Schedule Of Coverages - Builders' Risk - Rehabilitation And Renovation (replaces IM 7059 04 04) - This schedule of coverages now includes check boxes to indicate if a schedule of additional jobsites applies, if coverage for existing buildings applies, and to indicate the valuation basis for existing buildings. A section to describe the covered project has been added. A Coverage Limitations section pertaining to vacant buildings has been added to the schedule and the provision relating to When Coverage Ceases has been added (and is referenced in the revised coverage form IM 7054 05 07).

IM 7066 05 07, Reporting Conditions Schedule - Builders' Risk (replaces IM 7066 04 04) - This schedule has been revised to show the Building Limit and Catastrophe Limit.

IM 7090 05 07, Additional Scheduled Jobsite Locations (new) - This schedule is used with the IM 7054 05 07 to schedule additional jobsites.

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
INLAND MARINE GUIDE (TRADITIONAL NON-FILED INLAND MARINE)
FORMS AND ENDORSEMENTS FILING MEMORANDUM**

RADIO AND TELEVISION TOWERS & EQUIPMENT

SCHEDULES

IM 7606 05 07, Schedule Of Coverages - Broadcasting Equipment And Tower Coverage - Broadcasting And Data Processing Equipment Form (replaces IM 7606 04 04) - This schedule has been modified to more appropriately track with the IM 7601 04 04, Broadcasting Equipment And Tower Coverage - Broadcasting And Data Processing Equipment Form currently on file in your state. A check box to indicate that the 500 feet limitation does not apply under the Electrical And Power Supply Disturbance Coverage Extension; a per occurrence limit and limit per 12-month period are shown under the Virus And Hacking Supplemental Coverage instead of just one Virus And Hacking limit being shown; and a Valuation section has been added to indicate the valuation basis for "broadcast equipment", "computer equipment", "telecommunications equipment", "towers", and satellite dishes.

DESCRIPTION OF NEW FORMS AND ENDORSEMENTS

MISCELLANEOUS FLOATERS

FORMS

IM 7505 05 07, Mobile Equipment Floater - This coverage form provides coverage for equipment of a mobile nature that is used as part of the insured's business operations. Coverage is provided on a scheduled basis. Coverage can also be provided for the insured's tools and/or employee tools.

The form includes a Debris Removal Coverage Extension. Supplemental Coverages include Newly Purchased Equipment and Pollutant Cleanup And Removal.

SCHEDULES

IM 7514 05 07, Schedule Of Coverages - Mobile Equipment Floater - This schedule is used with the IM 7505 to indicate limits, optional coverages, coinsurance percentage, valuation, and deductibles.

IM 7515 05 07, Equipment Schedule - Mobile Equipment Floater - This schedule is used with the IM 7505 to list covered equipment and show the applicable limit.

OPTIONAL ENDORSEMENTS

IM 7516 05 07, Coverage Restricted To Described Premises - This endorsement can be used to restrict coverage to the premises described in the endorsement.

**AMERICAN ASSOCIATION OF INSURANCE SERVICES
INLAND MARINE GUIDE (TRADITIONAL NON-FILED INLAND MARINE)
FORMS AND ENDORSEMENTS FILING MEMORANDUM**

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INLAND MARINE GUIDE (TRADITIONAL NON-FILED INLAND MARINE)
FORMS AND ENDORSEMENTS FILING MEMORANDUM**

TRANSIT

OPTIONAL ENDORSEMENTS

IM 7267 05 07, Unattended Vehicle Exclusion - Transportation Coverage - This endorsement can be used with the IM 7250 04 04, Transportation Coverage form currently on file in your state to exclude coverage for loss caused by or resulting from theft from an unattended vehicle unless someone has been assigned to watch over the vehicle or an employee, carrier for hire's employee, or owner-operator is in or on the vehicle while the vehicle is in transit or at a terminal for loading or unloading.

IM 7268 05 07, Theft Limitation - Transportation Coverage - This endorsement can be used with the IM 7250 04 04, Transportation Coverage form currently on file in your state to provide limited theft coverage for described property. A limit is shown on the endorsement.

IM 7269 05 07, Unattended Vehicle Exclusion - Owner's Cargo Coverage - This endorsement can be used with the IM 7251 06 04, Owner's Cargo Coverage form currently on file in your state to exclude coverage for loss caused by or resulting from theft from an unattended vehicle unless someone has been assigned to watch over the vehicle or an employee is in or on the vehicle while the vehicle is in transit or at a terminal for loading or unloading.

IM 7270 05 07, Theft Limitation - Owner's Cargo Coverage - This endorsement can be used with the IM 7251 06 04, Owner's Cargo Coverage form currently on file in your state to provide limited theft coverage for described property. A limit is shown on the endorsement.

IM 7271 05 07, Vehicle Alarm Endorsement - This endorsement can be used with any of the Transit class coverage forms currently on file in your state. This endorsement sets the requirement that, except while covered property is loaded or unloaded, an alarm on owned vehicles must be maintained and activated when property is in transit. While property is being loaded or unloaded, a designated employee must guard the property.

<p align="center">AAIS PROPOSED IM 7054 05 07</p>	<p align="center">AAIS CURRENT IM 7054 04 04</p>	<p align="center">COMMENTS</p>
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**BUILDERS' RISK COVERAGE
REHABILITATION AND RENOVATION
FORM**

In this coverage form, the words "you" and "your" mean the persons or organizations named as the insured on the declarations and the words "we", "us", and "our" mean the company providing this coverage.

Refer to the Definitions section at the end of this coverage form for additional words and phrases that have special meaning. These words and phrases are shown in quotation marks.

**BUILDERS' RISK COVERAGE
REHABILITATION AND RENOVATION
FORM**

From Definitions:

1. The words "you" and "your" mean the persons or organizations named as the insured on the "schedule of coverages".
2. The words "we", "us", and "our" mean the company providing this coverage.

From Agreement section:

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

Format and editorial changes; no change in intent.

In the 05 07 version of IM 7054, the definitions are located at the end of the coverage form.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Builders' Risk Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Rehabilitation And Renovation -- "We" cover buildings or structures while in the course of rehabilitation or renovation as described below.

1. **Coverage** --

- a. **Existing Building** -- If coverage for Existing Building is indicated on the "schedule of coverages", "we" cover direct physical loss caused by a covered peril to an "existing building" while in the course of rehabilitation or renovation.

- b. **Building Materials** -- While "existing buildings" are in the course of rehabilitation or renovation, "we" cover direct physical loss caused by a covered peril to "building materials".

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Rehabilitation And Renovation --

- 1. **Coverage** -- "We" cover direct physical loss caused by a covered peril to buildings or structures while in the course of rehabilitation or renovation.

Coverage for buildings or structures while in the course of rehabilitation or renovation is limited to:

- a. additions, alterations, improvements, or repairs to "existing buildings or structures"; and

- b. materials and supplies, attachments, and fixtures which will become a permanent part of buildings and structures that are in the course of rehabilitation or renovation.

No change

Editorial revision to clarify intent.

