Filing at a Glance

Companies: NIPPONKOA Insurance Company Ltd.,(U.S.Branch), The Charter Oak Fire Insurance Company, The Phoenix Insurance Company, The Travelers Indemnity Company, The Travelers Indemnity Company of America, The Travelers Indemnity Company Of Connecticut, Travelers Property Casualty Company of America

Product Name: Commercial Inland Marine - IM PAK
SERFF Tr Num: TRVD-125616396
State: Arkansas

TOI: 09.0 Inland Marine
SERFF Status: Closed
State Tr Num: EFT $50

Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations
Co Tr Num: 2008-03-0014-F
State Status: Fees verified and received

Filing Type: Form
Co Status:
Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding

Authors: Margaret Salsbury, Tia Slivinsky
Disposition Date: 05/19/2008

Date Submitted: 04/23/2008
Disposition Status: Approved

Effective Date Requested (New): 06/01/2008
Effective Date (New): 06/01/2008

Effective Date Requested (Renewal): 06/01/2008
Effective Date (Renewal): 06/01/2008

State Filing Description:

General Information

Project Name: Commercial Inland Marine - IM PAK
Status of Filing in Domicile: Not Filed

Project Number: 2008-03-0014-F
Domicile Status Comments: Not Filed in CT, Pending in NY

Reference Organization: N/A
Reference Number: N/A

Reference Title: N/A
Advisory Org. Circular: N/A

Filing Status Changed: 05/19/2008

State Status Changed: 05/12/2008
Deemer Date:

Corresponding Filing Tracking Number: N/A

Filing Description:

In compliance with the insurance laws and regulations in your state, our companies respectfully submit the attached Commercial Inland Marine form filing to be used with our proprietary IM PAK program.

By way of background information, the concept of IM PAK is based upon using standard clauses and provisions to generate a final coverage form. These standard provisions are individually coded and may be replaced by one or more substitute provisions which we call modifiers. For example, the standard 80% coinsurance provision may be modified to a 90% or 100% provision for replacement cost valuation instead of the standard actual cash value provision. Through this dynamic process, a tailored coverage form is created for each risk without having to use an array of separate endorsements to achieve the desired level of coverage.

With this filing, we are submitting a comprehensive revision to our existing IM PAK program. The vast majority of the language changes which have been made are to simply replace the outdated, defined term “loss” with the phrase “loss or damage” to be consistent with our other coverage products which have become commonly accepted on an industry level.

For a detailed explanation of our filing, please refer to the enclosed Filing Memorandum.

Your approval of this filing will be appreciated. Should you have any questions regarding this submission, please feel free to contact me at your convenience.

Company and Contact

Filing Contact Information

Margaret Salsbury, Senior Regulatory Analyst	MSALSBUR@travelers.com	
One Tower Square	(860) 277-6470 [Phone]	
Hartford, CT 06183	(860) 954-0580[FAX]	

Filing Company Information

NIPPONKOA Insurance Company Ltd.,(U.S.Branch)	CoCode: 27073	State of Domicile: New York
One Tower Square	Group Code: 2558	Company Type:
Hartford, CT 06183	Group Name:	State ID Number:
(860) 277-6470 ext. [Phone]	FEIN Number: 98-0032627	

The Charter Oak Fire Insurance Company One Tower Square Hartford, CT 06183 (860) 277-6470 ext. [Phone]	CoCode: 25615 Group Code: 3548 Group Name: FEIN Number: 06-0291290	State of Domicile: Connecticut Company Type: State ID Number:
The Phoenix Insurance Company One Tower Square Hartford, CT 06183 (860) 277-6470 ext. [Phone]	CoCode: 25623 Group Code: 3548 Group Name: FEIN Number: 06-0303275	State of Domicile: Connecticut Company Type: State ID Number:
The Travelers Indemnity Company One Tower Square Hartford, CT 06183 (860) 277-6470 ext. [Phone]	CoCode: 25658 Group Code: 3548 Group Name: FEIN Number: 06-0566050	State of Domicile: Connecticut Company Type: State ID Number:
The Travelers Indemnity Company of America One Tower Square Hartford, CT 01683 (860) 277-6470 ext. [Phone]	CoCode: 25666 Group Code: 3548 Group Name: FEIN Number: 58-6020487	State of Domicile: Connecticut Company Type: State ID Number:
The Travelers Indemnity Company Of Connecticut One Tower Square Hartford, CT 06183 (860) 277-6470 ext. [Phone]	CoCode: 25682 Group Code: 3548 Group Name: FEIN Number: 06-0336212	State of Domicile: Connecticut Company Type: State ID Number:
Travelers Property Casualty Company of America One Tower Square Hartford, CT 06183 (860) 277-6470 ext. [Phone]	CoCode: 25674 Group Code: 3548 Group Name: FEIN Number: 36-2719165	State of Domicile: Connecticut Company Type: State ID Number:

Filing Fees

Fee Required?	Yes
Fee Amount:	$50.00
Retaliatory?	No
Fee Explanation:	Flat Fee
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
NIPPONKOA Insurance Company Ltd.,(U.S.Branch)	$50.00	04/23/2008	19844006
The Charter Oak Fire Insurance Company	$0.00	04/23/2008	
The Phoenix Insurance Company	$0.00	04/23/2008	
The Travelers Indemnity Company	$0.00	04/23/2008	
The Travelers Indemnity Company of America	$0.00	04/23/2008	
The Travelers Indemnity Company Of Connecticut	$0.00	04/23/2008	
Travelers Property Casualty Company of America	$0.00	04/23/2008	

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	05/19/2008	05/19/2008

Disposition

Disposition Date: 05/19/2008
Effective Date (New): 06/01/2008
Effective Date (Renewal): 06/01/2008
Status: Approved
Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings	
Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number:	*TRVD-125616396*	*State:*	*Arkansas*
First Filing Company:	*NIPPONKOA Insurance Company Ltd.,(U.S.Branch), ...*	*State Tracking Number:*	*EFT $50*
Company Tracking Number:	*2008-03-0014-F*		
TOI:	*09.0 Inland Marine*	*Sub-TOI:*	*09.0000 Inland Marine Sub-TOI Combinations*
Product Name:	*Commercial Inland Marine - IM PAK*		
Project Name/Number:	*Commercial Inland Marine - IM PAK/2008-03-0014-F*		

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Filing Memorandum	Approved	Yes
Supporting Document	Exhibit I and II	Approved	Yes
Form	AR and LA "Bacteria" Changes	Approved	Yes
Form	AR and LA "Bacteria" Changes	Approved	Yes
Form	AR and LA "Bacteria" Changes	Approved	Yes
Form	Named Storm Deductible	Approved	Yes
Form	Rental Payments	Approved	Yes
Form	Repl. Cost Val. Sched. Items	Approved	Yes
Form	Freezing Exclusion - BR/IS	Approved	Yes
Form	(M) Repl. Cost Val. Sched. Items	Approved	Yes
Form	(M) Repl. Cost Val. Sched. Items	Approved	Yes
Form	Business Income and Rental Value With Occupancy	Approved	Yes
Form	(M) "Soft Costs"	Approved	Yes
Form	Omission in, or Faulty Design Exclusion - IS	Approved	Yes
Form	Omission in, or Faulty Design Exclusion - BR/IS	Approved	Yes
Form	Faulty Design Exclusion*	Approved	Yes
Form	Omission in, or Faulty Design Exclusion - BR/IS	Approved	Yes
Form	Freezing Exclusion - BR	Approved	Yes
Form	Freezing Exclusion - IS	Approved	Yes
Form	Rpt. Prov. - CE List / Unlist & Leased / Rented Items	Approved	Yes
Form	Rpt. Prov. - BR, CE Listed / Unlisted Items	Approved	Yes
Form	Expediting Expense - $250,000	Approved	Yes
Form	Rpt. Prov. BR, CE Listed / Unlisted & Leased / Rented	Approved	Yes
Form	Rpt. Prov. BR, CE Leased / Rented Items	Approved	Yes

Form	Landscaping and Signs - Extended Coverage	Approved	Yes
Form	Theft Ded Waiver Up To $10K - Stolen Equip Recovery System	Approved	Yes
Form	Theft Deductible Waiver Up To $10,000 - NER Memebership	Approved	Yes
Form	Theft Deductible Waiver - Stolen Equipment Recovery System	Approved	Yes
Form	Theft Deductible Waiver - NER Membership	Approved	Yes
Form	(M) Backup and Surface Water	Approved	Yes
Form	Soft Costs	Approved	Yes
Form	Business Income Only	Approved	Yes
Form	Business Income With Occupancy	Approved	Yes
Form	Rental Value Only With Occupancy	Approved	Yes
Form	Rpt. Prov. - BR	Approved	Yes
Form	Rpt. Prov. - BR/IS	Approved	Yes
Form	Rpt. Prov. - BR, IS, CE Leased / Rented	Approved	Yes
Form	Breakage Exclusion - All	Approved	Yes
Form	(M) Lost Keys Coverage	Approved	Yes
Form	Freezing Exclusion - BR/IS	Approved	Yes
Form	Increase in Fire Department Coverage Limit	Approved	Yes
Form	Cable Systems Additional Exclusions	Approved	Yes
Form	(M) Crane Specified Cause of Loss - CE	Approved	Yes
Form	(M) Refridgeration Breakdown Restriction	Approved	Yes
Form	Repl. Cost Val. Sched. Items	Approved	Yes
Form	Programming Error C	Approved	Yes
Form	Fine Arts Covered For ACV	Approved	Yes
Form	Programming Error E	Approved	Yes
Form	Programming Error F	Approved	Yes
Form	$250 Deductible for Laptops and Portable Computers	Approved	Yes

Form	Government Owned Equipment	Approved	Yes
Form	Programing Error G	Approved	Yes
Form	Programing Error D	Approved	Yes
Form	Crewboats as Covered Property	Approved	Yes
Form	"Specified Testing" - IS	Approved	Yes
Form	"Specified Machinery" - BR	Approved	Yes
Form	"Specified Machinery" - IS	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. RC - IS	Approved	Yes
Form	"Specified Machinery" RC - IS	Approved	Yes
Form	"Specified Machinery" RC - BR	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. RC - IS	Approved	Yes
Form	"Specified Machinery" - RC -IS	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. RC-BR	Approved	Yes
Form	"Specified Machinery" RC - BR	Approved	Yes
Form	Rpt. Prov. - CE List / Unlist Items	Approved	Yes
Form	(M) Blkt W/ Sch. On File / Replacement Cost/CE @ 90% & SP @ 80% Coins	Approved	Yes
Form	Computer Programs as "Hardware"	Approved	Yes
Form	Specified Collapse Exclusion - BR/IS	Approved	Yes
Form	Specified Collapse Exclusion - BR	Approved	Yes
Form	Specified Collapse Exclusion - IS	Approved	Yes
Form	Stated Value - Scheduled Property*	Approved	Yes
Form	Blkt W/ Schedule On File / Replacement Cost / CE @90% Coins	Approved	Yes
Form	Specified Collapse Exclusion - IS	Approved	Yes
Form	Specified Collapse Exclusion - BR	Approved	Yes
Form	Expediting Expense - $100,000	Approved	Yes
Form	Replacement Cost - Scheduled Property*	Approved	Yes
Form	Replacement Cost - Coverage	Approved	Yes

