

SERFF Tracking Number: HNST-125163586 State: Arkansas
 Filing Company: Lincoln General Insurance Company State Tracking Number: AR-PC-07-024160
 Company Tracking Number: 2007AR06CF
 TOI: 01.0 Property Sub-TOI: 01.0001 Commerical Property (Fire and Allied Lines)
 Product Name: Commercial Property Extension Endorsement-FORM
 Project Name/Number: Commercial Property Extension Endorsement-FORM/2007AR06CF

Filing at a Glance

Company: Lincoln General Insurance Company

Product Name: Commercial Property Extension Endorsement-FORM SERFF Tr Num: HNST-125163586 State: Arkansas

TOI: 01.0 Property SERFF Status: Closed State Tr Num: AR-PC-07-024160
 Sub-TOI: 01.0001 Commerical Property (Fire and Allied Lines) Co Tr Num: 2007AR06CF State Status:

Filing Type: Form Co Status: Reviewer(s): Michelle Fahey, Betty Montesi, Llyweyia Rawlins
 Author: Denise Stump Disposition Date: 08/31/2007
 Date Submitted: 04/25/2007 Disposition Status: Approved

Effective Date Requested (New): 06/01/2007 Effective Date (New): 06/01/2007
 Effective Date Requested (Renewal): 06/01/2007 Effective Date (Renewal): 06/01/2007

General Information

Project Name: Commercial Property Extension Endorsement-FORM Status of Filing in Domicile:
 Project Number: 2007AR06CF Domicile Status Comments:
 Reference Organization: Reference Number:
 Reference Title: Advisory Org. Circular:
 Filing Status Changed: 08/31/2007
 State Status Changed: 04/25/2007 Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Commercial Property Extension Endorsement-FORM

The LGCP 0490 is an optional endorsement to Commercial Property Policies. It amends coverage written under the Building and Personal Property Coverage Form and the Causes of Loss Special Form by offering higher limits on certain coverages and adding other coverages that do not appear on the mandatory forms. (Note: The LGCP 0490 may only be used on policies with the aforementioned Special Form.)

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Company and Contact

Filing Contact Information

Denise Stump, Product Analyst denise.stump@lincolngeneral.com
 PO Box 3709 (800) 876-3350 [Phone]
 York, PA 17402-0136 (717) 757-7917[FAX]

Filing Company Information

Lincoln General Insurance Company CoCode: 33855 State of Domicile: Pennsylvania
 3350 Whiteford Road Group Code: 1326 Company Type: Property & Casualty
 York, PA 17402 Group Name: Kingsway Financial State ID Number:
 Group
 (717) 757-0000 ext. [Phone] FEIN Number: 23-2023242

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? Yes
 Fee Explanation: \$50.00 for each form filing
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Lincoln General Insurance Company	\$50.00	04/25/2007	13167002
Lincoln General Insurance Company	\$20.00	08/30/2007	15367057

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Disposition

Disposition Date: 08/31/2007

Effective Date (New): 06/01/2007

Effective Date (Renewal): 06/01/2007

Status: Approved

Comment: PENDING FILING FEE OF \$20 FOR REOPEN FILE.

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	Explanatory Memo	Approved	Yes
Form (revised)	Added Coverage Endorsement	Approved	Yes
Form	Added Coverage Endorsement	Approved	Yes

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Effective Date (Renewal): 06/01/2007
Status: Approved
Comment:

Rate data does NOT apply to filing.

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Note To Filer

Created By:

Llyweyia Rawlins on 08/28/2007 02:19 PM

Subject:

Reopen Filing

Comments:

I need to know what type of tracking error. Is it due to form number, effective date or something simple? Because this filing goes back to April.

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Note To Reviewer

Created By:

Denise Stump on 08/28/2007 11:03 AM

Subject:

Re-Open

Comments:

Could you please re-open filing due to a tracking error. Thank you

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Added Coverage Endorsement	LGCP 0490	05 07	Endorsement/Amendment/Conditions Replaced	Replaced Form #:0.00 LGCP 0490 04 02 Previous Filing #: 2002AR14CP		LGCP 0490 09 07 final 2.pdf

THIS ENDORSEMENT AMENDS YOUR POLICY. PLEASE READ IT CAREFULLY.

ADDED COVERAGE ENDORSEMENT

This endorsement amends the coverage provided under the following forms:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM CAUSES OF LOSS – SPECIAL FORM

1. The following changes apply to the **Building and Personal Property Coverage Form**:
 - A. Item **b.** of paragraph 1. **Covered Property** is amended to read:
 - b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,500 feet of the described premises, consisting of the following unless otherwise specified in the Your Business Personal Property – Separation of Coverage form:
 - B. Item **a.** of paragraph 2. **Property Not Covered** is replaced by:
 - a. Accounts, bills, currency, food stamps or other evidences of debt, “money”, notes or “securities” except as provided in the Coverage Extensions. Lottery tickets held for sale are not securities;
 - C. Item **q.** (2) of paragraph 2. **Property Not Covered** is replaced by:
 - (2) Signs (other than signs attached to buildings), outdoor lights, clocks, trees, shrubs, or plants, all except as provided in the Coverage Extensions.
 - D. Item **b.** of paragraph 4. **Additional Coverages** is replaced by:
 - b. **Preservation of Property**

If it is necessary to move Covered Property from the described premises to preserve it from, or for repair of, loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

 - (1) While it is being moved or while temporarily stored at another location; and
 - (2) Only if the loss or damage occurs within 30 days after the property is first moved.
 - E. Item **c.** of paragraph 4. **Additional Coverages** is replaced by:
 - c. **Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

 - (1) Assumed by contract or agreement prior to loss; or
 - (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.
 - F. Item **d.** of paragraph 4. **Additional Coverages** is replaced by:
 - d. **Pollutant Cleanup and Removal**

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

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

The most we will pay, under this Additional Coverage for each described premises is \$20,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

G. Item a. of paragraph 5. Coverage Extensions is replaced by:

a. Newly Acquired or Constructed Property

- (1) You may extend the insurance that applies to Covered Property to apply to:
 - (a) Your new building(s) while being built on the described premises; and
 - (b) Building(s) you acquire at locations, other than described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.
 - (c) Your Business Personal Property including such property that you newly acquire
 - (i) at any location that you acquire other than at fairs, trade show or exhibitions;
 - (ii) located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) located at the described premises.
- (2) The most we will pay for loss or damage under this Coverage Extension is:
 - (a) \$500,000 for each newly acquired building.
 - (b) \$100,000 for your Business Personal Property at each newly acquired location.
- (3) Insurance under this Coverage Extension for each newly acquired or constructed property will end when any of the following occurs:
 - (a) This policy expires;
 - (b) 45 days expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
 - (c) You report values to us.

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

(4) This Extension does not apply to:

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

H. Item b. of paragraph 5. Coverage Extensions is replaced by:

b. Personal Effects and Property of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or your employees. The most we will pay for loss or damage by a Covered Cause of Loss under this Coverage Extension is \$10,000 at each described premises.
- (2) Personal Property of others in your care, custody or control. The most we will pay for loss or damage, by a Covered Cause of Loss, under this coverage Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.
- (3) Employees' tools and equipment while located in or on the building(s) described in the Declarations or at some temporary location because of work related to your business, including while in transit.