Revised for clarification purposes. The defined terms "existing building" and "building materials" are referenced in the IM 7054 05 07. The definitions of these terms are as follows:

"Existing building" means a building or structure that was constructed and standing prior to the inception of this policy and that will undergo renovation or rehabilitation.

An "existing building" only includes those parts of a standing building or structure that are intended to become a permanent part of the building or structure during renovation or rehabilitation

"Building materials" means:

- a. additions, alterations, improvements, or repairs to an "existing building"; and

- b. materials, supplies, attachments, and fixtures that will become a permanent part of an "existing building".

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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2. **Coverage Limitations** --

- a. **Described Jobsite** -- "We" only cover "existing buildings" and "building materials" at the "jobsite" described on the "schedule of coverages".
- b. **Vacant Building** -- Refer to the "schedule of coverages" for a description of the limitation on a vacant "existing building".

3. **Limits** --

- a. **Existing Buildings** -- The most "we" pay in any one occurrence for loss to an "existing building" is the Existing Buildings Limit indicated on the "schedule of coverages".
- b. **Building Materials** -- The most "we" pay in any one occurrence for loss to "building materials" is the Building Materials Limit indicated on the "schedule of coverages".

- 2. **Coverage Limitation** -- "We" only cover buildings and structures while in the course of rehabilitation or renovation at the "jobsite" described on the "schedule of coverages".

From the IM 7059 04 04, Schedule Of Coverages -Builders' Risk - Rehabilitation And Renovation:

Existing Buildings Limit -- The most "we" pay in any one occurrence for loss to "existing buildings or structures" is: \$ _____

Materials And Supplies Limit -- The most "we" pay in any one occurrence for loss to materials and supplies, attachments, and fixtures which will become a permanent part of buildings or structures is: \$ _____

Editorial revision; no change in intent.

The schedule of coverages includes a description of the limitation on a vacant building.

For clarification purposes, a provision has been added which indicates that the limits for Existing Buildings and Building Materials are shown on the schedule of coverages. Previously, the limits were described in the IM 7059 04 04, Schedule Of Coverages -Builders' Risk - Rehabilitation And Renovation.

No change in intent.

The defined term "building materials" is referenced in the IM 7054 05 07. No change in intent.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Excavations, Grading, Filling, Pipes, Flues, And Drains** -- "We" do not cover:
 - a. the cost of excavations, grading, or filling; and
 - b. underground pipes; flues; and drains.
4. **Land** -- "We" do not cover land including land on which covered property is located.
5. **Money And Securities** -- "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.
6. **Roadways And Walkways** -- "We" do not cover walkways, roadways, and other paved surfaces that are not adjacent to and not part of a covered building or structure.

PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
3. **Excavations, Grading, Filling, Pipes, Flues, And Drains** -- "We" do not cover:
 - a. the cost of excavations, grading, or filling; and
 - b. underground pipes; flues; and drains.
4. **Land** -- "We" do not cover land including land on which covered property is located.
5. **Money And Securities** -- "We" do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.

No change

New provision under Property Not Covered.

<p style="text-align: center;">AAIS PROPOSED IM 7054 05 07</p>	<p style="text-align: center;">AAIS CURRENT IM 7054 04 04</p>	<p style="text-align: center;">COMMENTS</p>
<p>7. Standing Building Or Structure -- Except for "existing building", "we" do not cover any:</p> <ul style="list-style-type: none"> a. standing building or structure; or b. part of a standing building or structure <p>that has been wholly or partially constructed, erected, or fabricated prior to the inception of this policy.</p> <p>8. Trees, Shrubs, And Plants -- "We" do not cover trees, shrubs, plants, or lawns.</p> <p>9. Waterborne Property -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.</p> <p>10. Vehicles -- "We" do not cover automobiles or any self-propelled vehicles that are designed for highway use.</p>	<p>6. Standing Building Or Structure -- Except for "existing buildings or structures", "we" do not cover any:</p> <ul style="list-style-type: none"> a. standing building or structure; or b. part of a standing building or structure. <p>7. Trees, Shrubs, And Plants -- "We" do not cover trees, shrubs, plants, or lawns.</p> <p>8. Waterborne Property -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.</p> <p>9. Vehicles -- "We" do not cover automobiles or any self-propelled vehicles that are designed for highway use.</p>	<p>Editorial revision; no change in intent.</p> <p>No change</p>

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

No change

Editorial revision to clarify intent.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

1. **Debris Removal** --

- a. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** -- This coverage does not include costs to:
 - 1) extract "pollutants" from land or water; or
 - 2) remove, restore, or replace polluted land or water.
- c. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

1. **Debris Removal** --

- a. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** -- This coverage does not include costs to:
 - 1) extract "pollutants" from land or water; or
 - 2) remove, restore, or replace polluted land or water.
- c. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.

No change

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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- d. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

2. **Limited Fungus Coverage** --

- a. **Coverage** -- "We" pay for direct physical loss to covered property caused by or relating to the existence of or any activity of "fungus".
- b. **Coverage Limitation** -- "We" only cover loss caused by "fungus":
 - 1) when the "fungus" is the result of:
 - a) a "specified peril" other than fire or lightning; or
 - b) "flood" (if the Flood Coverage is provided under this policy);

that occurs during the policy period;
and
 - 2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.

- d. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

2. **Limited Fungus Coverage** --

- a. **Coverage** -- "We" pay for direct physical loss to covered property caused by or relating to the existence of or any activity of "fungus".
- b. **Coverage Limitation** -- "We" only cover loss caused by "fungus":
 - 1) when the "fungus" is the result of:
 - a) a "specified peril" other than fire or lightning; or
 - b) "flood" (if the Flood Coverage is provided under this policy);

that occurs during the policy period;
and
 - 2) if all reasonable steps were taken to protect the property from additional damage at and after the time of the occurrence.

No change

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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c. **Limit** -- The most "we" pay for all losses at all buildings or structures is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Limit applies regardless of the number of claims made.

The Limited Fungus Limit applies regardless of the number of locations or buildings or structures insured under this policy.

The Limited Fungus Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

d. **If The Policy Period Is Extended** -- If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Limit.

c. **Limit** -- The most "we" pay for all losses at all buildings or structures is \$15,000, unless another "limit" is indicated on the "schedule of coverages". The Limited Fungus Limit applies regardless of the number of claims made.

The Limited Fungus Limit applies regardless of the number of locations or buildings or structures insured under this policy.

The Limited Fungus Limit is the most that "we" pay for the total of all loss or damage arising out of all occurrences of "specified perils", other than fire or lightning, or "flood" (if applicable) during each separate 12-month period beginning with the inception date of this policy.

d. **If The Policy Period Is Extended** -- If the policy period is extended for an additional period of less than 12 months, this additional period will be considered part of the preceding period for the purpose of determining the Limited Fungus Limit.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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- e. **Recurrence And Continuation Of Fungus** -- Limited Fungus Limit is the most that "we" pay with respect to a specific occurrence of a loss that results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. **Limit Applies To Other Costs Or Expenses** -- Limited Fungus Limit also applies to any cost or expense to:
 - 1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
 - 2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
 - 3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.
- g. **Loss Not Caused By Fungus** -- If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this coverage extension.