Form	Replacement Cost - Coverage BR/IS	Approved	Yes
Form	CBE Transit Limit - $150,000	Approved	Yes
Form	CBE Transit Limit - $100,000	Approved	Yes
Form	Replacement Cost - Coverage BR/IS	Approved	Yes
Form	CBE - Expanded Off Premise Power and Service	Approved	Yes
Form	Replacement Cost - CE @ 100% Co	Approved	Yes
Form	Replacement Cost - CE @ 100% CO, SP @ 80%	Approved	Yes
Form	Replacement Cost CE @ 100% and SP @ 80%	Approved	Yes
Form	Replacement Cost (CE) @ 100% Co	Approved	Yes
Form	(M) Replacment Cost - SP @ 80% Co.	Approved	Yes
Form	Replacement Cost (SP) 80% Co.	Approved	Yes
Form	Replacement Cost - CE	Approved	Yes
Form	Stated Amount - CE	Approved	Yes
Form	CE Blanket 90% Coins Nonreporting	Approved	Yes
Form	CE Blanket 90% Coins Nonreporting	Approved	Yes
Form	CE Blanket 90% Coins Nonreporting	Approved	Yes
Form	CBE Not At Your Locations	Approved	Yes
Form	Replacement Cost - CE @ 90% CO.	Approved	Yes
Form	Profit Exclusion - BR	Approved	Yes
Form	Valuable Papers and Records - $250,000	Approved	Yes
Form	Newly Acquired 180 Days	Approved	Yes
Form	Fine Arts Listed For ACV	Approved	Yes
Form	Fine Arts Listed For ACV	Approved	Yes
Form	Fine Arts Listed For ACV*	Approved	Yes
Form	Fine Arts Covered For ACV	Approved	Yes
Form	Fine Arts Covered For ACV	Approved	Yes
Form	Fine Arts Covered For ACV	Approved	Yes
Form	Profit Exclusion BR Replacement Cost	Approved	Yes
	CBE Not at Your Locations, $3,500 Per	Approved	Yes

Form	Location		
Form	Replacement Cost (CE) 90% Coinsurance	Approved	Yes
Form	CBE Transit Limit - $150,000	Approved	Yes
Form	CBE Transit Limit - $100,000	Approved	Yes
Form	CBE Not at Your Locations	Approved	Yes
Form	CBE Transit $500,000	Approved	Yes
Form	Replacement Cost and Agreed Amount	Approved	Yes
Form	Stated Amount - CE	Approved	Yes
Form	Stated Value - Scheduled Property*	Approved	Yes
Form	Replacement Cost SP @ No. Co.	Approved	Yes
Form	(M) Wine Market Valuation Clause	Approved	Yes
Form	Stated Amount - SP	Approved	Yes
Form	Stated Amount CE/SP	Approved	Yes
Form	Stated Amount CE and CBE	Approved	Yes
Form	Replacement Cost - Scheduled Property*	Approved	Yes
Form	Motor Sports Insurance	Approved	Yes
Form	SC/Special Time Element with Occupancy	Approved	Yes
Form	Rpt. Prov. - IS	Approved	Yes
Form	Rpt. Prov. - IS, CE Leased/Rented Items	Approved	Yes
Form	Rpt. Prov. - IS, CE Listed / Unlisted Items	Approved	Yes
Form	Rpt. Prov. - IS, CE Listed / Unlisted & Leased / Rented	Approved	Yes
Form	Rpt. Prov. - BR, IS, CE Listed / Unlisted	Approved	Yes
Form	Rpt. Prov. - BR, IS, CE Listed / Unlisted & Leased / Rented	Approved	Yes
Form	Reporting Form Coinsurance	Approved	Yes
Form	Reporting Form Coinsurance	Approved	Yes
Form	Reporting Form Coinsurance*	Approved	Yes
Form	Reporting Form Coinsurance	Approved	Yes
Form	Soft Costs Only with Occupancy	Approved	Yes

Form	Soft Costs and Business Income Only	Approved	Yes
Form	Rental Value Only	Approved	Yes
Form	Soft Costs and Rental Value Only	Approved	Yes
Form	Soft Costs and BI with Occupancy	Approved	Yes
Form	Soft Costs and RV with Occupancy	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. - BR	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. - IS	Approved	Yes
Form	"Specified Machinery" Incl. Production Mach. RC - BR	Approved	Yes
Form	Specified Collapse Exclusion - BR/IS	Approved	Yes
Form	CBE Medical Equipment Incl. Breakdown	Approved	Yes
Form	Renovation Extension	Approved	Yes
Form	Exisiting Building Coverage	Approved	Yes
Form	Stated Amount CE	Approved	Yes
Form	Waterbone Coverage - $250,000	Approved	Yes
Form	"Specified Testing" - BR	Approved	Yes
Form	Business Income and Rental Value	Approved	Yes
Form	List of Property on File (SP)	Approved	Yes
Form	Waterbone - Property Not Covered (SP)	Approved	Yes
Form	Percentage Deductible	Approved	Yes
Form	Theft Ded Waiver Up To $10,000 - Wireless Recovery System	Approved	Yes
Form	Theft Ded Waiver - Wireless Recovery System	Approved	Yes
Form	List of Property On File - CE	Approved	Yes
Form	CE Unlisted And Borrowed Flexible	Approved	Yes
Form	Unlisted Items Including Employee Tools	Approved	Yes
Form	Earthquake Exclusion - SP	Approved	Yes
Form	Flood Exclusion	Approved	Yes
Form	Unlstd. Items Excl. Emp. Tools - $5,000 /	Approved	Yes

	Item		
Form	Unlstd. Items Excl. Emp. Tools - $10,000 / Item	Approved	Yes
Form	Unlisted Items Including Emp. TOols - $2,500 / Item	Approved	Yes
Form	Unlisted Items Including Emp. Tools - $5,000 / Item	Approved	Yes
Form	Unlisted Items Including Emp. TOols - $10,000 / Item	Approved	Yes
Form	Earth Movement Exclusion	Approved	Yes
Form	Flood Exclusion	Approved	Yes
Form	Unlstd. Items Excl. Emp. Tools - $100,000 / Item	Approved	Yes
Form	CE $2,500 Unlisted and Borrowed Flexible	Approved	Yes
Form	CE $5,000 Unlisted and Borrowed Flexible	Approved	Yes
Form	Unlisted Items Including Emp. Tools - $25,000 / Item	Approved	Yes
Form	(M) Backup and Surface Water	Approved	Yes
Form	List of Property On File - CE	Approved	Yes
Form	Unlisted Items Including Emp. Tools - $15,000 / Item	Approved	Yes
Form	(M) CE Unlisted Items - $150,000 Per Itme Limit	Approved	Yes
Form	Unlisted $1,000	Approved	Yes
Form	Unlisted & Borrowed Flexible $10,000 per item	Approved	Yes
Form	(M) U/L Employees Tools $2,500 / Items & Borrowed Flexible	Approved	Yes
Form	Earth Movement % Deductible	Approved	Yes
Form	Earth Movement % Deductible $100,000 Minimum	Approved	Yes
Form	Earth Movement % Deductible $200,000 Minimum	Approved	Yes

Form	Earth Movement % Deductible $300,000 Minimum	Approved	Yes
Form	Earth Movement % Deductible $50,000 Minimum	Approved	Yes
Form	Flood % Deductible	Approved	Yes
Form	Flood % Deductible $100,000 Minimum	Approved	Yes
Form	Flood % Deductible $200,000 Minimum	Approved	Yes
Form	Flood % Deductible $300,000 Minimum	Approved	Yes
Form	Flood % Deductible $50,000 Minimum	Approved	Yes
Form	Flood % Deductible $25,000 Minimum	Approved	Yes
Form	Earth Movement % Deductible $25,000 Minimum	Approved	Yes
Form	Earth Movement Annual Aggregate Limits	Approved	Yes
Form	Flood Annual Aggregate Limits	Approved	Yes

Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type	Action	Action Specific Data	Readability	Attachment
Approved	AR and LA "Bacteria" Changes	0604		Other	New			0604 final .pdf
Approved	AR and LA "Bacteria" Changes	0605		Other	New			0605 final .pdf
Approved	AR and LA "Bacteria" Changes	0606		Other	New			0606 final .pdf
Approved	Named Storm Deductible	0586		Other	New		0.00	0586 final .pdf
Approved	Rental Payments	0587		Other	New		0.00	0587 final .pdf
Approved	Repl. Cost Val. Sched. Items	0588		Other	Replaced	Replaced Form #: 0412 Previous Filing #: 1997-03-PR-547	0.00	0588 final .pdf
Approved	Freezing Exclusion - BR/IS	0589		Other	Replaced	Replaced Form #: 0048 Previous Filing #: 1997-03-PR-547	0.00	0589 final .pdf
Approved	(M) Repl. Cost Val. Sched. Items	0590		Other	Replaced	Replaced Form #: 0422 Previous Filing #: 1997-03-PR-547	0.00	0590 final .pdf
Approved	(M) Repl. Cost Val. Sched. Items	0591		Other	Replaced	Replaced Form #: 0568 Previous Filing #: 1997-03-PR-547	0.00	0591 final .pdf
Approved	Business Income and Rental Value With Occupancy	0592		Other	Replaced	Replaced Form #: 0134 Previous Filing #:	0.00	0592 final .pdf

					1997-03-PR-547		
Approved	(M) "Soft Costs"	0593	Other	Replaced	Replaced Form #: 0317 Previous Filing #: 1997-03-PR-547	0.00	0593 final .pdf
Approved	Omission in, or Faulty Design Exclusion - IS	0594	Other	Replaced	Replaced Form #: 0052 Previous Filing #: 1997-03-PR-547	0.00	0594 final .pdf
Approved	Omission in, or Faulty Design Exclusion - BR/IS	0595	Other	Replaced	Replaced Form #: 0049 Previous Filing #: 1997-03-PR-547	0.00	0595 final .pdf
Approved	Faulty Design Exclusion*	0596	Other	Replaced	Replaced Form #: 0053 Previous Filing #: 1997-03-PR-547	0.00	0596 final .pdf
Approved	Omission in, or Faulty Design Exclusion - BR/IS	0597	Other	Replaced	Replaced Form #: 0051 Previous Filing #: 1997-03-PR-547	0.00	0597 final .pdf
Approved	Freezing Exclusion - BR	0598	Other	Replaced	Replaced Form #: 0046 Previous Filing #: 1997-03-PR-547	0.00	0598 final .pdf
Approved	Freezing Exclusion - IS	0599	Other	Replaced	Replaced Form #: 0045 Previous Filing #: 1997-03-PR-547	0.00	0599 final .pdf
Approved	Rpt. Prov. - CE List / Unlist & Leased / Rented Items	0615	Other	New		0.00	0615 final .pdf
Approved	Rpt. Prov. - BR, CE Listed / Unlisted Items	0616	Other	New		0.00	0616 final .pdf
Approved	Expediting	0617	Other	New		0.00	0617 final

	Expense - $250,000						.pdf
Approved	Rpt. Prov. BR, CE Listed / Unlisted & Leased / Rented	0619	Other	New		0.00	0619 final .pdf
Approved	Rpt. Prov. BR, CE Leased / Rented Items	0620	Other	Replaced	Replaced Form #: 0078 Previous Filing #: 1997-03-PR-547	0.00	0620 final .pdf
Approved	Landscaping and Signs - Extended Coverage	0625	Other	New		0.00	0625 final .pdf
Approved	Theft Ded Waiver Up To $10K - Stolen Equip Recovery System	0627	Other	New		0.00	0627 final .pdf
Approved	Theft Deductible Waiver Up To $10,000 - NER Memebership	0628	Other	New		0.00	0628 final .pdf
Approved	Theft Deductible Waiver - Stolen Equipment Recovery System	0629	Other	New		0.00	0629 final .pdf
Approved	Theft Deductible Waiver - NER Membership	0630	Other	New		0.00	0630 final .pdf
Approved	(M) Backup and Surface Water	0631	Other	Replaced	Replaced Form #: 0231 Previous Filing #: 1997-03-PR-547	0.00	0631 final .pdf
Approved	Soft Costs	0633	Other	Replaced	Replaced Form #: 0058 Previous Filing #: 1997-03-PR-547	0.00	0633 final .pdf
Approved	Business Income	0634	Other	Replaced	Replaced Form #:	0.00	0634 final