The most we will pay for loss or damage by a Covered Cause of Loss under this Extension is \$2,500 for each employee with a total limit of \$25,000 per loss. Our payment for loss or damage to your employees' tools and equipment will only be for the account of the owner of the property.

This coverage does not apply to:

- (a) property that you lend, lease, or rent to others;
- (b) property that you intend to sell, build or install;
- (c) plans, blueprints, designs or specifications;
- (d) building materials or other material and supplies; and
- (e) property that you lease, rent or borrow from anyone else.

We do not pay for loss caused:

- (a) by freezing or overheating;
- (b) by theft from an unattended vehicle or office trailer, unless the windows and doors were closed and locked, and there were visible signs of forcible entry;
- (c) by theft from a tool box, unless there are visible signs of forcible entry in to the tool box. If the tool box is permanently attached, we will cover the theft of the tool box if there are signs it was forcibly removed;
- (d) to any property when it is underground in caissons or underwater.

I. Item c. of paragraph 5. **Coverage Extensions** is replaced by:

c. Valuable Papers and Records – Cost of Research

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist. Under this Extension, the most we will pay to replace or restore the lost information is \$50,000 at each described premises unless a higher limit is shown on the Declarations.

J. Item d. of paragraph 5. **Coverage Extensions** is replaced by:

d. Property Off-Premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property, while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
- (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or;
- (c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property in or on a vehicle.

(3) The most we will pay for loss or damage under this Extension is \$25,000 for other than salesman's samples and \$2,500 for salesman's samples.

K. Item e. of paragraph 5. **Coverage Extensions** is replaced by:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your signs; outdoor lights, outdoor clocks (other than signs, lights, or clocks attached to your buildings); radio and television antennas (including satellite dishes); flagpoles; outdoor trees, shrubs and plants including debris removal expenses. This Coverage Extension is subject to the following:

(1) Signs, Lights, Clocks (other than signs, lights, and clocks attached to your buildings). The most we will pay for loss or damage by a Covered Cause of Loss is \$5,000 at each described premises. We will not pay for loss to signs, lights, or clocks (other than signs lights, and clocks attached to your buildings) caused by:

- (a) wear and tear, gradual deterioration, faulty manufacture or installation, inherent vice, extremes of temperature, dampness of atmosphere or mechanical breakdown,
- (b) damage to electrical apparatus which is part of Covered Property caused by electricity other than lightning, except for ensuing fire damage,
- (c) breakage during installation, repairing or dismantling, or breakage during transportation, unless caused by fire, lightning, collision, derailment or overturn of vehicle.

(2) Radio and television antennas (including satellite dishes); flagpoles. The most we will pay for loss or damage is \$1,000 resulting from any of the following causes of loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotion; or
- (e) Aircraft.

(3) Outdoor trees, shrubs, and plants. The most we will pay for loss or damage by a Covered Cause of Loss is \$10,000 at each described premises, but not more than \$500 for any one tree, shrub or plant. We will not pay for loss or damage to outdoor trees, shrubs and plants resulting from any of the following:

- (a) Windstorm or hail, vehicles, vandalism; disease
- (b) Dampness or dryness of atmosphere;
- (c) Changes in or extremes of temperature; or
- (d) Rain, snow, ice, weight of ice, or sleet.

L. The following Extensions of Coverage are added to paragraph 5. **Coverage Extensions:**

g. Accounts Receivable

You may extend the insurance that applies to Covered Property to cover the following loss and expenses which are the direct result of loss or damage by a Covered Cause of Loss to accounts receivable records:

- (1) All sums due you from customers, provided you are unable to effect collection;
- (2) Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by loss or damage;
- (3) Collection expenses in excess of normal collection cost made necessary because of loss or damage; or
- (4) Other reasonable expenses incurred by you in re-establishing records of accounts receivable following such loss or damage.

The most we will pay under this extension is \$50,000 at each described premises.

h. Arson Reward

We will pay up to \$7,500 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

i. Check Forgery or Alteration

We will pay up to \$2,500 to cover forgery on checks issued to you or alteration of checks issued by you for any one loss, provided the loss is discovered during the policy period or within 60 days after its expiration.

We will not pay for loss caused by dishonest or criminal acts committed by you, any member of a limited liability company, or any of your employees, directors, trustees or authorized representatives:

- (1) acting alone or in collusion with other persons; or
- (2) while performing services for you or otherwise.

All losses committed by any person, whether acting alone or in collusion with others, are considered one occurrence which is subject to the \$2,500 limit.

We have the option to defend you or your bank, at our expense, against a "suit" for the enforcement of payment.

j. Contingent Business Interruption.

We will pay up to \$25,000 for contingent "income" protection, meaning loss of "income" you sustain due to "interruption of business" resulting directly from loss or damage to buildings or business personal property of dependent properties from a Covered Cause of Loss.

We will reduce the amount of your "income" loss other than "extra expense", to the extent you can resume normal operations by using an available:

- (1) Source of materials; or
- (2) Outlet for "your products".

"Dependent property" means premises operated by others whom you depend on in any way for continuation of your normal business operation. The dependent properties are:

- (1) Contributing Locations mean those premises you depend on as a source of materials or services that you need for your operations. Services do not include water, communication or power supply services;
- (2) Recipient Locations mean those premises you depend on as a customer for “your products” or services;
- (3) Manufacturing Locations mean those premises you depend on to manufacture products for your customers under contract or sale;
- (4) Leader Locations mean those premises you depend on to attract customers to your business.

“Interruption of business” for contingent business interruption means the period of time that your business is suspended and it:

- (1) begins with the date of direct loss or damage to the dependent property caused by a Covered Cause of Loss; and
- (2) ends on the date when the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

The deductible does not apply to this extension.

k. Counterfeit Money

We will pay up to \$500 per workday for loss from the acceptance in good faith of counterfeit “money”.

This extension applies even if no limit is shown for Business Personal Property in the Declarations.

l. Data, Media, & Records Coverage – Off Premises

We will pay up to \$10,000 for any loss or damaged resulting from a Covered Cause of Loss to your duplicate data and media stored off premises.

The deductible for this extension is \$250.

m. Demolition Costs

We will pay up to \$15,000 to cover the cost of demolishing and removing any undamaged portion of the building after a Covered Cause of Loss. The demolition must be required by enforcement of any ordinance or law regulating the construction, use or repair of buildings.

The deductible does not apply to this extension.

n. Electrical Service Panel

We will pay for damage to your electrical service panels caused by electricity.

o. Electronic Data Processing – Mechanical and Electrical Breakdown.

We will cover “hardware”, “software”, “data” and “media” for loss or damage caused by “mechanical breakdown”, short circuit, electrical injury, magnetic injury or disturbance to “hardware”, “software”, “data” and “media”.

We will pay up to \$50,000 for any one loss.

Coverage includes any accidental erasure of “data” caused by electrical or magnetic injury, or operator or programmer error caused by the electrical damage.

The cause of the electrical damage must occur in your building or within 1,500 feet of it. We will not cover loss caused by any change in electrical power supply, such as interruption, power surge, or brown-out that originates more than 1,500 feet away from the building containing your data processing operations unless caused by lightning.