- e. **Recurrence And Continuation Of Fungus** -- Limited Fungus Limit is the most that "we" pay with respect to a specific occurrence of a loss which results in "fungus" even if such "fungus" recurs or continues to exist during this or any future policy period.
- f. **Limit Applies To Other Costs Or Expenses** -- Limited Fungus Limit also applies to any cost or expense to:
 - 1) clean up, contain, treat, detoxify, or neutralize "fungus" on covered property or remove "fungus" from covered property;
 - 2) remove and replace those parts of covered property necessary to gain access to "fungus"; and
 - 3) test for the existence or level of "fungus" following the repair, replacement, restoration, or removal of damaged property if it is reasonable to believe that "fungus" is present.
- g. **Loss Not Caused By Fungus** -- If there is a covered loss or damage to covered property not caused by "fungus", loss payment will not be limited by the "terms" of this coverage extension. However, to the extent that "fungus" causes an increase in the loss, that increase is subject to the "terms" of this coverage extension.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage within this coverage form, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

No change

Editorial revision to clarify intent.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

- 1. **Pollutant Cleanup And Removal --**
 - a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
 - b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

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 - a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
 - b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.

No change

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
<p>c. We Do Not Cover -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".</p> <p>However, "we" pay the cost of testing that is necessary for the extraction of "pollutants" from land or water.</p> <p>d. Limit -- The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.</p> <p>2. Temporary Storage Locations --</p> <p>a. Coverage -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while they are temporarily in storage at a location that is not described on the "schedule of coverages".</p> <p>b. We Do Not Cover -- "We" do not cover property in storage if the property has not been specifically allocated to or otherwise identified with a covered building or structure.</p> <p>c. Limit -- The most "we" pay in any one occurrence for loss to property at a temporary storage location is \$10,000.</p>	<p>c. We Do Not Cover -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".</p> <p>However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.</p> <p>d. Limit -- The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.</p> <p>2. Storage Locations --</p> <p>a. Coverage -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while they are in storage at a location that is not described on the "schedule of coverages".</p> <p>b. Limit -- The most "we" pay in any one occurrence for loss to property at a storage location is \$10,000.</p>	<p>No change</p> <p>Temporary added to this Supplemental Coverage title to clarify intent.</p> <p>Minor editorial revisions.</p> <p>Provision added to clarify what is not covered under the Temporary Storage Locations supplemental coverage.</p> <p>Minor editorial revision.</p>

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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3. **Testing** --

- a. **Coverage** -- "We" cover direct physical loss to a covered building or structure caused by a covered peril that results from testing.

Testing means start-up, performance, stress, pressure, or overload testing of materials, supplies, machinery, fixtures, and equipment that will become a permanent part of a covered building or structure.

- b. **Limit** -- The most "we" pay in any one occurrence for loss resulting from testing is \$5,000.

The Testing Supplemental Coverage no longer applies. However, testing coverage is available via optional endorsement IM 7076.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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3. **Transit --**

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while in transit.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

4. **Transit --**

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to materials and supplies that will become a permanent part of a covered building or structure while in transit.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to property in transit is \$10,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

No change

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
 - a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.
 - b. **Earth Movement** -- "We" do not pay for loss caused by any "earth movement".

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
 - a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.
 - b. **Earth Movement Or Volcanic Eruption** -- "We" do not pay for loss caused by any "earth movement" (other than "sinkhole collapse") or caused by eruption, explosion, or effusion of a volcano.

No change

Editorial revision to clarify intent.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
<p>However, if eruption, explosion, or effusion of a volcano results in "volcanic action", "we" will pay for the loss or damage caused by that "volcanic action".</p> <p>If "earth movement" results in fire, "we" will pay for the loss or damage caused by that fire. If "earth movement" (other than eruption, explosion, or effusion of a volcano) results in explosion, "we" will pay for the loss or damage caused by that explosion.</p> <p>This exclusion does not apply to covered property while in transit.</p> <p>c. Flood -- "We" do not pay for loss caused by "flood".</p> <p>However, if "flood" results in fire, explosion, or sprinkler leakage, "we" will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.</p> <p>This exclusion does not apply to covered property while in transit.</p> <p>d. Fungus -- Except as provided under Coverage Extensions - Limited Fungus Coverage, "we" do not pay for loss, cost, or expense caused by or relating to the existence of or any activity of "fungus".</p>	<p>"We" do cover direct loss by fire, explosion, or "volcanic action" resulting from either "earth movement" or eruption, explosion, or effusion of a volcano.</p> <p>This exclusion does not apply to covered property while in transit.</p> <p>c. Flood -- "We" do not pay for loss caused by "flood".</p> <p>"We" do cover direct loss by fire, explosion, or sprinkler leakage resulting from "flood".</p> <p>This exclusion does not apply to covered property while in transit.</p> <p>d. Fungus -- Except as provided under Coverage Extensions - Limited Fungus Coverage, "we" do not pay for loss, cost, or expense caused by or relating to the existence of or any activity of "fungus".</p>	<p>Editorial/format revision; no change in intent</p> <p>No change</p> <p>No change</p> <p>Editorial revision; no change in intent</p> <p>No change</p> <p>No change</p>

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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But if "fungus" results in a "specified peril", we cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- 1) loss that results from fire or lightning; or
- 2) collapse caused by hidden decay.

e. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

But if "fungus" results in a "specified peril", we cover loss or damage caused by that "specified peril".

This exclusion does not apply to:

- 1) loss that results from fire or lightning; or
- 2) collapse caused by hidden decay.

e. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

f. **Ordinance Or Law** -- "We" do not pay for loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.

"We" do not pay for loss regardless if the loss is caused by or results from the:

- 1) enforcement of any code, ordinance, or law even if a building or structure has not been damaged; or
- 2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a building or structure, including the removal of debris, following a direct physical loss to the property.

g. **Penalties** -- "We" do not pay for loss caused by penalties for non-completion or non-compliance with any contract terms or conditions.

f. **Ordinance Or Law** -- "We" do not pay for loss or increased cost caused by enforcement of any code, ordinance, or law regulating the use, construction, or repair of any building or structure; or requiring the demolition of any building or structure including the cost of removing its debris.

"We" do not pay for loss regardless if the loss is caused by or results from the:

- 1) enforcement of any code, ordinance, or law even if a building or structure has not been damaged; or
- 2) increased costs that "you" incur because of "your" compliance with a code, ordinance, or law during the construction, repair, rehabilitation, remodeling, or razing of a building or structure, including the removal of debris, following a direct physical loss to the property.

g. **Penalties** -- "We" do not pay for loss caused by penalties for non-completion or non-compliance with any contract terms or conditions.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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h. **Sewer Backup And Water Below The Surface** -- "We" do not pay for loss caused by:

- 1) water that backs up through or overflows from a sewer, drain, or sump; or
- 2) water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a building or structure.

If sewer backup or water below the surface of the ground results in fire, explosion, or theft, "we" will pay for the loss or damage caused by that fire, explosion, or theft.

This exclusion does not apply to covered property while in transit.

h. **Sewer Backup And Water Below The Surface** -- "We" do not pay for loss caused by:

- 1) water that backs up through a sewer or drain; or
- 2) water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a covered building or structure.