	Only				0057 Previous Filing #: 1997-03-PR-547		.pdf
Approved	Business Income With Occupancy	0635	Other	Replaced	Replaced Form #: 0060 Previous Filing #: 1997-03-PR-547	0.00	0635 final .pdf
Approved	Rental Value Only With Occupancy	0636	Other	Replaced	Replaced Form #: 0062 Previous Filing #: 1997-03-PR-547	0.00	0636 final .pdf
Approved	Rpt. Prov. - BR	0637	Other	Replaced	Replaced Form #: 0072 Previous Filing #: 1997-03-PR-547	0.00	0637 final .pdf
Approved	Rpt. Prov. - BR/IS	0638	Other	Replaced	Replaced Form #: 0074 Previous Filing #: 1997-03-PR-547	0.00	0638 final .pdf
Approved	Rpt. Prov. - BR, IS, CE Leased / Rented	0639	Other	Replaced	Replaced Form #: 0084 Previous Filing #: 1997-03-PR-547	0.00	0639 FINAL.pdf
Approved	Breakage Exclusion - All	0640	Other	Replaced	Replaced Form #: 0023 Previous Filing #: 1997-03-PR-547	0.00	0640 final .pdf
Approved	(M) Lost Keys Coverage	0642	Other	Replaced	Replaced Form #: 0239 Previous Filing #: 1997-03-PR-547	0.00	0642 final .pdf
Approved	Freezing Exclusion - BR/IS	0643	Other	Replaced	Replaced Form #: 0047 Previous Filing #: 1997-03-PR-547	0.00	0643 FINAL .pdf
Approved	Increase in Fire Department	0644	Other	Replaced	Replaced Form #: 0176	0.00	0644 final .pdf

	Coverage Limit				Previous Filing #: 1997-03-PR-547		
Approved	Cable Systems Additional Exclusions	0645	Other	Replaced	Replaced Form #: 0216 Previous Filing #: 1997-03-PR-547	0.00	0645 final .pdf
Approved	(M) Crane Specified Cause of Loss - CE	0646	Other	Replaced	Replaced Form #: 0252 Previous Filing #: 1997-03-PR-547	0.00	0646 final .pdf
Approved	(M) Refridgeration Breakdown Restriction	0647	Other	Replaced	Replaced Form #: 0242 Previous Filing #: 1997-03-PR-547	0.00	0647 final .pdf
Approved	Repl. Cost Val. Sched. Items	0649	Other	Replaced	Replaced Form #: 0421 Previous Filing #: 1997-03-PR-547	0.00	0649 final .pdf
Approved	Programming Error C	0651	Other	New		0.00	0651 final .pdf
Approved	Fine Arts Covered For ACV	0652	Other	New		0.00	0652 final .pdf
Approved	Programming Error E	0653	Other	New		0.00	0653 final .pdf
Approved	Programming Error F	0654	Other	New		0.00	0654 final .pdf
Approved	$250 Deductible for Laptops and Portable Computers	0656	Other	Replaced	Replaced Form #: 0369 Previous Filing #: 1997-03-PR-547	0.00	0656 final .pdf
Approved	Government Owned Equipment	0657	Other	Replaced	Replaced Form #: 0374 Previous Filing #: 1997-03-PR-547	0.00	0657 final .pdf
Approved	Programing Error G	0658	Other	New		0.00	0658 FINAl .pdf
Approved	Programing Error	0659	Other	New		0.00	0659 final

	D						.pdf
Approved	Crewboats as Covered Property	0661	Other	New		0.00	0661 final .pdf
Approved	"Specified Testing" - IS	0663	Other	Replaced	Replaced Form #: 0483 Previous Filing #: 1999-03-PR-733	0.00	0663 final .pdf
Approved	"Specified Machinery" - BR	0664	Other	Replaced	Replaced Form #: 0466 Previous Filing #: 1999-03-PR-733	0.00	0664 final .pdf
Approved	"Specified Machinery" - IS	0665	Other	Replaced	Replaced Form #: 0484 Previous Filing #: 1999-03-PR-733	0.00	0665 final .pdf
Approved	"Specified Machinery" Incl. Production Mach. RC - IS	0666	Other	New		0.00	0666 final .pdf
Approved	"Specified Machinery" RC - IS	0667	Other	New		0.00	0667 final .pdf
Approved	"Specified Machinery" RC - BR	0668	Other	New		0.00	0668 final .pdf
Approved	"Specified Machinery" Incl. Production Mach. RC - IS	0669	Other	Replaced	Replaced Form #: 0489 Previous Filing #: 1999-03-PR-733	0.00	0669 final .pdf
Approved	"Specified Machinery" - RC - IS	0670	Other	Replaced	Replaced Form #: 0488 Previous Filing #: 1999-03-PR-733	0.00	0670 final .pdf
Approved	"Specified Machinery" Incl. Production Mach. RC-BR	0671	Other	Replaced	Replaced Form #: 0487 Previous Filing #: 1999-03-PR-733	0.00	0671 final .pdf

Approved	"Specified Machinery" RC - BR	0672	Other	Replaced	Replaced Form #: 0486 Previous Filing #: 1999-03-PR-733	0.00	0672 final .pdf
Approved	Rpt. Prov. - CE List / Unlist Items	0674	Other	New		0.00	0674 final .pdf
Approved	(M) Blkt W/ Sch. On File / Replacement Cost/CE @ 90% & SP @ 80% Coins	0675	Other	New		0.00	0675 final .pdf
Approved	Computer Programs as "Hardware"	0676	Other	New		0.00	0676 final .pdf
Approved	Specified Collapse Exclusion - BR/IS	0677	Other	New		0.00	0677 final .pdf
Approved	Specified Collapse Exclusion - BR	0678	Other	New		0.00	0678 final .pdf
Approved	Specified Collapse Exclusion - IS	0679	Other	New		0.00	0679 final .pdf
Approved	Stated Value - Scheduled Property*	0680	Other	New		0.00	0680 final .pdf
Approved	Blkt W/ Schedule On File / Replacement Cost / CE @90% Coins	0681	Other	New		0.00	0681 final .pdf
Approved	Specified Collapse Exclusion - IS	0682	Other	New		0.00	0682 final .pdf
Approved	Specified Collapse	0683	Other	New		0.00	0683 final .pdf

	Exclusion - BR						
Approved	Expediting Expense - $100,000	0684	Other	New		0.00	0684 final .pdf
Approved	Replacement Cost - Scheduled Property*	0686	Other	New		0.00	0686 final .pdf
Approved	Replacement Cost - Coverage	0687	Other	New		0.00	0687 final .pdf
Approved	Replacement Cost - Coverage BR/IS	0688	Other	Replaced	Replaced Form #: 0141 Previous Filing #: 1997-03-PR-547	0.00	0688 final .pdf
Approved	CBE Transit Limit - $150,000	0689	Other	Replaced	Replaced Form #: 0197 Previous Filing #: 1997-03-PR-547	0.00	0689 final .pdf
Approved	CBE Transit Limit - $100,000	0690	Other	Replaced	Replaced Form #: 0199 Previous Filing #: 1997-03-PR-547	0.00	0690 final .pdf
Approved	Replacement Cost - Coverage BR/IS	0693	Other	Replaced	Replaced Form #: 0139 Previous Filing #: 1997-03-PR-547	0.00	0693 final .pdf
Approved	CBE - Expanded Off Premise Power and Service	0694	Other	Replaced	Replaced Form #: 0224 Previous Filing #: 1997-03-PR-547	0.00	0694 final .pdf
Approved	Replacement Cost - CE @ 100% Co	0695	Other	New		0.00	0695 final .pdf
Approved	Replacement Cost - CE @ 100% CO, SP @ 80%	0696	Other	New		0.00	0696 final .pdf
Approved	Replacement	0697	Other	New		0.00	0697 final

	Cost CE @ 100% and SP @ 80%						.pdf
Approved	Replacement Cost (CE) @ 100% Co	0698	Other	New		0.00	0698 final .pdf
Approved	(M) Replacment Cost - SP @ 80% Co.	0699	Other	New		0.00	0699 final .pdf
Approved	Replacement Cost (SP) 80% Co.	0700	Other	New		0.00	0700 final .pdf
Approved	Replacement Cost - CE	0701	Other	New		0.00	0701 final .pdf
Approved	Stated Amount - CE	0702	Other	New		0.00	0702 final .pdf
Approved	CE Blanket 90% Coins Nonreporting	0703	Other	Replaced	Replaced Form #: 0280 Previous Filing #: 1997-03-PR-547	0.00	0703 final .pdf
Approved	CE Blanket 90% Coins Nonreporting	0704	Other	Replaced	Replaced Form #: 0281 Previous Filing #: 1997-03-PR-547	0.00	0704 final .pdf
Approved	CE Blanket 90% Coins Nonreporting	0705	Other	Replaced	Replaced Form #: 0282 Previous Filing #: 1997-03-PR-547	0.00	0705 final .pdf
Approved	CBE Not At Your Locations	0706	Other	Replaced	Replaced Form #: 0273 Previous Filing #: 1997-03-PR-547	0.00	0706 final .pdf
Approved	Replacement Cost - CE @ 90% CO.	0707	Other	Replaced	Replaced Form #: 0557 Previous Filing #: 1997-03-PR-547	0.00	0707 final .pdf
Approved	Profit Exclusion - BR	0708	Other	Replaced	Replaced Form #: 0319	0.00	0708 final .pdf

					Previous Filing #: 1997-03-PR-547		
Approved	Valuable Papers and Records - $250,000	0709	Other	Replaced	Replaced Form #: 0367 Previous Filing #: 1997-03-PR-547	0.00	0709 final .pdf
Approved	Newly Acquired 180 Days	0710	Other	Replaced	Replaced Form #: 0371 Previous Filing #: 1997-03-PR-547	0.00	0710 final .pdf
Approved	Fine Arts Listed For ACV	0711	Other	Replaced	Replaced Form #: 0534 Previous Filing #: 1997-03-PR-547	0.00	0711 final .pdf
Approved	Fine Arts Listed For ACV	0712	Other	Replaced	Replaced Form #: 0384 Previous Filing #: 1997-03-PR-547	0.00	0712 final .pdf
Approved	Fine Arts Listed For ACV*	0713	Other	Replaced	Replaced Form #: 0385 Previous Filing #: 1997-03-PR-547	0.00	0713 final .pdf
Approved	Fine Arts Covered For ACV	0714	Other	New		0.00	0714 final .pdf
Approved	Fine Arts Covered For ACV	0715	Other	Replaced	Replaced Form #: 0381 Previous Filing #: 1997-03-PR-547	0.00	0715 final .pdf
Approved	Fine Arts Covered For ACV	0716	Other	Replaced	Replaced Form #: 0382 Previous Filing #: 1997-03-PR-547	0.00	0716 final .pdf
Approved	Profit Exclusion BR Replacement Cost	0717	Other	Replaced	Replaced Form #: 0401 Previous Filing #: 1997-03-PR-547	0.00	0717 final .pdf
Approved	CBE Not at Your	0718	Other	Replaced	Replaced Form #:	0.00	0718 final