We will cover loss or damage to “hardware” that results from a direct physical loss, caused by a Covered Cause of Loss, to the air conditioning system that services the “hardware”.

We do not cover:

- (1) “hardware” which you rent or lease to others while it is away from the premises described on the Declarations;
- (2) “software”, “media” and “data” which cannot be replaced with other of the same kind or quality;
- (3) “software” support documentation such as flow charts, record formats or narrative descriptions unless they are converted to “data” form and then only in that form;
- (4) loss caused by error or omission or deficiency in design, specifications, materials or workmanship, unless fire or explosion ensues, and then only for loss, damage or expense caused by the ensuing fire or explosion;

- (5) loss caused by processing operations or loss that occurred while the insured property is being worked on unless fire or explosion ensues, and then only for loss, damage or expense caused by the ensuing fire or explosion;
- (6) loss caused by programming errors or incorrectly instructing the "hardware".
- (7) loss caused by "computer intrusion".
- (8) loss caused by a "malicious code".

The deductible for this extension is \$250.

p. Employee Dishonesty

We will pay for loss of "money", "securities", and business personal property and personal property of others up to \$10,000 per occurrence resulting from dishonest acts committed by any of your employees whether identified or not, acting alone or in collusion with other persons with the intent to:

- (1) cause you to sustain loss; and also
- (2) obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment for:
 - (a) any employee, or
 - (b) any other person or organization.

This extension is subject to the following:

- (1) for any loss, our payment shall not exceed the replacement cost of business personal property at the time of loss, except the cost of "securities" may be determined by the market value at the close of business of the day of loss discovery and "money" will be valued at face value;
- (2) all loss caused by, or involving, one or more employees, whether the result of a single act or a series of acts, is considered one occurrence;
- (3) we will only pay for loss you sustain through acts committed or events occurring during the policy period and if loss is discovered during the policy period or is discovered within one year from the end of the policy period;
- (4) our payment is not increased regardless of the number of people we protect.

We do not pay for loss or damage if one or more of the following exclusions apply to the loss:

(1) Inventory Shortage

We do not pay for loss where the only proof of the loss or amount of the loss is dependent upon an inventory or a profit and loss comparison.

(2) Discovery of Dishonest Act

We do not pay for part of a loss involving any employee occurring after discovery of any "dishonest act" committed by the employee whether before or after being employed by you. This includes discovery by you or by any of your partners, officers, or directors not in collusion with the employee.

(3) Act by you or your partners

We do not pay for loss resulting from an act that you or any of your partners commit, whether acting alone or in collusion with any employees or other person.

(4) Legal Expenses

We do not pay for legal expenses or any indirect loss.

(5) Discovery After the Policy Period

We do not pay for any loss that is not discovered within one year from the end of the policy period.

Definitions for this coverage:

(1) Employee means any natural person

- (a) while in your service (and for 30 days after termination of service);
- (b) whom you compensate directly by salary, wages or commissions;
- (c) whom you have the right to direct and control while performing services for you; or
- (d) employed by an employment contractor while that person is subject to your direction and control and performing service for you excluding, however, any such person while having care and custody of property outside the premises.

(2) Employee does not mean any:

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

q. Expenses for Loss Adjustment

We will pay up to \$5,000 for expenses involved in the preparation of loss data, inventories and appraisals. This does not include expenses incurred in the using a public adjuster.

The deductible does not apply to this extension.

r. Fences, Walks and Unattached Outbuildings

You may extend the insurance that applies to Covered Property to cover loss or damage to fences, walks, and unattached outbuildings caused by fire; lightning; explosion; riot or civil commotion; vehicles; aircraft; smoke; falling objects; windstorm; vandalism or malicious mischief; sonic boom; sinkhole collapse; volcanic action, or collapse caused by any of the perils specified in this paragraph.

Unattached outbuildings include garages, storage areas and tool sheds, but do not include those buildings used for dwelling purposes.

- (1) The most we will pay under this extension is \$5,000 for any one loss.
- (2) Our payment will be on an actual cash value basis.

If specific insurance is carried on any item covered by this extension, then this extension does not apply to that item.

s. Fine Arts

You may extend the insurance that applies to Covered Property to cover loss or damage to paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value of artistic merit. This Coverage Extension is subject to the following:

- (1) Loss or damage is caused by a Covered Cause of Loss; and
- (2) The most we will pay under this extension is \$10,000 at each described premises.

t. Fire Extinguisher Recharge

We will pay up to an amount not exceeding \$2,500 in any one occurrence for the cost of recharging your Underwriters Laboratories listed or Factory Mutual approved type ABC (multipurpose) fire extinguishers or dry chemical fixed pipe fire extinguishing systems after being used in fighting a fire on your premises or on adjoining premises.

The deductible does not apply to this extension.

u. Glass

(1) We will pay for direct physical loss of or damage to all glass, including all lettering and ornamentation, located at the described premises;

- (a) Owned by you; or
- (b) Owned by others but in your care, custody or control.

(2) We will also pay for necessary:

- (a) Expenses incurred to put up temporary plates or board up openings;
- (b) Repair or replacement of encasing frames; and
- (c) Expenses incurred to remove or replace obstructions.

v. Income Protection and Extra Expense

If the loss to buildings, business personal property, and personal property of others results in suspension of your business operations, we will pay up to \$50,000 for any one loss.

This extension provides for loss of "income" you sustain due to "interruption of business" resulting directly from loss to the buildings, or business personal property or personal property of others described on the Declarations from a Covered Cause of Loss.

Payment of loss of "income" is not limited by the end of the policy period. Loss of "income" may include:

- (1) loss for a maximum of two consecutive weeks when premises are closed by order of civil authority as a result of direct physical loss of or damage to property, other than at the described premises, caused by a Covered Cause of Loss; and

(2) "extra expense". We will pay necessary "extra expense" to:

(a) avoid or minimize both the "interruption of business" and to continue your business activities:

- i) at the premises described on the Declarations, or
- ii) at replacement premises or at temporary locations including relocation expenses and costs to equipment and operate the replacement or temporary locations.

We will not pay for any loss or damage to your buildings, or business personal property and personal property of others. We also will not pay the cost of research or any other expense to replace or restore your valuable papers and records. We will pay the cost to repair or replace your Covered Property and the amount to research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that would have been payable under loss of "income".

You are required to resume normal business operations as promptly as possible and shall use all available means to eliminate any unnecessary delay.

Full Resumption of Operations – We will also pay your actual loss of "income" for an additional 30 days if your "income" after operations are resumed is less than your "income" before the loss. The additional amount we will pay will start after the later of the following times:

- (1) the date on which the liability for "Income" Protection and "Extra Expense" would terminate if this clause had not been included; or
- (2) the date on which repair, replacement or rebuilding of such part of the damaged or destroyed property described on the Declarations is actually completed.

The deductible does not apply to this extension.

w. Income Protection – Off Premises Utility Service Failure

We will pay up to \$25,000 for loss you sustain due to the "interruption of business" resulting from the interruption of

service to the premises described on the Declarations.

The "interruption of business" must result from loss to the following property, not on the premises described on the Declarations:

(1) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services, to the premises described on the Declarations, such as:

- (a) communication transmission lines (including fiber optic transmission lines);
- (b) coaxial cables; and
- (c) microwave radio relay except satellites.