"We" do cover direct loss by fire, explosion, or theft resulting from either water that backs up through a sewer or drain or water below the surface of the ground.

This exclusion does not apply to covered property while in transit.

No change

Text added to clarify that water that backs up through a sump is not covered.

Editorial revision; no change in intent.

No change

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i. **War And Military Action** -- "We" do not pay for loss caused by:

- 1) war, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

i. **War And Military Action** -- "We" do not pay for loss caused by:

- 1) war, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Collapse** -- "We" do not pay for loss caused by collapse, except as provided under Other Coverages - Collapse.

But if collapse results in a covered peril, "we" cover the loss or damage caused by that covered peril.

This exclusion does not apply to covered property while in transit.

b. **Contamination Or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

c. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Collapse** -- "We" do not pay for loss caused by collapse, except as provided under the Other Coverages, Collapse. But if collapse results in a covered peril, "we" cover the loss or damage caused by that covered peril.

This exclusion does not apply to property in transit.

b. **Contamination Or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

c. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

- 1) "you";
- 2) others who have an interest in the property;
- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

d. **Defects, Errors, And Omissions --**
"We" do not pay for loss caused by an act, defect, error, or omission (negligent or not) relating to:

- 1) design or specifications; or
- 2) planning, zoning, development, siting, surveying, grading, or compaction.

But if an act, defect, error, or omission as described above results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

- 1) "you";
- 2) others who have an interest in the property;
- 3) others to whom "you" entrust the property;
- 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
- 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

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- 1) design or specifications; or
- 2) planning, zoning, development, siting, surveying, grading, or compaction.

But if an act, defect, error, or omission as described above results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

e. **Electrical Currents** -- "We" do not pay for loss caused by arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

f. **Explosion, Rupture, Or Bursting** -- "We" do not pay for loss caused by explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines. This exclusion applies only to loss or damage to the steam boilers, steam or gas turbines, steam pipes, or steam engines in which the loss occurred.

e. **Electrical Currents** -- "We" do not pay for loss caused by arcing or by electrical currents other than lightning.

But if arcing or electrical currents other than lightning result in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

However, this exclusion does not apply to loss resulting from testing as specifically provided under Supplemental Coverages - Testing.

f. **Explosion, Rupture, Or Bursting** -- "We" do not pay for loss caused by explosion, rupture, or bursting of steam boilers, steam or gas turbines, steam pipes, or steam engines. This exclusion applies only to loss or damage to the steam boilers, steam or gas turbines, steam pipes, or steam engines in which the loss occurred.

No change

The exception for loss resulting from Testing has been removed because the Testing Supplemental Coverage is no longer applicable.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

g. **Freezing** -- "We" do not pay for loss caused by water; other liquids; powder; or molten material that leaks or flows from plumbing, heating, air-conditioning systems, or appliances other than fire protective systems caused by freezing.

This does not apply if "you" use reasonable care to maintain heat in the building or structure; or "you" drain the equipment and turn off the supply if the heat is not maintained.

h. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.

i. **Materials And Workmanship** -- "We" do not pay for loss caused by faulty, inadequate, or defective materials or workmanship. But if loss by a fire or explosion results, "we" pay for the resulting loss.

g. **Freezing** -- "We" do not pay for loss caused by water; other liquids; powder; or molten material that leaks or flows from plumbing, heating, air-conditioning systems, or appliances other than fire protective systems caused by freezing.

This does not apply if "you" use reasonable care to maintain heat in the building or structure; or "you" drain the equipment and turn off the supply if the heat is not maintained.

h. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.

i. **Materials And Workmanship** -- "We" do not pay for loss caused by faulty, inadequate, or defective materials or workmanship. But if loss by a fire or explosion results, "we" pay for the resulting loss.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

j. **Mechanical Breakdown** -- "We" do not pay for loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

k. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

j. **Mechanical Breakdown** -- "We" do not pay for loss caused by mechanical breakdown or rupturing or bursting of moving parts of machinery caused by centrifugal force.

But if a mechanical breakdown or rupturing or bursting of parts of machinery caused by centrifugal force results in a "specified peril", "we" do cover the loss or damage caused by that "specified peril".

However, this exclusion does not apply to loss resulting from testing as specifically provided under Supplemental Coverages - Testing.

k. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

No change

The exception for loss resulting from Testing has been removed because the Testing Supplemental Coverage is no longer applicable.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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I. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

m. **Rain, Snow, Ice, Or Sleet** -- "We" do not pay for loss caused by or resulting from rain, snow, ice, or sleet to property in the open that is not part of the permanent building or structure.

This exclusion does not apply to covered property in the custody of a carrier for hire.

n. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by settling, cracking, shrinking, bulging, or expanding of pavements, foundations, walls, ceilings, glass, or roofs.

But if loss by a covered peril results, "we" pay for the resulting loss.

I. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
- 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

m. **Rain, Snow, Ice, Or Sleet** -- "We" do not pay for loss caused by or resulting from rain, snow, ice, or sleet to property in the open that is not part of the permanent building or structure.

This exclusion does not apply to property in the custody of carriers for hire.

n. **Settling, Cracking, Shrinking, Bulging, Or Expanding** -- "We" do not pay for loss caused by settling, cracking, shrinking, bulging, or expanding of pavements, foundations, walls, ceilings, glass, or roofs.

But if loss by a covered peril results, "we" pay for the resulting loss.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

- o. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.
- p. **Testing** -- "We" do not pay for loss caused by testing of covered property. Testing includes, but is not limited to, start-up, performance, stress, pressure, or overload testing of materials, supplies, machinery, fixtures, and equipment.
- q. **Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.
- r. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

- o. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.
- p. **Testing** -- Except as provided under Supplemental Coverages - Testing, "we" do not pay for loss caused by testing of covered property. Testing includes, but is not limited to, start-up, performance, stress, pressure, or overload testing of materials, supplies, machinery, fixtures, and equipment.
- q. **Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.
- r. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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OTHER COVERAGES

Collapse --

1. **Coverage** -- "We" pay for loss caused by direct physical loss involving collapse of buildings or structures while in the course of rehabilitation or renovation including:
 - a. any part of buildings or structures; or
 - b. personal property inside of buildings or structures.