	Locations, $3,500 Per Location				0411 Previous Filing #: 1997-03-PR-547		.pdf
Approved	Replacement Cost (CE) 90% Coinsurance	0719	Other	New		0.00	0719 final .pdf
Approved	CBE Transit Limit - $150,000	0730	Other	New		0.00	0730 final .pdf
Approved	CBE Transit Limit - $100,000	0731	Other	New		0.00	0731 final .pdf
Approved	CBE Not at Your Locations	0732	Other	New		0.00	0732 final .pdf
Approved	CBE Transit $500,000	0733	Other	New		0.00	0733 final .pdf
Approved	Replacement Cost and Agreed Amount	0734	Other	New		0.00	0734 final .pdf
Approved	Stated Amount - CE	0735	Other	New		0.00	0735 final .pdf
Approved	Stated Value - Scheduled Property*	0736	Other	New		0.00	0736 final .pdf
Approved	Replacement Cost SP @ No. Co.	0737	Other	New		0.00	0737 final .pdf
Approved	(M) Wine Market Valuation Clause	0738	Other	New		0.00	0738 final .pdf
Approved	Stated Amount - SP	0739	Other	New		0.00	0739 final .pdf
Approved	Stated Amount CE/SP	0740	Other	New		0.00	0740 final .pdf
Approved	Stated Amount CE and CBE	0741	Other	New		0.00	0741 final .pdf
Approved	Replacement Cost - Scheduled Property*	0742	Other	New		0.00	0742 final .pdf
Approved	Motor Sports	0743	Other	New		0.00	0743 final

	Insurance						.pdf
Approved	SC/Special Time Element with Occupancy	0744	Other	Replaced	Replaced Form #: 0063 Previous Filing #: 1997-03-PR-547	0.00	0744 final .pdf
Approved	Rpt. Prov. - IS	0745	Other	Replaced	Replaced Form #: 0073 Previous Filing #: 1997-03-PR-547	0.00	0745 final .pdf
Approved	Rpt. Prov. - IS, CE Leased/Rented Items	0746	Other	Replaced	Replaced Form #: 0079 Previous Filing #: 1997-03-PR-547	0.00	0746 final .pdf
Approved	Rpt. Prov. - IS, CE Listed / Unlisted Items	0747	Other	New		0.00	0747 final .pdf
Approved	Rpt. Prov. - IS, CE Listed / Unlisted & Leased / Rented	0748	Other	New		0.00	0748 final .pdf
Approved	Rpt. Prov. - BR, IS, CE Listed / Unlisted	0749	Other	New		0.00	0749 final .pdf
Approved	Rpt. Prov. - BR, IS, CE Listed / Unlisted & Leased / Rented	0750	Other	New		0.00	0750 final .pdf
Approved	Reporting Form Coinsurance	0751	Other	Replaced	Replaced Form #: 0116 Previous Filing #: 1997-03-PR-547	0.00	0751 final .pdf
Approved	Reporting Form Coinsurance	0752	Other	Replaced	Replaced Form #: 0118 Previous Filing #: 1997-03-PR-547	0.00	0752 final .pdf
Approved	Reporting Form Coinsurance*	0753	Other	Replaced	Replaced Form #: 0119	0.00	0753 final .pdf

					Previous Filing #: 1997-03-PR-547		
Approved	Reporting Form Coinsurance	0754	Other	Replaced	Replaced Form #: 0117 Previous Filing #: 1997-03-PR-547	0.00	0754 final .pdf
Approved	Soft Costs Only with Occupancy	0755	Other	Replaced	Replaced Form #: 0061 Previous Filing #: 1997-03-PR-547	0.00	0755 final .pdf
Approved	Soft Costs and Business Income Only	0756	Other	Replaced	Replaced Form #: 0064 Previous Filing #: 1997-03-PR-547	0.00	0756 final .pdf
Approved	Rental Value Only	0757	Other	Replaced	Replaced Form #: 0059 Previous Filing #: 1997-03-PR-547	0.00	0757 final.pdf
Approved	Soft Costs and Rental Value Only	0758	Other	Replaced	Replaced Form #: 0065 Previous Filing #: 1997-03-PR-547	0.00	0758 final .pdf
Approved	Soft Costs and BI with Occupancy	0759	Other	Replaced	Replaced Form #: 0066 Previous Filing #: 1997-03-PR-547	0.00	0759 final .pdf
Approved	Soft Costs and RV with Occupancy	0760	Other	Replaced	Replaced Form #: 0067 Previous Filing #: 1997-03-PR-547	0.00	0760 final .pdf
Approved	"Specified Machinery" Incl. Production Mach. - BR	0764	Other	Replaced	Replaced Form #: 0467 Previous Filing #: 1997-03-PR-547	0.00	0764 final .pdf
Approved	"Specified Machinery" Incl. Production Mach.	0765	Other	Replaced	Replaced Form #: 0485 Previous Filing #:	0.00	0765 fnial .pdf

	- IS				1997-03-PR-547		
Approved	"Specified Machinery" Incl. Production Mach. RC - BR	0766	Other	New		0.00	0766 final .pdf
Approved	Specified Collapse Exclusion - BR/IS	0767	Other	Replaced	Replaced Form #: 0497 Previous Filing #: 1999-03-PR-733	0.00	0767 final .pdf
Approved	CBE Medical Equipment Incl. Breakdown	0768	Other	Replaced	Replaced Form #: 0036 Previous Filing #: 1997-03-PR-547	0.00	0768 final .pdf
Approved	Renovation Extension	0769	Other	Replaced	Replaced Form #: 0043 Previous Filing #: 1997-03-PR-547	0.00	0769 final .pdf
Approved	Exisiting Building Coverage	0770	Other	New		0.00	0770 final .pdf
Approved	Stated Amount CE	0772	Other	New		0.00	0772 final .pdf
Approved	Waterbone Coverage - $250,000	0775	Other	New		0.00	0775 final .pdf
Approved	"Specified Testing" - BR	0776	Other	Replaced	Replaced Form #: 0465 Previous Filing #: 1999-03-PR-733	0.00	0776 final .pdf
Approved	Business Income and Rental Value	0777	Other	Replaced	Replaced Form #: 0068 Previous Filing #: 1997-03-PR-547	0.00	0777 final .pdf
Approved	List of Property on File (SP)	0780	Other	Replaced	Replaced Form #: 0301 Previous Filing #: 1997-03-PR-547	0.00	0780 final .pdf
Approved	Waterbone -	0781	Other	Replaced	Replaced Form #:	0.00	0781 final

	Property Not Covered (SP)					0207 Previous Filing #: 1997-03-PR-547		.pdf
Approved	Percentage Deductible	0782		Other	Replaced	Replaced Form #: 0277 Previous Filing #: 1997-03-PR-547	0.00	0782 final .pdf
Approved	Theft Ded Waiver Up To $10,000 - Wireless Recovery System	0787		Other	New		0.00	0787 final .pdf
Approved	Theft Ded Waiver - Wireless Recovery System	0788		Other	New		0.00	0788 final .pdf
Approved	List of Property On File - CE	0793		Other	Replaced	Replaced Form #: 0275 Previous Filing #: 1997-03-PR-547	0.00	0793 final .pdf
Approved	CE Unlisted And Borrowed Flexible	0794		Other	Replaced	Replaced Form #: 0208, 0209, 0391 & 0407 Previous Filing #: 1997-03-PR-547	0.00	0794 final .pdf
Approved	Unlisted Items Including Employee Tools	0795		Other	Replaced	Replaced Form #: 0087,0110, 0111 & 0225 Previous Filing #: 1997-03-PR-547	0.00	0795 final .pdf
Approved	Earthquake Exclusion - SP	0026	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00	
Approved	Flood Exclusion	0027	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00	
Approved	Unlstd. Items	0069	01-1997	Other	Withdrawn	Replaced Form #:	0.00	

	Excl. Emp. Tools - $5,000 / Item					Previous Filing #: 1997-03-PR-547	
Approved	Unlstd. Items Excl. Emp. Tools - $10,000 / Item	0070	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted Items Including Emp. TOols - $2,500 / Item	0087	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted Items Including Emp. Tools - $5,000 / Item	0110	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted Items Including Emp. TOols - $10,000 / Item	0111	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Earth Movement Exclusion	0114	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Flood Exclusion	0115	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlstd. Items Excl. Emp. Tools - $100,000 / Item	0203	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	CE $2,500 Unlisted and Borrowed Flexible	0208	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	CE $5,000 Unlisted and	0209	01-1997	Other	Withdrawn	Replaced Form #:	0.00

	Borrowed Flexible					Previous Filing #: 1997-03-PR-547	
Approved	Unlisted Items Including Emp. Tools - $25,000 / Item	0225	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	(M) Backup and Surface Water	0231	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	List of Property On File - CE	0275	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted Items Including Emp. Tools - $15,000 / Item	0347	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	(M) CE Unlisted Items - $150,000 Per Itme Limit	0370	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted $1,000	0375	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Unlisted & Borrowed Flexible $10,000 per item	0391	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	(M) U/L Employees Tools $2,500 / Items & Borrowed Flexible	0407	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Earth Movement % Deductible	0425	01-1997	Other	Withdrawn	Replaced Form #:	0.00

						Previous Filing #: 1997-03-PR-547
Approved	Earth Movement % Deductible $100,000 Minimum	0426	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Earth Movement % Deductible $200,000 Minimum	0427	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Earth Movement % Deductible $300,000 Minimum	0428	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Earth Movement % Deductible $50,000 Minimum	0429	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Flood % Deductible	0430	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Flood % Deductible $100,000 Minimum	0431	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Flood % Deductible $200,000 Minimum	0432	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Flood % Deductible $300,000 Minimum	0433	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #: 1997-03-PR-547
Approved	Flood % Deductible $50,000 Minimum	0434	01-1997	Other	Withdrawn	Replaced Form #: 0.00 Previous Filing #:

						1997-03-PR-547	
Approved	Flood % Deductible $25,000 Minimum	0436	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Earth Movement % Deductible $25,000 Minimum	0437	01-1997	Other	Withdrawn	Replaced Form #: Previous Filing #: 1997-03-PR-547	0.00
Approved	Earth Movement Annual Aggregate Limits	0554	06-2004	Other	Withdrawn	Replaced Form #: Previous Filing #: 2004-03-PR-913	0.00
Approved	Flood Annual Aggregate Limits	0555	06-2004	Other	Withdrawn	Replaced Form #: Previous Filing #: 2004-03-PR-913	0.00

0604 – AR and LA- “Bacteria” Changes

Purpose:	This Modifier changes Sections A. Additional Coverages, B. EXCLUSIONS, and F. DEFINITIONS. It changes the standard Fungus Changes wording to include ‘bacteria’ as required by state statute.
Usage:	This Modifier may be used when Builders’ Risk is written stand-alone and the predominant state is Arkansas or Louisiana.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

4. Additional Coverages

b. Ordinance or Law

(1) In the event of loss or damage to Covered Property from any of the covered causes of Loss, we will pay:

(a) For loss or damage caused by any enforcement of any ordinance or law that:

(i) Requires the demolition of parts of the same Covered Property not damaged by a Covered Cause of Loss;

(ii) Regulates the construction, or repair of buildings, or establishes zoning or land use requirements at the "job site"; and

(iii) Is in force at the time of loss or damage.

(b) The increased cost to repair, rebuild or construct Covered Property caused by enforcement of building, zoning or land use ordinance or law. If the Covered Property is repaired or rebuilt, it must be intended for similar occupancy as the current Covered Property, unless otherwise required by zoning or land use ordinance or law.