(2) Power Supply Services, meaning the following types of property supplying electricity, steam or gas on the premises described on the Declarations:

- (a) utility generating plants;
- (b) switching stations;
- (c) substations;
- (d) transformers; and
- (e) transmission lines.

(3) Water Supply Services, meaning the following types of property supplying water to the described premises:

- (a) pumping stations; and
- (b) water mains.

We will only pay for loss of "income" sustained by you after the first 24 hours following loss to off-premises communication supply services property, power supply services property, or water supply services property.

The deductible does not apply to this extension.

x. Key Replacement

If keys to your building(s) are stolen during a theft loss, we will pay, at your request, up to \$2,500 to replace the keys and locks to the doors of your premises.

y. Money and Securities

(1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution,

within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- (a) Theft, meaning any act of stealing;
 - (b) Disappearance; or
 - (c) Destruction.
- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
- (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase; or
 - (c) Of property contained in any "money"-oriented device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- (3) The most we will pay for loss in any one occurrence is:
- (a) \$10,000 Inside the Premises for "money" and "securities" while:
 - 1. In or on the described premises; or
 - 2. Within a bank or savings institution; and
 - (b) \$5,000 Outside the Premises for "money" and "securities" while anywhere else.
- (4) All loss:
- (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;
- is considered one occurrence.
- (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- (6) In the event of loss or damage we will determine the value as follows:
- (a) "money" at its face value;
 - (b) "securities" at their value at the close of business on the day the loss is discovered.

z. Money and Securities Destruction

We will pay for "money" and "securities" destruction up to \$10,000 for any one loss caused by a Covered Cause of Loss. "Money" and "securities" destruction means loss by destruction of "money" and "securities" within the premises:

- (1) while the premises are open for business; or
- (2) while contained within a locked "vault" or "safe".

This does not include loss caused by unexplained or mysterious disappearance or abstraction.

M. Paragraph C. Limits of Insurance is replaced by:

C. Limits of Insurance

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

The Limits of Insurance applicable to the Fire Department Service Charge Additional Coverage and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance shown in the Declarations.

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

- (1) Preservation of Property; or
- (2) Debris Removal; but if:
 - (a) The sum of loss or damage and Debris Removal expense exceeds the Limit of Insurance; or
 - (b) The Debris Removal expense exceeds the amount payable under the 25% Debris Removal Coverage limitation.

N. The following is added to Paragraph H. Definitions:

- 4. **"Computer Intrusion"** means unauthorized access to "your" "hardware", "software", "data" or "media" by an individual or group of individuals, whether employed by "you" or not.
- 5. **"Malicious Code"** means instructions that:
 - (a) are introduced to your "hardware" or "software" without your knowledge; and
 - (b) run without your consent.

6. **“Data”** means files, documents, and information in an electronic format and that are stored on “media”.
7. **“Extra Expense”** means the necessary expenses incurred by you during the “interruption of business” that would not have been incurred if there had been no direct loss to Covered Property caused by a Covered Cause of Loss.
8. **“Hardware”** means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions and producing desired results.
- (a) “Hardware” includes but is not limited to:
- (i) mainframe and midrange computers and network servers;
 - (ii) readers, computerized cash registers;
 - (iii) personal computers and workstations;
 - (iv) laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to multimedia projectors; and
 - (v) peripheral data processing equipment, including but not limited to printers, keyboards, monitors, and modems.
- (b) “Hardware” does not include:
- (i) “data”; or
 - (ii) “media”; or
 - (iii) “software”.
9. **“Income”** means the sum of net profit and necessary continuing operating expenses incurred by the business such as payroll expenses, taxes, interests and rents.
10. **“Interruption of Business”** means the period of time that your business is suspended and it:
- (a) begins with the date of direct loss to Covered Property caused by a Covered Cause of Loss; and
 - (b) ends on the date when the Covered Property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
11. **“Mechanical breakdown”** means the malfunction or failure of moving or electronic parts, component failure, faulty installation, or blowout.
12. **“Media”** means processing, recording, or storage media used with “hardware”. This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.
13. **“Money”** means:
- (a) currency, coins and bank notes in current use and having a face value; and
 - (b) travelers checks, register checks, credit card slips and money orders held for sale.
14. **“Safe”** means a steel receptacle which has a door(s) that is no less than ½” thick, walls or body that is no less than ¼” thick and is equipped with at least one key or combination lock.
15. **“Securities”** means negotiable and non-negotiable instruments or contracts representing either “money” or other property and includes:
- (a) tokens, ticket, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - (b) evidences of debt issued in connection with credit or charge cards not issued by you;
 - but does not include “money”.
16. **“Software”** means electronic programs and associated files used to execute instructions to “hardware.”
17. **“Suit”** means a civil proceeding in which damages to which this insurance applies are alleged. “Suit” includes:
- (a) an arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
 - (b) any other alternative dispute resolution proceeding in which such damages are claimed, and to which you submit with our consent.
18. **“Your Product”** means:
- (a) Any goods, other than real property manufactured, assembled by, sold, handled, or distributed by:
 - (i) You,
 - (ii) others trading under your name, or

(iii) a person or organization whose business or assets you have acquired; and

(b) any containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

(a) warranties or representations made at any time with respect to the fitness, quality, durability or performance of your products; and

(b) the providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or any other property rented to you or located on your premises for use by others.

2. The following changes apply to the **Causes Of Loss – Special Form**:

A. Item 1. Of paragraph F. **Additional Coverage Extensions** is replaced by:

1. **Property in Transit.**

This Coverage Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the Coverage Territory.

b.1. Loss or damage must be caused by or resulting from a Covered Cause of Loss or one of the following additional covered causes of loss: Flood, meaning the rising of rivers and streams; earthquake; collision; derailment or overturn of transporting vehicle; collapse of bridges, culverts, docks, or wharves.

b.2. Loss or damage by theft must be caused by or resulting from the theft of an entire bale, case, or package by forced entry (of which there must be visible evidence) into the properly locked body or compartment of the vehicle.

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

Loss or Damage due of theft of property from a vehicle is subject to the following: that vehicles will be properly locked even when garaged in a public or private garage (the doors of the private garage will be locked). Properly locked means all vehicle doors, compartments, and windows are closed and locked.

This Coverage is additional insurance. The Coinsurance Condition does not apply to this Coverage Extension.

B. The following items added under Paragraph F. **Additional Coverage Extensions**:

4. **Back Up of Sewer or Drain Water Damage**

We will pay for loss or damage to Covered Property caused by water that backs up from a sewer or drain. However, this Coverage Extension does not provide coverage for loss or damage due to water emanating from a sump pump well or similar device designed to prevent overflow, seepage or leakage of subsurface water.

The most we will pay for loss or damage under this Coverage Extension is \$10,000. The deductible for this extension is \$250.

This Coverage Extension is additional insurance. The Coinsurance Condition does not apply to this Coverage Extension.

5. **Temperature Change**

We will pay for loss or damage to Covered Property due to loss resulting from temperature change. There must first be damage from a Covered Cause of Loss to the Insured Premises. Loss resulting from riot and civil commotion is not covered.