2. **Covered Perils** -- "We" only cover collapse of buildings or structures while in the course of rehabilitation or renovation if the collapse is caused by one or more of the following perils:
 - a. "specified perils" only as insured against in this coverage form;
 - b. hidden decay, unless "you" know of the presence of the decay prior to the collapse;
 - c. hidden insect or vermin damage, unless "you" know of the damage prior to the collapse;
 - d. weight of people or personal property;

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 - b. hidden decay, unless "you" know of the presence of the decay prior to the collapse;
 - c. hidden insect or vermin damage, unless "you" know of the damage prior to the collapse;
 - d. weight of people or personal property;

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
<p>e weight of rain that collects on a roof; or</p> <p>f. use of defective materials.</p> <p>3. Collapse Means -- Collapse means a sudden and unexpected falling in or caving in of buildings or structures, including any portion of buildings or structures, while in the course of rehabilitation or renovation with the result that rehabilitation or renovation cannot be completed as intended.</p> <p>4. Collapse Does Not Mean -- The following are not considered to be in a state of collapse:</p> <p>a. a building or structure that is standing or any portion of a building or structure that is standing even if it displays evidence of bending, bulging, cracking, expansion, leaning, sagging, settling, or shrinkage;</p> <p>b. a building or structure or any portion of a building or structure in danger of falling in or caving; and</p> <p>c. a portion of a building or structure that is standing even if it has separated from another portion of the building or structure.</p> <p>5. Limited Fungus Coverage Does Not Increase/Decrease Coverage -- The "terms" under Coverage Extension - Limited Fungus Coverage do not increase or decrease the coverage for Collapse.</p>	<p>e weight of rain that collects on a roof; or</p> <p>f. use of defective materials.</p> <p>3. Collapse Means -- Collapse means a sudden and unexpected falling in or caving in of buildings or structures, including any portion of buildings or structures, while in the course of rehabilitation or renovation with the result that rehabilitation or renovation cannot be completed as intended.</p> <p>4. Collapse Does Not Mean -- The following are not considered to be in a state of collapse:</p> <p>a. a building or structure that is standing or any portion of a building that is standing even if it displays evidence of bending, bulging, cracking, expansion, leaning, sagging, settling, or shrinkage;</p> <p>b. a building or structure or any portion of a building structure in danger of falling in or caving; and</p> <p>c. a portion of a building or structure that is standing even if it has separated from another portion of the building or structure.</p> <p>5. Limited Fungus Coverage Does Not Increase/Decrease Coverage -- The "terms" under Coverage Extension - Limited Fungus Coverage do not increase or decrease the coverage for Collapse.</p>	<p>No change</p> <p>Minor editorial revision.</p> <p>Minor editorial revision.</p> <p>No change</p> <p>No change</p>

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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**WHAT MUST BE DONE
IN CASE OF LOSS**

1. **Notice** -- In case of a loss, "you" must:
 - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment Of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".

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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

- b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
- 3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;
 - b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title of the covered property during the policy period; and
 - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

- b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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- 4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
- 5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
- 6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
- 7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
- 8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
- 9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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VALUATION

1. **Existing Building --**

- a. **Stated Value** -- If Stated Value is indicated on the "schedule of coverages" for Existing Building, the value of an "existing building" that is in the course of rehabilitation or renovation will be valued at the "limit" shown for "existing building" on the "schedule of coverages".
- b. **Actual Cash Value** -- If Actual Cash Value is indicated on the "schedule of coverages" for Existing Building, the value of an "existing building" that is in the course of rehabilitation or renovation will be based on the actual cash value at the time of loss (with a deduction for depreciation).

VALUATION

- 1. **Existing Buildings** -- The value of "existing buildings or structures" that are in the course of rehabilitation or renovation will be valued at the "limit" indicated for "existing buildings or structures" on the "schedule of coverages".

Under the IM 7054 05 07, the valuation for existing buildings can be based on stated value or actual cash value, as indicated on the schedule of coverages.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

2. **Building Materials** --

- a. **Actual Cash Value** -- The value of "building materials" will be based on the actual cash value at the time of loss (with a deduction for depreciation).
- b. **Actual Cash Value Includes** -- The actual cash value includes:
 - 1) materials and labor;
 - 2) delivery charges;
 - 3) reasonable overhead and profit; and
 - 4) related construction costs that are re-incurred as a result of a loss but only if such costs have been included as part of the "limit" for Building Materials.

3. **Pair Or Set** -- The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

2. **Materials And Supplies** -- The value of materials and supplies, attachments, and fixtures which will become a permanent part of buildings and structures that are being renovated or rehabilitated will be based on the actual cash value at the time of loss (with a deduction for depreciation).

3. **Pair Or Set** -- The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

Text has been revised to clarify what actual cash value of "building materials" includes.

No change

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.
3. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 4., 5., and 6. under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
 - c. the "limit" that applies to the covered property.

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 - c. the "limit" that applies to the covered property.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

4. **Coinsurance --**

a. **When Coinsurance Applies --** "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of "building materials".

b. **How We Determine Our Part Of The Loss --** "Our" part of the loss is determined using the following steps:

- 1) determine the 100% expected completed value of "building materials", this figure is based on the estimated value of the property at completion of construction had no loss occurred;
- 2) divide the "limit" for "building materials" by the result determined in b.1) above;
- 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the Building Materials Limit, whichever is less. "We" do not pay any remaining part of the loss.

c. **If There Is More Than One Limit --** If there is more than one Building Materials Limit indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

4. **Coinsurance --**

a. **When Coinsurance Applies --** "We" only pay a part of the loss if the "limit" is less than 100% of the estimated completed value of the covered building or structure.

b. **How We Determine Our Part Of The Loss --** "Our" part of the loss is determined using the following steps:

- 1) determine the 100% expected completed value of the building or structure, this figure is based on the estimated value of the property at completion of construction had no loss occurred;
- 2) divide the "limit" for covered property by the result determined in b.1) above;
- 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

c. **If There Is More Than One Limit --** If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

- d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all "building materials" to which the "limit" applies.
- 5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
- 6. **Insurance Under More Than One Policy** --
 - a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
 - b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

- d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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LOSS PAYMENT

1. **Loss Payment Options --**

- a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:
 - 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;
 - 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.

- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

2. **Your Losses --**

- a. **Adjustment And Payment Of Loss --**
"We" adjust all losses with "you".
Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss --**
An insured loss will be payable 30 days after:
 - 1) a satisfactory proof of loss is received; and
 - 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

3. **Property Of Others --**

- a. **Adjustment And Payment Of Loss To Property Of Others --** Losses to property of others may be adjusted with and paid to:
 - 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner --** If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

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- a. **Adjustment And Payment Of Loss --**
"We" adjust all losses with "you".
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AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

OTHER CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit To Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

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No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

4. **Estates** -- This provision applies only if the insured is an individual.
- a. **Your Death** -- On "your" death, "we" cover the following as an insured:
- 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
 - 2) "your" legal representative.
- This person or organization is an insured only with respect to property covered by this coverage.
- b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:
- a. "you" or any other insured have willfully concealed or misrepresented:
- 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.

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- 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
--------------------------------	-------------------------------	----------

- b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
- 6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
- 7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
 - a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.

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 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be prorated between "you" and "us" based on "our" respective interest in the loss.

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AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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8. **Restoration Of Limits** -- Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".

9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

8. **Restoration Of Limits** -- Except as indicated under Limited Fungus Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".

9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.

10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

No change

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.
12. **Carriers For Hire** -- "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

ADDITIONAL COVERAGE LIMITATIONS

1. **Occupancy And Use** -- "We" do not provide coverage under this policy if, without "our" prior written consent, an "existing building" is:
- a. occupied in whole or in part; or
 - b. put to its intended use.

11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.
12. **Carriers For Hire** -- "You" may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the replacement cost or actual cash value of the covered property.

ADDITIONAL COVERAGE LIMITATIONS

1. **Coverage Not Provided During Occupancy And Use** -- "We" do not provide coverage under this policy if, without "our" prior written consent, a covered building or structure as described under Property Covered is:
- a. occupied in whole or in part; or
 - b. put to its intended use.