(c) The cost to demolish and clear the "job site" of undamaged parts of the Covered Property caused by enforcement of the building, zoning or land use ordinance or law.

(2) We will not pay for increased costs under this Additional Coverage:

(a) Until the Covered Property is actually repaired

or replaced, at the same "job site" or elsewhere; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

(3) We will not pay under this Additional Coverage for any costs associated with the enforcement of any ordinance or law which requires:

[(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or

(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot.]

(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or "bacteria"; or

(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or "bacteria".

(4) The most we will pay under this Additional Coverage is:

(a) If the Covered Property is repaired or replaced at the same "job site", the amount you actually spend to:

(i) Demolish and clear the "job site"; and

(ii) The increased cost to repair, rebuild or construct the Covered Property but not for more than property of the same height, floor area and style at the same "job site".

(b) If the Covered Property is not repaired or replaced at the same "job site":

(i) The amount you actually spend to demolish and clear the "job site"; and

(ii) The increased cost to replace, at the same "job site", the damaged or destroyed Covered Property with other property:

- Of comparable material and quality;

- Of the same height, floor area and style; and

- Used for the same purpose.

The most we will pay under this Additional Coverage is $250,000 in any one occurrence.

[a. "Fungus", Wet Rot And Dry Rot

(1) We will pay for loss of or damage to Covered Property caused by "fungus", wet rot or dry rot only when the "fungus", wet rot or dry rot is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet rot or dry rot;

(b) The cost to tear out and replace any part of the covered building or other covered property as needed to gain access to the "fungus", wet rot or dry rot; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot is present.

(3) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless a "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance is shown in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1) and (2) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet rot or dry rot connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(4) Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance on any Covered Property.]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

(1) We will pay for loss of or damage to Covered Property caused by "fungus", wet or dry rot or "bacteria" only when the "fungus", wet or dry rot or "bacteria" is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet or dry rot or "bacteria";

(b) The cost to tear out and replace any part of the covered building or other covered property as

needed to gain access to the "fungus", wet or dry rot or "bacteria"; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet or dry rot or "bacteria" is present.

(3) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless an increased amount is shown under the "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1) and (2) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet or dry rot or "bacteria" connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(4) Any payment under this Additional Coverage will not increase the applicable Limit of Insurance on any Covered Property.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

[a. "Fungus", Wet Rot And Dry Rot

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

But if "fungus", wet rot or dry rot results in a "specified cause of loss", we will pay for loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

(1) When "fungus", wet rot or dry rot results from fire or lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot And Dry Rot Additional Coverage.]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

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

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

This exclusion does not apply:

(1) When "fungus", wet or dry rot or "bacteria" results from fire or lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot, Dry Rot And "Bacteria" Additional Coverage.

F. DEFINITIONS

a. "Bacteria" means any type, kind or form of bacterium.

0605 – AR and LA- “Bacteria” Changes

Purpose:	This Modifier changes Sections A. Additional Coverages, B. EXCLUSIONS, and F. DEFINITIONS. It changes the standard Fungus Changes wording to include ‘bacteria’ as required by state statute.
Usage:	This Modifier may be used when Builders’ Risk is written in combination with any other type of covered property and the predominant state is Arkansas or Louisiana.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

4. Additional Coverages

b. Ordinance or Law

(1) In the event of loss or damage to Covered Property from any of the covered causes of Loss, we will pay:

(a) For loss or damage caused by any enforcement of any ordinance or law that:

(i) Requires the demolition of parts of the same Covered Property not damaged by a Covered Cause of Loss;

(ii) Regulates the construction, or repair of buildings, or establishes zoning or land use requirements at the "job site"; and

(iii) Is in force at the time of loss or damage.

(b) The increased cost to repair, rebuild or construct Covered Property caused by enforcement of building, zoning or land use ordinance or law. If the Covered Property is repaired or rebuilt, it must be intended for similar occupancy as the current Covered Property, unless otherwise required by zoning or land use ordinance or law.

(c) The cost to demolish and clear the "job site" of undamaged parts of the Covered Property caused by enforcement of the building, zoning or land use ordinance or law.

(2) We will not pay for increased costs under this Additional Coverage:

(a) Until the Covered Property is actually repaired or replaced, at the same "job site" or elsewhere; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

(3) We will not pay under this Additional Coverage for any costs associated with the enforcement of any ordinance or law which requires:

[(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or

(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot.]

<u>(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or "bacteria"; or</u>

<u>(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or "bacteria".</u>

(4) The most we will pay under this Additional Coverage is:

(a) If the Covered Property is repaired or replaced at the same "job site", the amount you actually spend to:

(i) Demolish and clear the "job site"; and

(ii) The increased cost to repair, rebuild or construct the Covered Property but not for more than property of the same height, floor area and style at the same "job site".

(b) If the Covered Property is not repaired or replaced at the same "job site":

(i) The amount you actually spend to demolish and clear the "job site"; and

(ii) The increased cost to replace, at the same "job site", the damaged or destroyed Covered Property with other property:

- Of comparable material and quality;

- Of the same height, floor area and style; and

- Used for the same purpose.

The most we will pay under this Additional Coverage is $250,000 in any one occurrence.

[a. "Fungus", Wet Rot And Dry Rot

(1) We will pay for loss of or damage to “Builders’ Risk” caused by "fungus", wet rot or dry rot only when the "fungus", wet rot or dry rot is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet rot or dry rot;

(b) The cost to tear out and replace any part of the covered building or other covered property as needed to gain access to the "fungus", wet rot or dry rot; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot is present.

(3) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless a "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance is shown in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1) and (2) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet rot or dry rot connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(4) Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance on any Covered Property.]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

(1) We will pay for loss of or damage to "Builders' Risk" caused by "fungus", wet or dry rot or "bacteria" only when the "fungus", wet or dry rot or "bacteria" is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet or dry rot or "bacteria";

(b) The cost to tear out and replace any part of the

covered building or other covered property as needed to gain access to the "fungus", wet or dry rot or "bacteria"; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet or dry rot or "bacteria" is present.

(3) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless an increased amount is shown under the "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1) and (2) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet or dry rot or "bacteria" connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(4) Any payment under this Additional Coverage will not increase the applicable Limit of Insurance on any Covered Property.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

[a. "Fungus", Wet Rot And Dry Rot

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

But if "fungus", wet rot or dry rot results in a "specified cause of loss", we will pay for loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

(1) When "fungus", wet rot or dry rot results from fire or

lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot And Dry Rot Additional Coverage.

This exclusion applies only to "Builders' Risk"]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

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

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

This exclusion does not apply:

(1) When "fungus", wet or dry rot or "bacteria" results from fire or lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot, Dry Rot And "Bacteria" Additional Coverage.

This exclusion applies only to "Builders' Risk".

F. DEFINITIONS

a. "Bacteria" means any type, kind or form of bacterium.

0606 – Fungus, Rot And Other Causes Of Loss Changes

Purpose:	This Modifier changes Sections A. Additional Coverages, B. EXCLUSIONS, and F. DEFINITIONS. It changes the standard Fungus Changes wording to include 'bacteria' as required by state statute.
Usage:	This Modifier may be used when Builders' Risk and Soft Costs and Special Time Element and the predominant state is Arkansas or Louisiana.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

4. Additional Coverages

b. Ordinance or Law

(1) In the event of loss of or damage to Builders' Risk from any of the Covered Causes of Loss we will pay:

(a) For loss or damage caused by any enforcement of any ordinance or law that:

(i) Requires the demolition of parts of the same Covered Property not damaged by a Covered Cause of Loss;

(ii) Regulates the construction, or repair of buildings, or establishes zoning or land use requirements at the "job site"; and

(iii) Is in force at the time of loss or damage.

(b) The increased cost to repair, rebuild or construct Covered Property caused by enforcement of building, zoning or land use ordinance or law. If the Covered Property is repaired or rebuilt, it must be intended for similar occupancy as the current Covered Property, unless otherwise required by zoning or land use ordinance or law.

(c) The cost to demolish and clear the "job site" of undamaged parts of the Covered Property caused by enforcement of the building, zoning or land use ordinance or law.

(2) We will not pay for increased costs under this Additional Coverage:

(a) Until the Covered Property is actually repaired or replaced, at the same "job site" or elsewhere;

and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

(3) We will not pay under this Additional Coverage for any costs associated with the enforcement of any ordinance or law which requires:

[(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot; or

(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet rot or dry rot.]

(a) The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or "bacteria"; or

(b) Any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or "bacteria".

(4) The most we will pay under this Additional Coverage is:

(a) If the Covered Property is repaired or replaced at the same "job site", the amount you actually spend to:

(i) Demolish and clear the "job site"; and

(ii) The increased cost to repair, rebuild or construct the Covered Property but not for more than property of the same height, floor area and style at the same "job site".

(b) If the Covered Property is not repaired or replaced at the same "job site":

(i) The amount you actually spend to demolish

and clear the "job site"; and

(ii) The increased cost to replace, at the same "job site", the damaged or destroyed Covered Property with other property:

- Of comparable material and quality;

- Of the same height, floor area and style; and

- Used for the same purpose.

The most we will pay under this Additional Coverage is $250,000 in any one occurrence**.**

[a. "Fungus", Wet Rot And Dry Rot

(1) We will pay for loss of or damage to Builders' Risk caused by "fungus", wet rot or dry rot only when the "fungus", wet rot or dry rot is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) If there is a delay in completion of the "project" beyond the "planned completion date" that results from a "loss" covered in (1) above and that satisfies all terms and conditions of this policy, we will pay the "amount of loss" sustained during the delay (regardless of when such a delay occurs during the "period of delay in completion").

(3) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet rot or dry rot;

(b) The cost to tear out and replace any part of the covered building or other covered property as needed to gain access to the "fungus", wet rot or

dry rot; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet rot or dry rot is present.

(4) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless a "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance is shown in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1), (2) and (3) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet rot or dry rot connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(5) Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance on:

(a) Any "Builders' Risk", or

(b) "Soft Costs", "Business Income" or "Rental Value" as may be covered under this Coverage Form.]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

(1) We will pay for loss of or damage to Covered Property caused by "fungus", wet or dry rot or "bacteria" only when the "fungus", wet or dry rot or "bacteria" is the result of one or more of the following causes of loss that occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence of any such cause of loss:

(a) A "specified cause of loss" other than fire or lightning;

(b) "Flood", if "flood" coverage applies at the affected "job site" or temporary storage

location; or

(c) "Earth movement", if "earth movement" coverage applies at the affected "job site" or temporary storage location.

(2) If there is a delay in completion of the "project" beyond the "planned completion date" that results from a "loss" covered in (1) above and that satisfies all terms and conditions of this policy, we will pay the "amount of loss" sustained during the delay (regardless of when such a delay occurs during the "period of delay in completion").

(3) We will also pay for the following in connection with loss or damage covered in (1) above:

(a) The cost of removal of the "fungus", wet or dry rot or "bacteria";

(b) The cost to tear out and replace any part of the covered building or other covered property as needed to gain access to the "fungus", wet or dry rot or "bacteria"; and

(c) The cost of testing performed after removal, repair, replacement or restoration of the damaged covered property is completed, provided there is a reason to believe that "fungus", wet or dry rot or "bacteria" is present.