SERFF Tracking Number: *HNST-125163586* *State:* *Arkansas*
Filing Company: *Lincoln General Insurance Company* *State Tracking Number:* *AR-PC-07-024160*
Company Tracking Number: *2007AR06CF*
TOI: *01.0 Property* *Sub-TOI:* *01.0001 Commerical Property (Fire and Allied Lines)*

Product Name: *Commercial Property Extension Endorsement-FORM*
Project Name/Number: *Commercial Property Extension Endorsement-FORM/2007AR06CF*

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: HNST-125163586 State: Arkansas
Filing Company: Lincoln General Insurance Company State Tracking Number: AR-PC-07-024160
Company Tracking Number: 2007AR06CF
TOI: 01.0 Property Sub-TOI: 01.0001 Commerical Property (Fire and Allied Lines)
Product Name: Commercial Property Extension Endorsement-FORM
Project Name/Number: Commercial Property Extension Endorsement-FORM/2007AR06CF

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 04/30/2007

Comments:
Transmittal Document

Attachment:
ARPCTD-1.pdf

Satisfied -Name: Explanatory Memo **Review Status:** Approved 04/30/2007

Comments:
Explanatory Memo

Attachment:
Explanatory Memo-Form.pdf

Property & Casualty Transmittal Document (Revised 1/1/06)

1. Reserved for Insurance Dept. Use Only

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2. Insurance Department Use only

a. Date the filing is received:	
b. Analyst:	
c. Disposition:	
d. Date of disposition of the filing:	
e. Effective date of filing:	
New Business	
Renewal Business	
f. State Filing #:	
g. SERFF Filing #:	
h. Subject Codes	

3.	Group Name Kingsway Financial Group	Group NAIC # 1326
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4.	Company Name(s)	Domicile	NAIC #	FEIN #
	Lincoln General Insurance Company	PA	33855	23-2023242

5. Company Tracking Number	2007AR06CF
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Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	Fax #	e-mail
	Denise Stump	Product Analyst	(800)876-3350 X6319	(717)757-7917	Denise.Stump@Lincolngeneral.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Denise Stump		

Filing information (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	Property
10.	Sub-Type of Insurance (Sub-TOI)	Commercial Property
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	NA
12.	Company Program Title (Marketing title)	Commercial Property Program
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other _____
14.	Effective Date(s) Requested	New: 06/01/07 Renewal: 06/01/07
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	NA
17.	Reference Organization # & Title	NA
18.	Company's Date of Filing	04/25/2007
19.	Status of filing in domicile	<input checked="" type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document---

20.	This filing transmittal is part of Company Tracking #	2007AR06CF
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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The LGCP 0490 is an optional endorsement to Commercial Property Policies. It amends coverage written under the Building and Personal Property Coverage Form and the Causes of Loss – Special Form by offering higher limits on certain coverages and adding other coverages that do not appear on the mandatory forms. (Note: The LGCP 0490 may only be used on policies with the aforementioned Special Form.)

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
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Check #:	EFT
Amount:	\$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Explanatory Memo

The LGCP 0490 is an optional endorsement to Commercial Property Policies. It amends coverage written under the Building and Personal Property Coverage Form and the Causes of Loss – Special Form by offering higher limits on certain coverages and adding other coverages that do not appear on the mandatory forms. (Note: The LGCP 0490 may only be used on policies with the aforementioned Special Form.)

SERFF Tracking Number: *HNST-125163586* *State:* *Arkansas*
Filing Company: *Lincoln General Insurance Company* *State Tracking Number:* *AR-PC-07-024160*
Company Tracking Number: *2007AR06CF*
TOI: *01.0 Property* *Sub-TOI:* *01.0001 Commerical Property (Fire and Allied Lines)*

Product Name: *Commercial Property Extension Endorsement-FORM*
Project Name/Number: *Commercial Property Extension Endorsement-FORM/2007AR06CF*

Superseded Attachments

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	Added Coverage Endorsement	04/25/2007	LGCP 0490 0507.pdf

THIS ENDORSEMENT AMENDS YOUR POLICY. PLEASE READ IT CAREFULLY.

ADDED COVERAGE ENDORSEMENT

This endorsement amends the coverage provided under the following forms:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM

1. The following changes apply to the **Building and Personal Property Coverage Form**:

A. Item **b.** of paragraph 1. **Covered Property** is amended to read:

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,500 feet of the described premises, consisting of the following unless otherwise specified in the Your Business Personal Property – Separation of Coverage form:

B. Item **a.** of paragraph 2. **Property Not Covered** is replaced by:

a. Accounts, bills, currency, food stamps or other evidences of debt, “money”, notes or “securities” except as provided in the Coverage Extensions. Lottery tickets held for sale are not securities;

C. Item **p. (2)** of paragraph 2. **Property Not Covered** is replaced by:

(2) Signs (other than signs attached to buildings), outdoor lights, clocks, trees, shrubs, or plants, all except as provided in the Coverage Extensions.

D. Item **b.** of paragraph 4. **Additional Coverages** is replaced by:

b. Preservation of Property

If it is necessary to move Covered Property from the described premises to preserve it from, or for repair of, loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

(1) While it is being moved or while temporarily stored at another location; and

(2) Only if the loss or damage occurs within 30 days after the property is first moved.

E. Item **c.** of paragraph 4. **Additional Coverages** is replaced by:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

(1) Assumed by contract or agreement prior to loss; or

(2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

F. Item **d.** of paragraph 4. **Additional Coverages** is replaced by:

d. Pollutant Cleanup and Removal

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

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

The most we will pay, under this Additional Coverage for each described premises is \$20,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

G. Item **a.** of paragraph 5. **Coverage Extensions** is replaced by:

a. Newly Acquired or Constructed Property

(1) You may extend the insurance that applies to Covered Property to apply to:

- (a) Your new building(s) while being built on the described premises; and
 - (b) Building(s) you acquire at locations, other than described premises, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.
 - (c) Your Business Personal Property including such property that you newly acquire
 - (i) at any location that you acquire other than at fairs, trade show or exhibitions;
 - (ii) located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) located at the described premises.
- (2) The most we will pay for loss or damage under this Coverage Extension is:
- (a) \$500,000 for each newly acquired building.
 - (b) \$100,000 for your Business Personal Property at each newly acquired location.
- (3) Insurance under this Coverage Extension for each newly acquired or constructed property will end when any of the following occurs:
- (a) This policy expires;
 - (b) 45 days expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
 - (c) You report values to us.
- We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as Covered Property.
- (4) This Extension does not apply to:
- (a) Personal property of others that is temporarily in your possession in the course of installing or

performing work on such property; or

- (b) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

H. Item b. of paragraph 5. **Coverage Extensions** is replaced by:

b. Personal Effects and Property of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or your employees. The most we will pay for loss or damage by a Covered Cause of Loss under this Coverage Extension is 10,000 at each described premises.
- (2) Personal Property of others in your care, custody or control. The most we will pay for loss or damage, by a Covered Cause of Loss, under this coverage Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.
- (3) Employees' tools and equipment while located in or on the building(s) described in the Declarations or at some temporary location because of work related to your business, including while in transit.