No change

Editorial revision; no change in intent.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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2. **When Coverage Ceases** -- Refer to the "schedule of coverages" for a list of conditions that describe when coverage under this policy will end.

2. **When Coverage Ceases** -- Coverage will end when one of the following first occurs:
- a. this policy expires or is canceled;
 - b. a covered building or structure is accepted by the purchaser;
 - c. "your" insurable interest in the covered property ceases;
 - d. "you" abandon construction with no intent to complete it; or
 - e. a covered building or structure has been completed for more than 30 days.

Under the 05 07 revision, the list of conditions describing when coverage ceases is contained in the schedule of coverages.

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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DEFINITIONS

1. "Building materials" means:
 - a. additions, alterations, improvements, or repairs to an "existing building"; and
 - b. materials, supplies, attachments, and fixtures that will become a permanent part of an "existing building".

DEFINITIONS

Building Materials is a newly defined term.

<p style="text-align: center;">AAIS PROPOSED IM 7054 05 07</p>	<p style="text-align: center;">AAIS CURRENT IM 7054 04 04</p>	<p style="text-align: center;">COMMENTS</p>
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2. "Earth movement" means:
- a. earthquake;
 - b. landslide;
 - c. mine subsidence whether or not the non-natural mine is currently in use;
 - d. sinking (other than "sinkhole collapse"), shifting, or rising of earth including, but not limited to, erosion, expansion, shrinking, freezing, thawing, improper soil compaction, and movement of water under the surface of the ground that cause cracking, settling, or shifting of foundations, buildings, or structures; or
 - e. eruption, explosion, or effusion of a volcano.

3. "Earth movement" means any movement or vibration of the earth's surface (other than "sinkhole collapse") including but not limited to earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting of earth.

The Earth Movement definition has been updated. In the 05 07 definition of Earth Movement, the sinking, rising or shifting of earth includes, but is not limited to: erosion, expansion, shrinking, freezing, thawing, improper soil compaction, movement under the surface of the ground that causes cracking, settling or shifting of foundations, buildings or structures. Eruption, explosion, or effusion of a volcano has been added to the Earth Movement definition. Mudslide or mudflow is no longer included in the Earth Movement definition (see definition of Flood on next page).

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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3. "Existing building" means a building or structure that was constructed and standing prior to the inception of this policy and that will undergo renovation or rehabilitation.

An "existing building" only includes those parts of a standing building or structure that are intended to become a permanent part of the building or structure during renovation or rehabilitation.

4. "Flood" means a general and temporary condition of partial or complete inundation of land that is normally dry resulting from:

- a. overflow of inland or tidal waters, waves, tidal waves or tsunamis, or spray that results from any of these, all whether driven by wind or not;
- b. unusual and rapid accumulation or runoff of surface waters from any source; or
- c. mudslides or mudflows if caused by:
 - 1) unusual and rapid accumulation or runoff of surface waters or waves; or
 - 2) currents of water exceeding anticipated cyclical levels.

4. "Existing buildings or structures" means only those parts of standing buildings or structures that are intended to become a permanent part of buildings or structures that are being renovated or rehabilitated.

5. "Flood" means flood, surface water, waves, tidal water, or the overflow of a body of water, all whether driven by wind or not. This includes spray that results from these whether driven by wind or not.

"Existing building" replaces "existing buildings or structures". Text added to clarify that an existing building means a building or structure constructed and standing prior to inception of the policy and that will undergo renovation or rehabilitation.

The definition of Flood has been updated. Flood is defined as a general and temporary condition of partial or complete inundation of land that is normally dry resulting from any of the items listed.

Text has been added to address tsunamis.

Flood resulting from the unusual and rapid runoff of surface waters from any source and mudslides or mudflows if caused by unusual and rapid accumulation or runoff of surface waters or waves or currents of water exceeding anticipated cyclical levels have also been included in the definition. (Mudslides and mudflows were included in the definition of Earth Movement in IM 7054 04 04)

AAIS PROPOSED IM 7054 05 07	AAIS CURRENT IM 7054 04 04	COMMENTS
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8. "Pollutant" means:
- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
9. "Schedule of coverages" means:
- a. all pages labeled schedule of coverages or schedules that pertain to this coverage; and
 - b. declarations or supplemental declarations that pertain to this coverage.
10. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

9. "Pollutant" means:
- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
10. "Schedule of coverages" means:
- a. all pages labeled schedule of coverages or schedules that pertain to this coverage; and
 - b. declarations or supplemental declarations that pertain to this coverage.
11. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

No change

No change

No change

<p align="center">AAIS PROPOSED IM 7054 05 07</p>	<p align="center">AAIS CURRENT IM 7054 04 04</p>	<p align="center">COMMENTS</p>
<p>11. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.</p> <p>Falling objects does not include loss to:</p> <ul style="list-style-type: none"> a. personal property in the open; or b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object. <p>Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.</p> <p>12. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.</p> <p>13. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.</p> <p>Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.</p>	<p>12. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.</p> <p>Falling objects does not include loss to:</p> <ul style="list-style-type: none"> a. personal property in the open; or b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object. <p>Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.</p> <p>13. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.</p> <p>14. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.</p> <p>Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.</p>	<p>No change</p> <p>No change</p> <p>No change</p>

AAIS PROPOSED IM 7059 05 07	AAIS CURRENT IM 7059 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

<p style="text-align: center;">SCHEDULE OF COVERGES - BUILDERS' RISK - REHABILITATION AND RENOVATION</p> <p>(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)</p> <p>SCHEDULED JOBSITE</p> <p style="text-align: center;">Description Of Project</p> <p>_____</p> <p>_____</p> <p>Job. No. Jobsite</p> <p>_____</p> <p>_____</p> <p>[] Attach Additional Scheduled Jobsite Locations (check if applicable)</p>	<p style="text-align: center;">SCHEDULE OF COVERGES - BUILDERS' RISK - REHABILITATION AND RENOVATION</p> <p>(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)</p> <p>SCHEDULED LOCATION</p> <p style="text-align: center;">Location</p> <p>_____</p>	<p>No change</p> <p>The IM 7059 05 07 contains space to describe the project as well as identify the jobsite.</p> <p>The option now exists to schedule additional locations by attaching the IM 7090, Additional Scheduled Jobsite Locations.</p>
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AAIS PROPOSED IM 7059 05 07	AAIS CURRENT IM 7059 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

Building Materials Limit -- \$ _____

Existing Building Limit -- \$ _____

Existing Building Coverage (check one)	Existing Building Valuation: (check one)
---	---

<input type="checkbox"/> Coverage Provided	<input type="checkbox"/> Stated Value
<input type="checkbox"/> Coverage Not Provided	<input type="checkbox"/> Actual Cash Value

COVERAGE EXTENSIONS

Additional Debris Removal Expenses \$ _____

Limited Fungus Coverage \$ _____

SUPPLEMENTAL COVERAGES

Pollutant Cleanup And Removal \$ _____

Temporary Storage Locations \$ _____

Transit \$ _____

DEDUCTIBLE

Deductible Amount \$ _____

Materials And Supplies Limit -- The most "we" pay in any one occurrence for loss to materials and supplies, attachments, and fixtures which will become a permanent part of buildings or structures is: \$ _____

Existing Buildings Limit -- The most "we" pay in any one occurrence for loss to "existing buildings or structures" is: \$ _____

Coverage Extensions

Additional Debris Removal Expenses \$ _____

Limited Fungus Coverage \$ _____

Supplemental Coverages

Pollutant Cleanup And Removal \$ _____

Storage Locations \$ _____

Testing \$ _____

Transit \$ _____

DEDUCTIBLE

Deductible Amount \$ _____

The language pertaining to the limits for building materials and existing buildings is now included in the IM 7054 05 07, Builders' Risk Coverage - Rehabilitation And Renovation Form.