(4) The most we will pay under this Additional Coverage in each separate 12 month period of this policy beginning with the effective date shown in the Declarations is $25,000 unless an increased amount is shown under the "Fungus", Wet Rot And Dry Rot Increased Limit of Insurance in the Declarations. This is the most we will pay for the total of all loss or damage covered in (1), (2) and (3) above regardless of the:

(a) Number of insureds, claims, "job sites" or temporary storage locations;

(b) Occurrences during each separate 12-month period of this policy; or

(c) Types of coverages provided under this policy.

This limit applies even if the "fungus", wet or dry rot or "bacteria" connected to any particular occurrence continues to be present or active, or recurs, in a later 12 month period of this policy.

(5) Any payment under this Additional Coverage is included within and will not increase the applicable Limit of Insurance on:

(a) Any "Builders' Risk", or

(b) "Soft Costs", "Business Income" or "Rental Value" as may be covered under this Coverage Form.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

[a. "Fungus", Wet Rot And Dry Rot

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

But if "fungus", wet rot or dry rot results in a "specified cause of loss", we will pay for loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

(1) When "fungus", wet rot or dry rot results from fire or lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot And Dry Rot Additional Coverage.]

a. "Fungus", Wet Rot, Dry Rot And "Bacteria"

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

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

This exclusion does not apply:

(1) When "fungus", wet or dry rot or "bacteria" results from fire or lightning; or

(2) To the extent that coverage is provided in the "Fungus", Wet Rot, Dry Rot And "Bacteria" Additional Coverage.

F. DEFINITIONS

a. "Bacteria" means any type, kind or form of bacterium.

0586 - "Named Storm Deductible"

Purpose:	This Modifier changes Section F – DEFINITIONS. It is used when a separate Named Storm deductible is added to the policy. The deductible appears on the applicable Declarations page.
Usage:	This modifier may be used with any type of Covered Property.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

1. "Named Storm" means a storm system that has been declared and named a tropical storm or hurricane by the National Hurricane Center or the Central Pacific Hurricane Center of the National Weather Service.

A "named storm" includes any tornado or any other wind event that is caused by or results from the "named storm".

2. "Named Storm Deductible" means the Deductible applicable in any one occurrence of loss or damage caused directly or indirectly by a "named storm".

If loss or damage by rain, snow, sand or dust occurs and that loss or damage would not have occurred but for the "named storm", such loss or damage will be considered to be caused by a "named storm" occurrence.

a. When a percentage (%) is shown in the Declarations, we will calculate the dollar amount of the deductible by multiplying the applicable percentage shown in the Declarations by the value, at the time of loss or damage, of the property that has sustained loss or damage.

b. When a percentage (%) is shown in any Deductible Schedule, we will calculate the applicable dollar amount of the deductible by multiplying the applicable percentage shown in that Deductible Schedule by the applicable deductible basis shown in that Deductible Schedule.

In no event will the applicable deductible be less than any applicable minimum, or more than any applicable maximum, amount shown in the Declarations or Deductible Schedule.

The "Named Storm Deductible" does not apply to property in transit.

0587 – Continuing Rental Payments

Purpose:	This Modifier amends SECTION A. COVERAGE. This Modifier adds a Coverage Extension for rental payments which continue under contract when leased or rented equipment is damaged by a Covered Cause of Loss.
Usage:	This Modifier may be used with Contractors Equipment policies written both stand-alone or in combination with any other IM PAK coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

a. Continuing Rental Payments

In the event of loss of or damage to leased or rented "Contractors Equipment" from any of the Covered Causes of Loss, we will pay the amount for which you are legally liable for lease or rental payments, as stated in the written contract or agreement for such property, until such time as the property can be repaired or replaced.

The most we will pay under this Additional Coverage is the applicable Limit of Insurance shown in the Declarations.

0588 - Repl. Cost Val.- Sched. Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. It allows Replacement Cost coverage to be provided on a per item basis, by placing the symbol "RC" within the description field of a scheduled Scheduled Property item.
Usage:	This Modifier may be used when Scheduled Property coverage is provided with CBE.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

"Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".]

<u>2.</u> <u>Coinsurance</u>

<u>You must maintain minimum limits of insurance on the following types of Covered Property.</u>

<u>a.</u> <u>"Scheduled Property"</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.</u>

<u>b.</u> <u>"Scheduled Replacement Cost Item"</u>

<u>The Limit of Insurance for each "Scheduled Replacement Cost Item" must</u>

equal at least 100% of its replacement cost at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each "Scheduled Replacement Cost Item" that the Limit of Insurance for the item bears to 100% of its replacement cost at the time of loss or damage.

If you optionally elect to have loss of or damage to a "Scheduled Replacement Cost Item" adjusted on an actual cash value basis, the penalty will be that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

4. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a "Scheduled Replacement Cost Item"

(1) The value of Covered Property you own as of the time of loss or damage will be the least of the following:

(a) The cost to replace Covered Property (without Deduction for depreciation) with other property

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage;

(c) The amount you actually spend that is necessary to repair or replace the property; or

(d) At your option, the actual cash value of the property.

If you decide to have the property valued on an actual cash value basis, you may still make a claim on a replacement cost basis, as described in paragraphs (a), (b) and (c) above, if you notify us of your intent to do so within 180 days of the loss or damage.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

21. "Scheduled Replacement Cost Item" means a scheduled item where Replacement Cost coverage has been specifically indicated by including the symbol "RC" in the description of the item on the schedule attached to this policy.

0589 - Freezing Exclusion - BR/IS

Purpose:	This Modifier changes Section B. EXCLUSIONS. This Modifier restricts coverage for loss resulting from freezing.
Usage:	This Modifier may be used only when IM PAK Builders Risk and Installation are written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. **Freezing or subsequent thawing of any liquid within plumbing, heating, air conditioning or other systems (except fire protection systems) or other equipment or appliances. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.**

This exclusion applies only to "Builders' Risk" and "Installation".

0590 - (M) Repl. Cost Val. - Sched. Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. This modifier allows replacement cost valuation to apply to specifically listed scheduled items by typing the symbol (RC) next to the item to be valued at Replacement Cost.
Usage:	This modifier may be used when Contractors Equipment is selected with Computerized Business Equipment.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted.Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

b. "Scheduled Replacement Cost Item"

The Limit of Insurance for each "Scheduled Replacement Cost Item" must equal at least 100% of its replacement cost at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each "Scheduled Replacement Cost Item" that the Limit of Insurance for the item bears to 100% of its replacement cost at the time of loss or damage.

If you optionally elect to have loss of or damage to a "Scheduled Replacement Cost Item" adjusted on an actual cash value basis, the penalty will be that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

b. "Scheduled Replacement Cost Item"

The value of Covered Property will be the least of the following:

(1) The cost to replace Covered Property (without Deduction for depreciation) with other property

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonbly restoring the Covered Property to its condition immediately before loss or damage;

(3) The amount you actually spend that is necessary to repair or replace the property; or

(4) Your legal liability for property of others; or

(5) At your option, the actual cash value of the property.

If you decide to have the property valued on an actual cash value basis, you may still make a claim on a replacement cost basis, as described in paragraphs (1), (2), (3) and (4), above, if you notify us of your intent to do so within 180 days of the loss or damage.

F. DEFINITIONS

23. "Scheduled Replacement Cost Item" means a scheduled item where Replacement Cost coverage has been specifically indicated by including the symbol "RC" in the description of the item on the schedule attached to this policy.

0591 - Repl. Cost Val. - Sched. Items

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. This modifier allows replacement cost valuation to apply to specifically listed scheduled items by typing the symbol (RC) next to the item to be valued at Replacement Cost.
Usage:	This modifier may be used when Contractors Equipment is selected alone.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

[2. Coinsurance

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

<u>2.</u> <u>Coinsurance</u>

<u>You must maintain minimum limits of insurance on only the following types of Covered Property.</u>

<u>a.</u> <u>"Contractors Equipment"</u>

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

b. "Scheduled Replacement Cost Item"

The Limit of Insurance for each "Scheduled Replacement Cost Item" must equal at least 100% of its replacement cost at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each "Scheduled Replacement Cost Item" that the Limit of Insurance for the item bears to 100% of its replacement cost at the time of loss or damage.

If you optionally elect to have loss of or damage to a "Scheduled Replacement Cost Item" adjusted on an actual cash value basis, the penalty will be that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

3. Valuation

In the event of loss or damage, the value of "Contractors Equipment" at the time of loss or damage will be determined as shown below:

[a. Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.]

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property.

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

b. "Scheduled Replacement Cost Item"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without Deduction for depreciation) with other property

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss

or damage;

(c) The amount you actually spend that is necessary to repair or replace the property; or

(d) At your option, the actual cash value of the property.

If you decide to have the property valued on an actual cash value basis, you may still make a claim on a replacement cost basis, as described in paragraphs (a), (b) and (c) above, if you notify us of your intent to do so within 180 days of the loss or damage.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

DEFINITIONS

8. "Scheduled Replacement Cost Item" means a scheduled item where Replacement Cost coverage has been specifically indicated by including the symbol "RC" in the description of the item on the schedule attached to this policy.

0592 - Business Income and Rental Value with Occupancy

Purpose:	This Modifier amends the following Sections: A. COVERAGE; B. EXCLUSIONS; D., DEDUCTIBLE: E. ADDITIONAL COVERAGE CONDITIONS; and F., DEFINITIONS. This Modifier provides Business Income and Rental Value coverage for the building or structure under construction and while occupied.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>Special Time Element</u>

[b].<u>a.</u> "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "business income" is actually reduced during the "post loss period of construction".</u>

[c]. "Rental Value"
<u>b.</u>

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project"

beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "rental value" is actually reduced during the "post-loss period of construction".</u>

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

<u>a. Interference by strikers or other persons affecting:</u>

<u>(1) Construction or repair of the Covered Property; or</u>

<u>(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.</u>

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

<u>2. Special Time Element</u>

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Softs Costs and Special Time Element Coverage.]

<u>This Additional Coverage Condition does not apply to Special Time Element Coverage.</u>

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled; or

b. Your interest ceases; or

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

[a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

b. Your likely "business income" and "rental value " during the "period of delay in completion" had loss of or damage to Covered Property from

any of the Covered Causes of Loss not occurred;]

a. Either;

(1) Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred; or

(2) Your likely "business income" and "rental value" during the "post-loss period of construction" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred, if the building was occupied for its intended purpose at the time of loss or damage.

b. Your actual "business income" and "rental value" before loss of or damage to Covered Property from any of the Covered Causes of Loss occurred, if the building was occupied for its intended purpose at the time of loss or damage;

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy].

1. "Amount of loss" means the sum of your actual "business income" and "rental value", as covered by this policy.

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0593 - (M) "Soft Costs"

Purpose:	This Modifier changes Section(s): A. COVERAGE and F. DEFINITIONS. It provides coverage for specific soft costs under the Additional Coverage section of the policy.
Usage:	This modifier may be used with any coverage combinations that include Builders' Risk and/or Installation.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

h. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

The most we will pay in any one loss or damage under this Additional Coverage is $25,000.

F. DEFINITIONS

14. "Period of delay in completion" means the period of time that:

a. Begins with the "planned completion date"; and

b. Ends on the date when the "project" should be completed using reasonable speed and similar materials and workmanship.

15. "Planned completion date" means the date the "project" would be put into operation or use in the normal course of construction if loss of or damage to Covered Property from any of the Covered Causes of Loss had not occurred.

16. "Project" means the total construction of all Covered Property at the "job site".

19. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of:

a. Interest on money borrowed to finance construction;

b. Advertising expenses;

c. Realty taxes and other assessments; and

d. Costs resulting from the renegotiation of your lease(s) or construction loan(s).