The most we will pay for loss or damage by a Covered Cause of Loss under this Extension is \$2,500 for each employee with a total limit of \$25,000 per loss. Our payment for loss or damage to your employees' tools and equipment will only be for the account of the owner of the property.

This coverage does not apply to:

- (a) property that you lend, lease, or rent to others;
- (b) property that you intend to sell, build or install;
- (c) plans, blueprints, designs or specifications;
- (d) building materials or other material and supplies; and
- (e) property that you lease, rent or borrow from anyone else.

We do not pay for loss caused:

- (a) by freezing or overheating;
- (b) by theft from an unattended vehicle or office trailer, unless the windows and doors were closed and locked, and there were visible signs of forcible entry;
- (c) by theft from a tool box, unless there are visible signs of forcible entry in to the tool box. If the tool box is permanently attached, we will cover the theft of the tool box if there are signs it was forcibly removed;
- (d) to any property when it is underground in caissons or underwater.

I. Item c. of paragraph 5. **Coverage Extensions** is replaced by:

c. Valuable Papers and Records – Cost of Research

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist. Under this Extension, the most we will pay to replace or restore the lost information is \$50,000 at each described premises unless a higher limit is shown on the Declarations.

J. Item d. of paragraph 5. **Coverage Extensions** is replaced by:

d. Property Off-Premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property, while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
- (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or;
- (c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property in or on a vehicle.

(3) The most we will pay for loss or damage under this Extension is \$25,000 for other than salesman's samples and \$2,500 for salesman's samples.

K. Item e. of paragraph 5. **Coverage Extensions** is replaced by:

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your signs; outdoor lights, outdoor clocks (other than signs, lights, or clocks attached to your buildings); radio and television antennas (including satellite dishes); flagpoles; outdoor trees, shrubs and plants including debris removal expenses. This Coverage Extension is subject to the following:

(1) Signs, Lights, Clocks (other than signs, lights, and clocks attached to your buildings). The most we will pay for loss or damage by a Covered Cause of Loss is \$5,000 at each described premises. We will not pay for loss to signs, lights, or clocks (other than signs lights, and clocks attached to your buildings) caused by:

- (a) wear and tear, gradual deterioration, faulty manufacture or installation, inherent vice, extremes of temperature, dampness of atmosphere or mechanical breakdown,
- (b) damage to electrical apparatus which is part of Covered Property caused by electricity other than lightning, except for ensuing fire damage,
- (c) breakage during installation, repairing or dismantling, or breakage during transportation, unless caused by fire, lightning, collision, derailment or overturn of vehicle.

(2) Radio and television antennas (including satellite dishes); flagpoles. The most we will pay for loss or damage is \$1,000 resulting from any of the following causes of loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotion; or
- (e) Aircraft.

(3) Outdoor trees, shrubs, and plants. The most we will pay for loss or damage by a Covered Cause of Loss is \$10,000 at each described premises, but not more than \$500 for any one tree, shrub or plant. We will not pay for loss or damage to outdoor trees, shrubs and plants resulting from any of the following:

- (a) Windstorm or hail, vehicles, vandalism; disease
- (b) Dampness or dryness of atmosphere;
- (c) Changes in or extremes of temperature; or
- (d) Rain, snow, ice, weight of ice, or sleet.

L. The following Extensions of Coverage are added to paragraph 5. **Coverage Extensions:**

g. Accounts Receivable

You may extend the insurance that applies to Covered Property to cover the following loss and expenses which are the direct result of loss or damage by a Covered Cause of Loss to accounts receivable records:

- (1) All sums due you from customers, provided you are unable to effect collection;
- (2) Interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by loss or damage;
- (3) Collection expenses in excess of normal collection cost made necessary because of loss or damage; or
- (4) Other reasonable expenses incurred by you in re-establishing records of accounts receivable following such loss or damage.

The most we will pay under this extension is \$50,000 at each described premises.

h. Arson Reward

We will pay up to \$7,500 for information which leads to an arson conviction in connection with a fire loss covered under this Coverage Form. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

i. Check Forgery or Alteration

We will pay up to \$2,500 to cover forgery on checks issued to you or alteration of checks issued by you for any one loss, provided the loss is discovered during the policy period or within 60 days after its expiration.

We will not pay for loss caused by dishonest or criminal acts committed by you, any member of a limited liability company, or any of your employees, directors, trustees or authorized representatives:

- (1) acting alone or in collusion with other persons; or
- (2) while performing services for you or otherwise.

All losses committed by any person, whether acting alone or in collusion with others, are considered one occurrence which is subject to the \$2,500 limit.

We have the option to defend you or your bank, at our expense, against a "suit" for the enforcement of payment.

j. Contingent Business Interruption.

We will pay up to \$25,000 for contingent "income" protection, meaning loss of "income" you sustain due to "interruption of business" resulting directly from loss or damage to buildings or business personal property of dependent properties from a Covered Cause of Loss.

We will reduce the amount of your "income" loss other than "extra expense", to the extent you can resume normal operations by using an available:

- (1) Source of materials; or
- (2) Outlet for "your products".

"Dependent property" means premises operated by others whom you depend on in any way for continuation of your normal business operation. The dependent properties are:

- (1) Contributing Locations mean those premises you depend on as a source

of materials or services that you need for your operations. Services do not include water, communication or power supply services;

- (2) Recipient Locations mean those premises you depend on as a customer for "your products" or services;
- (3) Manufacturing Locations mean those premises you depend on to manufacture products for your customers under contract or sale;
- (4) Leader Locations mean those premises you depend on to attract customers to your business.

"Interruption of business" for contingent business interruption means the period of time that your business is suspended and it:

- (1) begins with the date of direct loss or damage to the dependent property caused by a Covered Cause of Loss; and
- (2) ends on the date when the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

The deductible does not apply to this extension.

k. Counterfeit Money

We will pay up to \$500 per workday for loss from the acceptance in good faith of counterfeit "money".

This extension applies even if no limit is shown for Business Personal Property in the Declarations.

l. Data, Media, & Records Coverage – Off Premises

We will pay up to \$10,000 for any loss or damaged resulting from a Covered Cause of Loss to your duplicate data and media stored off premises.

The deductible for this extension is \$250.

m. Demolition Costs

We will pay up to \$15,000 to cover the cost of demolishing and removing any undamaged portion of the building after a Covered Cause of Loss. The demolition must be required by enforcement of any ordinance or law regulating the construction, use or repair of buildings.

The deductible does not apply to this extension.

n. Electrical Service Panel

We will pay for damage to your electrical service panels caused by electricity.

o. Electronic Data Processing – Mechanical and Electrical Breakdown.

We will cover "hardware", "software", "data" and "media" for loss or damage caused by "mechanical breakdown", short circuit, electrical injury, magnetic injury or disturbance to "hardware", "software", "data" and "media".

We will pay up to \$50,000 for any one loss.

Coverage includes any accidental erasure of "data" caused by electrical or magnetic injury, or operator or programmer error caused by the electrical damage.

The cause of the electrical damage must occur in your building or within 1,500 feet of it. We will not cover loss caused by any change in electrical power supply, such as interruption, power surge, or brown-out that originates more than 1,500 feet away from the building containing your data processing operations unless caused by lightning.