The 05 07 edition of the IM 7059 includes the option to indicate whether or not coverage for existing buildings applies. In addition, the schedule contains a check box used to indicate the valuation basis for existing buildings.

No change

No change

No change

Minor editorial revision.

Testing coverage no longer applies.

No change

No change

<p style="text-align: center;">AAIS PROPOSED IM 7059 05 07</p>	<p style="text-align: center;">AAIS CURRENT IM 7059 04 04</p>	<p style="text-align: center;">COMMENTS</p>
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

COVERAGE LIMITATION

Vacant Building -- "We" only cover a vacant "existing building" for ____ consecutive days from the inception date of this policy unless building permits have been obtained and rehabilitation or renovation work has begun on the "existing building".

Vacant Building Limitation Waived

WHEN COVERAGE CEASES

Coverage will end when one of the following first occurs:

1. this policy expires or is canceled;
2. a covered building or structure is accepted by the purchaser;
3. "your" insurable interest in the covered property ceases;
4. "you" abandon construction with no intent to complete it; or
5. a covered building or structure has been completed for more than ____ days.

Text has been added to the IM 7059 05 07 to address the coverage limitations for vacant buildings.

When Coverage Ceases provision was previously found in the IM 7054 04 04, Builders' Risk - Rehabilitation And Renovation Form. It is now included in the schedule of coverages, and is referenced in the 05 07 edition of the IM 7054.

The provision now contains the ability to indicate the number of days under item 5 (previously 30 days was indicated in the IM 7054 04 04). No other change in intent.
The following is the provision as found in the IM 7054 04 04:

When Coverage Ceases -- Coverage will end when one of the following first occurs:

- a. this policy expires or is canceled;
- b. a covered building or structure is accepted by the purchaser;
- c. "your" insurable interest in the covered property ceases;
- d. "you" abandon construction with no intent to complete it; or
- e. a covered building or structure has been completed for more than 30 days.

AAIS PROPOSED IM 7059 05 07	AAIS CURRENT IM 7059 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

**OPTIONAL COVERAGES AND
ENDORSEMENTS**

**OPTIONAL COVERAGES AND
ENDORSEMENTS**

No change

AAIS PROPOSED IM 7066 05 07	AAIS CURRENT IM 7066 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

<p style="text-align: center;">REPORTING CONDITIONS SCHEDULE BUILDERS' RISK</p> <p>(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)</p> <p>LIMITS</p> <p>Building Limit -- The most "we" pay for loss to any one building or structure is: \$ _____</p> <p>Catastrophe Limit -- The most "we" pay for loss to all buildings or structures in any one occurrence is: \$ _____</p> <p>REPORTING CONDITIONS</p> <table style="width: 100%;"> <tr> <td style="width: 50%;">Reporting Period -- (check one)</td> <td style="width: 50%;">Adjustment Period -- (check one)</td> </tr> <tr> <td><input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual</td> <td><input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual</td> </tr> </table>	Reporting Period -- (check one)	Adjustment Period -- (check one)	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<p style="text-align: center;">REPORTING CONDITIONS SCHEDULE BUILDERS' RISK</p> <p>(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)</p> <hr/> <p style="text-align: center;">REPORTING CONDITIONS</p> <hr/> <table style="width: 100%;"> <tr> <td style="width: 50%;">Reporting Period -- (check one)</td> <td style="width: 50%;">Adjustment Period -- (check one)</td> </tr> <tr> <td><input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual</td> <td><input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual</td> </tr> </table>	Reporting Period -- (check one)	Adjustment Period -- (check one)	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<p>Building limit added.</p> <p>Catastrophe limit added.</p> <p>No change.</p>
Reporting Period -- (check one)	Adjustment Period -- (check one)									
<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual									
Reporting Period -- (check one)	Adjustment Period -- (check one)									
<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annual									

AAIS PROPOSED IM 7066 05 07	AAIS CURRENT IM 7066 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

Additional Premium Due After Expiration --

When the premium for the coverage provided by this policy is based upon reports of value any additional premium owed to "us" is due on the due date that appears on the billing notice.

Coverage/Construction	Rate
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Deposit Premium \$ _____ **Minimum Premium** \$ _____

Additional Premium Due After Expiration --

When the premium for the coverage provided by this policy is based upon reports of value any additional premium owed to "us" is due on the due date that appears on the billing notice.

Coverage/Construction	Rate
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Deposit Premium \$ _____

Minimum Premium \$ _____

No change.

Format revisions; no change in intent.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

**SCHEDULE OF COVERAGES
BROADCASTING EQUIPMENT AND
TOWER COVERAGE
BROADCASTING AND DATA
PROCESSING EQUIPMENT FORM**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

DESCRIBED PREMISES

Prem. No.	PREMISES
_____	_____
_____	_____
_____	_____
_____	_____

Check if applicable:

Attach Additional Premises Schedule to schedule more locations

**SCHEDULE OF COVERAGES
BROADCASTING EQUIPMENT AND
TOWER COVERAGE
BROADCASTING AND DATA
PROCESSING EQUIPMENT FORM**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

DESCRIBED PREMISES

Prem. No.	PREMISES
_____	_____
_____	_____
_____	_____
_____	_____

Check if applicable:

Attach Additional Premises Schedule to schedule more locations

No change.

No change.