0594 - Omission in, or Faulty Design Exclusion - IS

Purpose:	This Modifier changes Section B. EXCLUSIONS. This Modifier restricts coverage to specific causes of loss for loss resulting from omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications.
Usage:	This Modifier may only be used with IM PAK Installation Coverage written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>f.</u> <u>Omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications. But if loss or damage by fire, lightning, wind, hail, explosion, smoke, or leakage or discharge from an automatic system results, we will pay for that resulting loss or damage.</u>

   <u>This exclusion applies only to "Installation".</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   [d. Omission in, or faulty, inadequate or defective:

   (1) Planning, zoning, development, surveying, siting, design or specifications; or

   (2) Materials, workmanship or maintenance.]

   <u>d.</u> <u>Omission in, or faulty, inadequate or defective materials, workmanship or maintenance.</u>

   This exclusion applies only to "Installation".

0595 - Omission in, or Faulty Design Exclusion

Purpose:	This Modifier amends Section B., EXCLUSIONS. This modifier restricts coverage to specific causes of loss for loss resulting from omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications.
Usage:	This Modifier may be used only with IM PAK Builders' Risk or Installation Coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>f.</u> <u>Omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications. But if loss or damage by fire, lightning, wind, hail, explosion, smoke, or leakage or discharge from an automatic system results, we will pay for that resulting loss or damage.</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   [d. Omission in, or faulty, inadequate or defective:

   (1) Planning, zoning, development, surveying, siting, design or specifications; or

   (2) Materials, workmanship or maintenance.]

   <u>d.</u> <u>Omission in, or faulty, inadequate or defective materials, workmanship or maintenance.</u>

0596 - Omission in, or Faulty Design Exclusion

Purpose:	This Modifier amends Section B., EXCLUSIONS. This modifier restricts coverage to specified causes of loss for loss resulting from omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications.
Usage:	This Modifier may be used only with IM PAK Builders' Risk Coverage written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>e.</u> <u>Omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications. But if loss or damage by fire, lightning, wind, hail, explosion, smoke, or leakage or discharge from an automatic system results, we will pay for that resulting loss or damage.</u>

   <u>This exclusion applies only to "Builders' Risk".</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   [f. Omission in, or faulty, inadequate or defective:

   (1) Planning, zoning, development, surveying, siting, design or specifications; or

   (2) Materials, workmanship or maintenance.

   This exclusion applies only to "Builders' Risk".]

   <u>f.</u> <u>Omission in, or faulty, inadequate or defective materials, workmanship or maintenance.</u>

   This exclusion applies only to "Builders' Risk".

0597 - Omission in, or Faulty Design Excl. - BR/IS

Purpose:	This Modifier Section B. EXCLUSIONS. This Modifier restricts coverage to specific causes of loss for loss resulting from omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications.
Usage:	This Modifier may be used only with IM PAK when Builders Risk and Installation are written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>f.</u> <u>Omission in, or faulty, inadequate or defective planning, zoning, development, surveying, siting, design or specifications. But if loss or damage by fire, lightning, wind, hail, explosion, smoke, or leakage or discharge from an automatic system results, we will pay for that resulting loss or damage.</u>

   <u>This exclusion applies only to "Builders' Risk" and "Installation".</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   [d. Omission in, or faulty, inadequate or defective:

   (1) Planning, zoning, development, surveying, siting, design or specifications; or

   (2) Materials, workmanship or maintenance.]

   <u>d.</u> <u>Omission in, or faulty, inadequate or defective materials, workmanship or maintenance.</u>

   This exclusion applies only to "Builders' Risk" and "Installation".

0598 - Freezing Exclusion

Purpose:	This Modifier amends Section B. EXCLUSIONS. This modifier restricts coverage for loss resulting from freezing.
Usage:	This Modifier may be used only with IM PAK Builders' Risk Coverage written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

e. Freezing or subsequent thawing of any liquid within plumbing, heating, air conditioning or other systems (except fire protection systems) or other equipment or appliances. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

This exclusion applies only to "Builders' Risk".

0599 - Freezing Exclusion - IS

Purpose:	This Modifier changes Section B. EXCLUSIONS. This Modifier restricts coverage for loss resulting from freezing.
Usage:	This Modifier may be used only with IM PAK Installation written in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. **Freezing or subsequent thawing of any liquid within plumbing, heating, air conditioning or other systems (except fire protection systems) or other equipment or appliances. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.**

This exclusion applies only to "Installation".

0615 - Reporting Provisions - Contractors Equipment Listed and Unlisted and Leased and Rented Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Builders' Risk Coverage and Contractors Equipment Listed and Unlisted Equipment.
Usage:	This modifier may be used on Builders' Risk/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a. Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors</u>

Equipment" "Maximum Amount of Payment" shown in the Declarations.

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

1. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base outlined below for each type of Covered Property to us in writing.

(1) "Contractors Equipment" - Leased or Rented Items:

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(2) "Contractors Equipment" - Listed and Unlisted Items:

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) "Contractors Equipment" - Leased or Rented Items

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed and Unlisted Items

Your Deposit Premium is computed by applying the

policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of transactions used to develop the Premium Base required for Premium Adjustment.

0616 - Reporting Provisions - Builders' Risk and Contractors Equipment Listed and Unlisted Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Builders' Risk Coverage and Contractors Equipment Listed and Unlisted Equipment.
Usage:	This modifier may be used on Builders' Risk/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a. Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the</u>

Declarations.

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Listed and Unlisted Items

The Premium Base is the actual cash value of all Listed and Unlisted items acquired, disposed of, or sold during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) "Builders' Risk"

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

At the end of each Premium Adjustment Period, we will subtract the Actual Premium from the Deposit

Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0617 - Expediting Expense - $250,000

Purpose:	This Modifier changes Section A. COVERAGE. It provides coverage up to $100,000 for expediting expense and additional cost of construction materials and labor.
Usage:	This modifier may be used with any coverage combination that include "Builders' Risk" and/or "Installation." It cannot be used with "Builders' Risk," and "Soft Costs" and Special Time Element.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

[f. Expediting Costs and Additional Cost of Construction Materials and Labor

(1) We will pay for the following costs made necessary by a Covered Cause of Loss to Covered Property at the "job site":

(a) Your costs to expedite repair of Covered Property;

(b) Your increased cost of construction materials and labor; and

(c) Your costs to make changes in construction specifications.

But we will only pay for costs to make changes in construction specifications when:

(i) The loss or damage by a Covered Cause of Loss results in a total loss to Covered Property; and

(ii) The costs to make changes in construction specifications are not otherwise covered by the Ordinance or Law Additional Coverage provided under this policy.

[(2) The most we will pay under this Additional Coverage is the least of:

(a) 5% of the applicable "Basic Limit of Insurance"; or

(b) $100,000.]

(2) <u>The most we will pay under this Additional Coverage is $250,000.</u>

0619 - Reporting Provisions - Builders' Risk and Contractors Equipment Listed and Unlisted/Leased and Rented Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Builders' Risk Coverage and Contractors Equipment Contractors Equipment Listed and Unlisted and Leased and Rented Equipment.
Usage:	This modifier may be used on Builders' Risk/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a. Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under</u>

this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(3) "Contractors Equipment" - Listed and Unlisted Items

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) Covered Property other than "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed using the

applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0620 - Reporting Provisions - Builders' Risk and Contractors Equipment Leased and Rented Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Builders' Risk Coverage and Contractors Equipment Leased and Rented Equipment.
Usage:	This modifier may be used on Builders' Risk/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You may incur a coinsurance penalty, as outlined below, on the following types of Covered Property.

a. "Builders' Risk"

The amount you report as the "Builders' Risk" Premium Base must be the total "completed value" of each building and structure under construction at each "job site". We will not pay the full amount of any loss or damage if the amount you reported as the total "completed value" for the "job site" where the loss or damage occurred is less then the actual "completed value" at that "job site".

The penalty is that we will only pay the proportion of the loss or damage that the amount you reported as the total "completed" value" for the "job site" where the loss or damage occurred bears to the actual "completed value" at the "job site" times the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations.

This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed by at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0625 - Landscaping and Signs - Extended Coverage

Purpose:	This Modifier changes Section A. COVERAGE, 3. Coverage Extensions, Construction Equipment, Landscape and Signs. This modifier broadens the coverage for Landscaping and Signs to "risks of direct physical loss".
Usage:	This modifier may be used with Builders' Risk and/or Installation either alone or in any combinations with any other coverage. It may also be used with Builders' Risk with Soft Costs. Additional premium should be charged for this Coverage Extension.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

a. Construction Equipment, Landscaping and Signs

(1) We will pay up to the applicable "Basic Limit of Insurance" for loss of or damage to fencing, cribbing, scaffolds, construction forms and office trailers and their "contents" used at the "job site".

[(2) We will pay for trees, plants, shrubs, lawns, and signs located at the "job site". We will only cover "loss" to this property that is caused by or results from fire, lightning, explosion, riot, civil commotion, aircraft, vandalism, theft, vehicles, "sink hole collapse", or volcanic action.]

<u>(2) We will pay for loss of or damage to trees, plants, shrubs, lawns, and signs located at the "job site".</u>

<u>The most we will pay for loss or damage to this property is:</u>

<u>(a) The "Basic Limit of Insurance" for the "job site" shown in the Declarations for the value of such property included in the "Basic Limit of Insurance" for the "job site" shown in the Declarations.</u>

<u>(b) $10,000 for the value of such property not included in the "Basic Limit of Insurance" for the "job site" shown in the Declarations.</u>

<u>Any payment under this Coverage Extension is included within and will not increase the applicable "Basic Limit of Insurance".</u>

0627 – Theft Ded Waiver Up To $10K- Stolen Equip Recovery System

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft, up to $10,000, when the stolen item is equipped with a stolen equipment recovery system and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment and Scheduled Property policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For Police Activated Stolen Equipment Recovery System

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of Covered Property, the applicable deductible is waived and will not apply to any such property equipped with a radio frequency transceiver, which is part of a police activated stolen equipment recovery system.

The most we will waive in any one occurrence of loss or damage is $10,000.

This waiver applies only to stolen Covered Property that is not recovered within 30 days of the theft, or that is recovered in damaged condition, but only if you promptly report the theft to the police and inform them that the stolen Covered Property is equipped with a police activated radio frequency transceiver.

0628 – Theft Deductible Waiver Up To $10,000- NER Membership

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft, up to $10,000, when the stolen item is registered with the National Equipment Register and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For National Equipment Register Membership

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of "contractors equipment", the applicable deductible is waived and will not apply to any such property if, at the time of the theft:

a. You are a member of the National Equipment Register, Inc. (NER);

b. The "contractors equipment" was registered on the NER Ownership Database; and

c. You promptly report the "contractors equipment" as stolen on the NER Theft Database.

The most we will waive in any one occurrence of loss or damage is $10,000.

0629 – Theft Deductible Waiver- Stolen Equipment Recovery System

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft when the stolen item is equipped with a stolen equipment recovery system and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment and Scheduled Property policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For Police Activated Stolen Equipment Recovery System

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of Covered Property, the applicable deductible is waived and will not apply to any such property equipped with a radio frequency transceiver, which is part of a police activated stolen equipment recovery system.

This waiver applies only to stolen Covered Property that is not recovered within 30 days of the theft, or that is recovered in damaged condition, but only if you promptly report the theft to the police and inform them that the stolen Covered Property is equipped with a police activated radio frequency transceiver.