We will cover loss or damage to "hardware" that results from a direct physical loss, caused by a Covered Cause of Loss, to the air conditioning system that services the "hardware".

We do not cover:

- (1) "hardware" which you rent or lease to others while it is away from the premises described on the Declarations;
- (2) "software", "media" and "data" which cannot be replaced with other of the same kind or quality;
- (3) "software" support documentation such as flow charts, record formats or narrative descriptions unless they are converted to "data" form and then only in that form;
- (4) loss caused by error or omission or deficiency in design, specifications, materials or workmanship, unless fire or explosion ensues, and then only for loss, damage or expense caused by the ensuing fire or explosion;
- (5) loss caused by processing operations or loss that occurred while the insured property is being worked on unless fire or explosion ensues, and then only for

loss, damage or expense caused by the ensuing fire or explosion;

- (6) loss caused by programming errors or incorrectly instructing the "hardware".
- (7) loss caused by "computer intrusion".
- (8) loss caused by a "malicious code".

The deductible for this extension is \$250.

p. Employee Dishonesty

We will pay for loss of "money", "securities", and business personal property and personal property of others up to \$10,000 per occurrence resulting from dishonest acts committed by any of your employees whether identified or not, acting alone or in collusion with other persons with the intent to:

- (1) cause you to sustain loss; and also
- (2) obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment for:
 - (a) any employee, or
 - (b) any other person or organization.

This extension is subject to the following:

- (1) for any loss, our payment shall not exceed the replacement cost of business personal property at the time of loss, except the cost of "securities" may be determined by the market value at the close of business of the day of loss discovery and "money" will be valued at face value;
- (2) all loss caused by, or involving, one or more employees, whether the result of a single act or a series of acts, is considered one occurrence;
- (3) we will only pay for loss you sustain through acts committed or events occurring during the policy period and if loss is discovered during the policy period or is discovered within one year from the end of the policy period;
- (4) our payment is not increased regardless of the number of people we protect.

We do not pay for loss or damage if one or more of the following exclusions apply to the loss:

(1) Inventory Shortage

We do not pay for loss where the only proof of the loss or amount of the loss is dependent upon an inventory or a profit and loss comparison.

(2) Discovery of Dishonest Act

We do not pay for part of a loss involving any employee occurring after discovery of any "dishonest act" committed by the employee whether before or after being employed by you. This includes discovery by you or by any of your partners, officers, or directors not in collusion with the employee.

(3) Act by you or your partners

We do not pay for loss resulting from an act that you or any of your partners commit, whether acting alone or in collusion with any employees or other person.

(4) Legal Expenses

We do not pay for legal expenses or any indirect loss.

(5) Discovery After the Policy Period

We do not pay for any loss that is not discovered within one year from the end of the policy period.

Definitions for this coverage:

(1) Employee means any natural person

- (a) while in your service (and for 30 days after termination of service);
- (b) whom you compensate directly by salary, wages or commissions;
- (c) whom you have the right to direct and control while performing services for you; or
- (d) employed by an employment contractor while that person is subject to your direction and control and performing service for you excluding, however, any such person while having care and custody of property outside the premises.

(2) Employee does not mean any:

- (a) agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (b) director or trustee except while performing acts coming within the

scope of the usual duties of an employee.

q. Expenses for Loss Adjustment

We will pay up to \$5,000 for expenses involved in the preparation of loss data, inventories and appraisals. This does not include expenses incurred in the using a public adjuster.

The deductible does not apply to this extension.

r. Fences, Walks and Unattached Outbuildings

You may extend the insurance that applies to Covered Property to cover loss or damage to fences, walks, and unattached outbuildings caused by fire; lightning; explosion; riot or civil commotion; vehicles; aircraft; smoke; falling objects; windstorm; vandalism or malicious mischief; sonic boom; sinkhole collapse; volcanic action, or collapse caused by any of the perils specified in this paragraph.

Unattached outbuildings include garages, storage areas and tool sheds, but do not include those buildings used for dwelling purposes.

(1) The most we will pay under this extension is \$5,000 for any one loss.

(2) Our payment will be on an actual cash value basis.

If specific insurance is carried on any item covered by this extension, then this extension does not apply to that item.

s. Fine Arts

You may extend the insurance that applies to Covered Property to cover loss or damage to paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value of artistic merit. This Coverage Extension is subject to the following:

(1) Loss or damage is caused by a Covered Cause of Loss; and

(2) The most we will pay under this extension is \$10,000 at each described premises.

t. Fire Extinguisher Recharge

We will pay up to an amount not exceeding \$2,500 in any one occurrence for the cost of recharging your Underwriters Laboratories listed or Factory Mutual approved type ABC (multipurpose) fire extinguishers or dry chemical fixed pipe

fire extinguishing systems after being used in fighting a fire on your premises or on adjoining premises.

The deductible does not apply to this extension.

u. Glass

(1) We will pay for direct physical loss of or damage to all glass, including all lettering and ornamentation, located at the described premises;

(a) Owned by you; or

(b) Owned by others but in your care, custody or control.

(2) We will also pay for necessary:

(a) Expenses incurred to put up temporary plates or board up openings;

(b) Repair or replacement of encasing frames; and

(c) Expenses incurred to remove or replace obstructions.

v. Income Protection and Extra Expense

If the loss to buildings, business personal property, and personal property of others results in suspension of your business operations, we will pay up to \$50,000 for any one loss.

This extension provides for loss of "income" you sustain due to "interruption of business" resulting directly from loss to the buildings, or business personal property or personal property of others described on the Declarations from a Covered Cause of Loss.

Payment of loss of "income" is not limited by the end of the policy period. Loss of "income" may include:

(1) loss for a maximum of two consecutive weeks when premises are closed by order of civil authority as a result of direct physical loss of or damage to property, other than at the described premises, caused by a Covered Cause of Loss; and

(2) "extra expense". We will pay necessary "extra expense" to:

(a) avoid or minimize both the "interruption of business" and to continue your business activities:

i) at the premises described on the Declarations, or

- ii) at replacement premises or at temporary locations including relocation expenses and costs to equipment and operate the replacement or temporary locations.

We will not pay for any loss or damage to your buildings, or business personal property and personal property of others. We also will not pay the cost of research or any other expense to replace or restore your valuable papers and records. We will pay the cost to repair or replace your Covered Property and the amount to research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that would have been payable under loss of "income".

You are required to resume normal business operations as promptly as possible and shall use all available means to eliminate any unnecessary delay.

Full Resumption of Operations – We will also pay your actual loss of "income" for an additional 30 days if your "income" after operations are resumed is less than your "income" before the loss. The additional amount we will pay will start after the later of the following times:

- (1) the date on which the liability for "Income" Protection and "Extra Expense" would terminate if this clause had not been included; or
- (2) the date on which repair, replacement or rebuilding of such part of the damaged or destroyed property described on the Declarations is actually completed.

The deductible does not apply to this extension.

w. Income Protection – Off Premises Utility Service Failure

We will pay up to \$25,000 for loss you sustain due to the "interruption of business" resulting from the interruption of service to the premises described on the Declarations.