No change.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

LIMITS			LIMITS			No change.		
Prem. No.			Prem. No.				No change.	
_____	"Broadcast Equipment" and "Computer Equipment" \$ _____	"Broadcast Software" and "Computer Software" \$ _____	_____	"Broadcast Equipment" and "Computer Equipment" \$ _____	"Broadcast Software" and "Computer Software" \$ _____			
_____	\$ _____	\$ _____	_____	\$ _____	\$ _____			
_____	\$ _____	\$ _____	_____	\$ _____	\$ _____			
_____	\$ _____	\$ _____	_____	\$ _____	\$ _____			
Loc. No.			Loc. No.			No change.		
_____	"Telecom munications Equipment" \$ _____	"Towers" and Dishes \$ _____	Income Coverage \$ _____	"Telecom munications Equipment" \$ _____	"Towers" and Dishes \$ _____			Income Coverage \$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____			\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____			\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____			\$ _____

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

Off-Site Coverage -- The most "we" pay in any one occurrence for loss to equipment and software while temporarily away from a described premises is: \$ _____

COVERAGE EXTENSIONS

Additional Debris Removal Expenses \$ _____

Electrical And Power Supply Disturbance \$ _____

[] 500 Feet Limitation Does Not Apply

Emergency Removal _____ days

Emergency Removal Expenses \$ _____

SUPPLEMENTAL COVERAGES

Damage To Buildings And Personal Property \$ _____

Library Coverage \$ _____

Newly Acquired Premises \$ _____

Newly Purchased Or Leased Equipment And Software \$ _____

Pollutant Cleanup And Removal \$ _____

Rewards \$ _____

Off-Site Coverage -- The most "we" pay in any one occurrence for loss to equipment and software while temporarily away from a described premises is: \$ _____

COVERAGE EXTENSIONS

Additional Debris Removal Expenses \$ _____

Electrical And Power Supply Disturbance \$ _____

Emergency Removal _____ days

Emergency Removal Expenses \$ _____

SUPPLEMENTAL COVERAGES

Damage To Buildings And Personal Property \$ _____

Library Coverage \$ _____

Newly Acquired Premises \$ _____

Newly Purchased Or Leased Equipment And Software \$ _____

Pollutant Cleanup And Removal \$ _____

Rewards \$ _____

No change.

Check box was added to indicate that the 500 Feet Limitation does not apply under the Electrical And Power Supply Disturbance.

No change.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

SUPPLEMENTAL COVERAGES (cont)

Sewer Backup Coverage \$ _____

Virus and Hacking Coverage

- Limit Any One Occurrence \$ _____

- Limit Each Separate
12 month Period \$ _____

Earthquake Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Earthquake Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Earthquake Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is:
\$ _____

Flood Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Flood Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Flood Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is:
\$ _____

SUPPLEMENTAL COVERAGES (cont)

Sewer Backup Coverage \$ _____

Virus And Hacking Coverage
\$ _____

Earthquake Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Earthquake Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Earthquake Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is:
\$ _____

Flood Coverage (check one)

Coverage Not Provided

Coverage Provided, as described below:

Flood Limit -- The most "we" pay
for loss to property in any one building or
structure is: \$ _____

Flood Catastrophe Limit -- The most
"we" pay for loss in any one occurrence is:
\$ _____

In the 05 07 edition, a per occurrence limit and
limit each separate 12-month period are shown
for the Virus Or Hacking Supplemental
Coverage.

No change.

No change.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

DEDUCTIBLE AND COINSURANCE

DEDUCTIBLE

Deductible Amount \$ _____

Deductible Amount

Check If Applicable:

Earthquake Coverage \$ _____

Flood Coverage \$ _____

COINSURANCE

Not Applicable

100%___ 90%___ 80%___ ___%

VALUATION

The value of "broadcast equipment", "computer equipment", "telecommunications equipment", "towers", and satellite dishes will be based on (check one):

Actual Cash Value Replacement Cost

DEDUCTIBLE AND COINSURANCE

DEDUCTIBLE

Deductible Amount \$ _____

Deductible Amount

Check If Applicable:

Earthquake Coverage \$ _____

Flood Coverage \$ _____

COINSURANCE

Not Applicable

100%___ 90%___ 80%___ ___%

No change.

No change.

A Valuation section has been added to indicate the valuation basis for "broadcast equipment", "computer equipment", "telecommunications equipment", "towers", and satellite dishes.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

INCOME COVERAGE PART	INCOME COVERAGE PART	
COVERAGE OPTIONS (check one) <ul style="list-style-type: none"> - Earnings And Extra Expense <input type="checkbox"/> [] - Extra Expense only <input type="checkbox"/> [] - Income Coverage Not Provided <input type="checkbox"/> [] 	COVERAGE OPTIONS (check one) <ul style="list-style-type: none"> - Earnings And Extra Expense <input type="checkbox"/> [] - Extra Expense only <input type="checkbox"/> [] - Income Coverage Not Provided <input type="checkbox"/> [] 	No change.
INCOME COVERAGE EXTENSIONS Interruption By Civil Authority _____ days Period of Loss Extension _____ days	INCOME COVERAGE EXTENSIONS Interruption By Civil Authority _____ days Period of Loss Extension _____ days	No change.
SUPPLEMENTAL INCOME COVERAGES Newly Acquired Premises \$ _____ Earthquake Coverage (check one) <input type="checkbox"/> [] Coverage Not Provided <input type="checkbox"/> [] Coverage Provided, as described below: Earthquake Limit -- The most "we" pay for loss to property in any one building or structure is: \$ _____ Earthquake Catastrophe Limit -- The most "we" pay for loss in any one occurrence is: \$ _____	SUPPLEMENTAL INCOME COVERAGES Newly Acquired Premises \$ _____ Earthquake Coverage (check one) <input type="checkbox"/> [] Coverage Not Provided <input type="checkbox"/> [] Coverage Provided, as described below: Earthquake Limit -- The most "we" pay for loss to property in any one building or structure is: \$ _____ Earthquake Catastrophe Limit -- The most "we" pay for loss in any one occurrence is: \$ _____	No change.

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

<p>Flood Coverage (check one)</p> <p><input type="checkbox"/> Coverage Not Provided</p> <p><input type="checkbox"/> Coverage Provided, as described below:</p> <p>Flood Limit -- The most "we" pay for loss to property in any one building or structure is: \$ _____</p> <p>Flood Catastrophe Limit -- The most "we" pay for loss in any one occurrence is: \$ _____</p>	<p>Flood Coverage (check one)</p> <p><input type="checkbox"/> Coverage Not Provided</p> <p><input type="checkbox"/> Coverage Provided, as described below:</p> <p>Flood Limit -- The most "we" pay for loss to property in any one building or structure is: \$ _____</p> <p>Flood Catastrophe Limit -- The most "we" pay for loss in any one occurrence is: \$ _____</p>	<p>No change.</p>
<p>Sewer Backup Coverage (check one)</p> <p>- Coverage Provided \$ _____</p> <p>- Coverage Not Provided <input type="checkbox"/></p>	<p>Sewer Backup Coverage (check one)</p> <p>- Coverage Provided \$ _____</p> <p>- Coverage Not Provided <input type="checkbox"/></p>	<p>No change.</p>

AAIS PROPOSED IM 7606 05 07	AAIS CURRENT IM 7606 04 04	COMMENTS
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This comparison is for illustrative purposes only and is not a contract. It is intended to provide a general overview of similarities.

INCOME COVERAGE OPTIONS

Income Coverage Waiting Period (check one)

Not Applicable

Waiting Period _____ hours

Interruption By Civil Authority Waiting Period
_____ hours

Coinsurance (check one)

Not Applicable

100%___ 90%___ 80%___ ___%

**OPTIONAL COVERAGES AND
ENDORSEMENTS**

INCOME COVERAGE OPTIONS

Income Coverage Waiting Period (check one)

Not Applicable

Waiting Period _____ hours

Interruption By Civil Authority Waiting Period
_____ hours

Coinsurance (check one)

Not Applicable

100%___ 90%___ 80%___ ___%

**OPTIONAL COVERAGES AND
ENDORSEMENTS**

No change.

No change.

No change.