The "interruption of business" must result from loss to the following property, not on the premises described on the Declarations:

- (1) Communication Supply Services, meaning property supplying communication services, including

telephone, radio, microwave or television services, to the premises described on the Declarations, such as:

- (a) communication transmission lines (including fiber optic transmission lines);
- (b) coaxial cables; and
- (c) microwave radio relay except satellites.

- (2) Power Supply Services, meaning the following types of property supplying electricity, steam or gas on the premises described on the Declarations:

- (a) utility generating plants;
- (b) switching stations;
- (c) substations;
- (d) transformers; and
- (e) transmission lines.

- (3) Water Supply Services, meaning the following types of property supplying water to the described premises:

- (a) pumping stations; and
- (b) water mains.

We will only pay for loss of "income" sustained by you after the first 24 hours following loss to off-premises communication supply services property, power supply services property, or water supply services property.

The deductible does not apply to this extension.

x. Key Replacement

If keys to your building(s) are stolen during a theft loss, we will pay, at your request, up to \$2,500 to replace the keys and locks to the doors of your premises.

y. Money and Securities

- (1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.

(2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:

- (a) Resulting from accounting or arithmetical errors or omissions;
- (b) Due to the giving or surrendering of property in any exchange or purchase; or
- (c) Of property contained in any "money"-oriented device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

(3) The most we will pay for loss in any one occurrence is:

- (a) \$10,000 Inside the Premises for "money" and "securities" while:
 - 1. In or on the described premises; or
 - 2. Within a bank or savings institution; and
- (b) \$5,000 Outside the Premises for "money" and "securities" while anywhere else.

(4) All loss:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts;

is considered one occurrence.

(5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

(6) In the event of loss or damage we will determine the value as follows:

- (a) "money" at its face value;
- (b) "securities" at their value at the close of business on the day the loss is discovered.

z. Money and Securities Destruction

We will pay for "money" and "securities" destruction up to \$10,000 for any one loss caused by a Covered Cause of Loss. "Money" and "securities" destruction means loss by destruction of "money" and "securities" within the premises:

- (1) while the premises are open for business; or
- (2) while contained within a locked "vault" or "safe".

This does not include loss caused by unexplained or mysterious disappearance or abstraction.

M. Paragraph C. Limits of Insurance is replaced by:

C. Limits of Insurance

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

The Limits of Insurance applicable to the Fire Department Service Charge Additional Coverage and Pollutant Clean Up and Removal Additional Coverages are in addition to the Limits of Insurance shown in the Declarations.

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

- (1) Preservation of Property; or
- (2) Debris Removal; but if:

- (a) The sum of loss or damage and Debris Removal expense exceeds the Limit of Insurance; or
- (b) The Debris Removal expense exceeds the amount payable under the 25% Debris Removal Coverage limitation.

N. The following is added to Paragraph H. Definitions:

- 4. "Computer Intrusion" means unauthorized access to "your" "hardware", "software", "data" or "media" by an individual or group of individuals, whether employed by "you" or not.
- 5. "Malicious Code" means instructions that:
 - (a) are introduced to your "hardware" or "software" without your knowledge; and
 - (b) run without your consent.
- 6. "Data" means files, documents, and information in an electronic format and that are stored on "media".
- 7. "Extra Expense" means the necessary expenses incurred by you during the "interruption of business" that would not have been incurred if there had been no direct loss to Covered Property caused by a Covered Cause of Loss.
- 8. "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and

information, processing the information according to the instructions and producing desired results.

- (a) "Hardware" includes but is not limited to:
- (i) mainframe and midrange computers and network servers;
 - (ii) readers, computerized cash registers;
 - (iii) personal computers and workstations;
 - (iv) laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to multimedia projectors; and
 - (v) peripheral data processing equipment, including but not limited to printers, keyboards, monitors, and modems.
- (b) "Hardware" does not include:
- (i) "data"; or
 - (ii) "media"; or
 - (iii) "software".
9. "Income" means the sum of net profit and necessary continuing operating expenses incurred by the business such as payroll expenses, taxes, interests and rents.
10. "Interruption of Business" means the period of time that your business is suspended and it:
- (a) begins with the date of direct loss to Covered Property caused by a Covered Cause of Loss; and
 - (b) ends on the date when the Covered Property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
11. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation, or blowout.
12. "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.
13. "Money" means:
- (a) currency, coins and bank notes in current use and having a face value; and
 - (b) travelers checks, register checks, credit card slips and money orders held for sale.

14. "Safe" means a steel receptacle which has a door(s) that is no less than ½" thick, walls or body that are no less than ¼" thick and is equipped with at least one key or combination lock.

15. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

(a) tokens, ticket, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

(b) evidences of debt issued in connection with credit or charge cards not issued by you;

but does not include "money".

16. "Software" means electronic programs and associated files used to execute instructions to "hardware."

17. "Suit" means a civil proceeding in which damages to which this insurance applies are alleged. "Suit" includes:

(a) an arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or

(b) any other alternative dispute resolution proceeding in which such damages are claimed, and to which you submit with our consent.

18. "Your Product" means:

(a) Any goods, other than real property manufactured, assembled by, sold, handled, or distributed by:

(i) You,

(ii) others trading under your name, or

(iii) a person or organization whose business or assets you have acquired; and

(b) any containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

(a) warranties or representations made at any time with respect to the fitness, quality, durability or performance of your products; and

(b) the providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or any other property rented to you or located on your premises for use by others.

2. The following changes apply to the **Causes Of Loss – Special Form**:

A. Item 1. Of paragraph F. **Additional Coverage Extensions** is replaced by:

1. **Property in Transit.**

This Coverage Extension applies only to your personal property to which this form applies.

a. You may extend the insurance provided by this Coverage Form to apply to your personal property in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the Coverage Territory.

b. Loss or damage must be caused by or resulting from a Covered Cause of Loss or one of the following additional covered causes of loss: Flood, meaning the rising of rivers and streams; earthquake; collision; derailment or overturn of transporting vehicle; collapse of bridges, culverts, docks, or wharves.

c. Loss or Damage due to theft of property from a vehicle is subject to the following:

(1) unattended vehicles must be properly locked at all times. Properly locked means all vehicle doors, compartments, and windows are closed and locked. If the vehicle is parked in a private garage, the doors of the private garage must be locked; and-

(2) there must be visible evidence of forced entry into the properly locked vehicle; and

(3) the loss or damage must be caused by or resulting from the theft of an entire bale, case, or package.

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

This Coverage is additional insurance. The Coinsurance Condition does not apply to this Coverage Extension.

B. The following items added under Paragraph F. **Additional Coverage Extensions**:

4. **Back Up of Sewer or Drain Water Damage**

We will pay for loss or damage to Covered Property caused by water that backs up from a sewer or drain. However, this Coverage Extension does not provide coverage for loss or damage due to water emanating from a sump pump well or similar device designed to prevent overflow, seepage or leakage of subsurface water.

The most we will pay for loss or damage under this Coverage Extension is \$10,000. The deductible for this extension is \$250.

This Coverage Extension is additional insurance. The Coinsurance Condition does not apply to this Coverage Extension.

5. **Temperature Change**

We will pay for loss or damage to Covered Property due to loss resulting from temperature change. There must first be damage from a Covered Cause of Loss to the Insured Premises. Loss resulting from riot and civil commotion is not covered.