0630 – Theft Deductible Waiver- NER Membership

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft when the stolen item is registered with the National Equipment Register and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For National Equipment Register Membership

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of "contractors equipment", the applicable deductible is waived and will not apply to any such property if, at the time of the theft:

a. You are a member of the National Equipment Register, Inc. (NER);

b. The "contractors equipment" was registered on the NER Ownership Database; and

c. You promptly report the "contractors equipment" as stolen on the NER Theft Database.

0631 - (M) Backup and Surface Water

Purpose:	This Modifier changes the policy Section(s): F. DEFINITIONS. This modifier makes surface water and back up of sewer or drain a covered cause of loss.
Usage:	This modifier is used when coverage is provided for surface water and backup of sewers or drains. The "basic limit of insurance" applicable to the job site will apply to a loss due to surface water and backup of sewers or drains. Coverage is not available on a sublimit basis. This modifier can be used when any of the following type of covered property is selected alone or in combination with any covered property: Builders' Risk, Installation and Computerized Business Equipment. Note, when mulitple types of covered property is selected, this broadened coverage will apply to ALL types of covered property where a "flood limit of insurance" is shown on the Declarations.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets[ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

10. "Flood" means:

a. Surface water, waves, tides, tidal waves, tsunami, overflow of any body of water, or their spray, all whether driven by wind or not;

b. Mudslide or mudflow;

c. Water that backs up from a sewer or drain; or

d. Water under the ground surface pressing on, or flowing or seeping through:

(1) Foundations, walls, floors or paved surfaces;

(2) Basements, whether paved or not; or

(3) Doors, windows or other openings;

all whether naturally occurring or due to man-made or other artificial causes.

<u>But "flood" does not include surface water or water that backs up from sewers or drains.</u>

0633 - Soft Costs

Purpose:	This Modifier amends the following Sections: A. COVERAGE; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. This Modifier provides only Soft Costs coverage
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>"Soft Costs"</u>

<u>We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".</u>

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

<u>2. "Soft Costs"</u>

We will not pay the "amount of loss" until the applicable Deductible shown in the Declarations is exceeded. We will then pay for that part of the "amount of loss" incurred by you in excess of such deductible, up to the Limit of Insurance.

E. ADDITIONAL COVERAGE CONDITIONS

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

<u>1. "Amount of loss" means the sum of your actual "soft costs", as covered by this policy.</u>

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

[20. "Rental value" means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair rental value of any portion of the completed "project" which would have been occupied by you.]

0634 - Business Income Only

Purpose:	This Modifier amends Section A. COVERAGE, D. DEDUCTIBLE, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. It provides only Business Income coverage.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>"Business Income"

<u>We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".</u>

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

2. "Business Income"

E. ADDITIONAL COVERAGE CONDITIONS

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;

b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

a. Your likely "business income" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

b. Other relevant sources of information that you must provide including, but not limited to:

(1) Your financial records and accounting procedures;

(2) Bills, invoices and other vouchers; and

(3) Deeds, liens and contracts.

c. Any amounts by which the "amount of loss" is reduced due to your failure to perform the Duties In The Event Of Loss outlined in this policy.

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

1. "Amount of loss" means your actual "business income", as covered by this policy.

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project".

[20. "Rental value" means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair rental value of any portion of the completed "project" which would have been occupied by you.]

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0635 - Business Income w/Occupancy

Purpose:	This Modifier amends the following Sections: A. COVERAGE; B. EXCLUSIONS; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS; and F. DENTITIONS. This Modifier provides Business Income coverage for the building or structure under construction and while occupiedIt
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element]

[a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion".

Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>"Business Income"

<u>We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project"</u>

beyond the "planned completion date".

If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "business income" is actually reduced during the "post loss period of construction".

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

a. Interference by strikers or other persons affecting:

(1) Construction or repair of the Covered Property; or

(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.

D. DEDUCTIBLE

1. Builders' Risk

[2. Soft Costs and Special Time Element]

2. "Business Income"

We will not pay the "amount of loss" until the applicable Deductible shown in the Declarations is exceeded. We will then pay for that part of the "amount of loss" incurred by you in excess of such deductible, up to the Limit of Insurance.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Softs Costs and Special Time Element Coverage.]

This Additional Coverage Condition does not apply to "Business Income".

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

<u>3.</u> <u>When Coverage Will End</u>

<u>Coverage for will end when any one of the following first occurs:</u>

<u>a.</u> <u>This policy expires or is cancelled; or</u>

<u>b.</u> <u>Your interest ceases; or</u>

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

[a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

<u>a.</u> <u>Make every effort to meet the "planned completion date".</u>

<u>This includes, but is not limited to:</u>

<u>(1)</u> <u>Resumption of, as soon as possible, all or any part of the construction or repair;</u>

<u>(2)</u> <u>Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and</u>

<u>(3)</u> <u>Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.</u>

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;

b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

<u>a. Either;</u>

<u>(1) Your likely "business income" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred; or</u>

<u>(2) Your likely "business income" during the "post-loss period of construction" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred, if the building was occupied for its intended purpose at the time of loss or damage.</u>

F. DEFINITIONS

1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.

<u>1. "Amount of loss" means your actual "business income", as covered by this policy.</u>

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

<u>4. "Business income" means the sum of:</u>

<u>a. The net profit or loss (before income taxes) from the operation or use of the "project"; and</u>

<u>b. The continuing normal operating expenses, including payroll, of the operation or use of the "project".</u>

[20. "Rental value" means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair rental value of any portion of the completed "project" which would have been occupied by you.]

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0636 - Rental Value Only w/Occupancy

Purpose:	This Modifier amends the following Sections: A. COVERAGE; B. EXCLUSIONS; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This Modifier provides Rental Value coverage for the building or structure under construction and while occupied.
Usage:	This Modifier may be used only with with Builders' Risk, and Soft Costs and Special Time Element.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion".

Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3. "Rental Value"</u>

<u>We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned</u>

completion date".

If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "rental value" is actually reduced during the "post-loss period of construction".

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

a. Interference by strikers or other persons affecting:

(1) Construction or repair of the Covered Property; or

(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

2. "Rental Value"

We will not pay the "amount of loss" until the applicable Deductible shown in the Declarations is exceeded. We will then pay for that part of the "amount of loss" incurred by you in excess of such deductible, up to the Limit of Insurance.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Softs Costs and Special Time Element Coverage.]

This Additional Coverage Condition does not apply to "Rental Value".

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

3. When Coverage Will End

Coverage for will end when any one of the following first occurs:

a. This policy expires or is cancelled; or

c. Your interest ceases.

5. Duties In The Event of Loss

[a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;

b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

a. Either;

(1) Your likely "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred; or

(2) Your likely "rental value" during the "post-loss period of construction" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred, if the building was occupied for its intended purpose at the time of loss or damage.

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

1. "Amount of loss" means your actual "rental value", as covered by this policy.

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0637 - Reporting Provisions - Builders' Risk

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Builders' Risk Coverage.
Usage:	This modifier may only be used on IM PAK Builders' Risk policies written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

1. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the Premium Base for "Builders' Risk" and any other information outlined below to us in writing.

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(1) The address;

(2) The type of construction and the intended occupancy; and,

(3) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (1) through (3), above, and include the date of completion.

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base.

Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

At the end of each Premium Adjustment Period, we will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for "Builders' Risk" from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0638 - Rpt Prov - BR AND IS

Purpose:	This Modifier changes Sections C. LIMITS OF INSURANCE and E. ADDITIONAL COVERAGE CONDITIONS. It adds reporting provisions for Builders' Risk and Installation coverages.
Usage:	This modifier may be used on IM PAK Builders' Risk/Installation policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section H - Definitions.]

<u>The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.</u>

<u>If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section H - Definitions.</u>

E. ADDITIONAL COVERAGE CONDITIONS

<u>4. Reporting Provisions</u>

<u>a. Reports</u>

<u>Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.</u>

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Installation"

The Premium Base is your Actual Amount of Gross Sales (collected and uncollected) earned from your business activities insured under this policy as "Installation".

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

At the end of each Premium Adjustment Period, we will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of

cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0639 - Rpt Prov - BR/IS CE Leased/Rented Items

Purpose:	This Modifier changes Sections C., LIMITS OF INSURANCE and E., ADDITIONAL COVERAGE CONDITIONS. It adds reporting provisions for Builders' Risk coverage, Installation coverage and Contractor's Equipment Leased and Rented Items coverage.
Usage:	This modifier may be used on IM PAK Builders' Risk/Installation policies written with Contractors' Equipment coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section H - Definitions.]

<u>The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.</u>

<u>If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.</u>

E. ADDITIONAL COVERAGE CONDITIONS

<u>1. Reporting Provisions</u>

<u>a. Reports</u>

<u>Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the applicable Premium Base and any other information outlined below for each type</u>

of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(3) "Installation"

The Premium Based is you Actual Amount of Gross Sales (collected and uncollected) earned from your business activities insured as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0640 - Breakage Exclusion- All

Purpose:	This Modifier amends Section B. EXCLUSIONS. It adds an exclusion for losses caused by breakage, marring or chipping.
Usage:	This Modifier may be used when Scheduled Property is selected with any other type of Covered Property.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets[ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

g. Breaking, marring, chipping, scratching or denting to "Scheduled Property".

But we will pay for the loss or damage if it is caused directly by fire, lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property.

0642 - (M) Lost Keys Coverage

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS, E. ADDITIONAL COVERAGE CONDITIONS, F. DEFINITIONS. It amends the policy so that "Lost Key" coverage is provided on "Scheduled Property" that have the symbol '(LK)' within the description of the item on the schedule.
Usage:	This modifier may be used with all IM PAK coverages that cover "Scheduled Property", alone or in combination with other coverages.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

c. Dishonest or criminal acts by your employees:

(1) Acting alone or in collusion with others; or

(2) Whether or not occurring during the hours of employment.

This exclusion applies only to "Lost Keys".

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

"Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".

This Additional Coverage Condition does not apply to "Lost Keys".

11. Valuation In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Scheduled Property"

The value of Covered Property will be the least of the following:

(1) The actual cash value of that property;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage;

(3) The cost of replacing that property with substantially identical property; or

(4) Your legal liability for property of others.

b. "Computerized Business Equipment"

(1) The value of the "hardware" will be the least of the following:

(a) The cost to replace the "hardware" with identical unused "hardware";

(b) The cost to repair the "hardware";

(c) The amount you actually spend to repair or replace the "hardware";

(d) The cost to replace the "hardware" with unused property of similar quality and function if the "hardware" cannot be replaced with identical unused "hardware"; or

(e) The cost to replace the "hardware" with property of similar quality and function if you do not actually repair or replace it.

(2) The value of "software" will be the cost to reproduce or replace the "software". But if it is not reproduced or replaced, we will only pay the blank value of the "software".

This Valuation does not apply to "Lost Keys".

12. "Lost Keys" Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be:

a. The actual cost of replacement keys; and

b. The cost to adjust locks matching the "Lost Keys" to accept new keys, or the cost of new locks, including installation, whichever is less.

F. DEFINITIONS

18. "Lost Keys" means keys or master keys, the property of others in your care, custody or control, "Scheduled Property" items that are identified by the symbol '(LK)' within the description of the item on the schedule attached to this policy.

0643 - Freezing Exclusion

Purpose:	This Modifier amends Section B. EXCLUSIONS. This modifier restricts coverage for loss resulting from freezing.
Usage:	This Modifier may be used only with IM PAK Builders' Risk or Installation Coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

<u>f.</u> <u>Freezing or subsequent thawing of any liquid within plumbing, heating, air conditioning or other systems (except fire protection systems) or other equipment or appliances. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.</u>

0644 - Increase in Fire Dept. Coverage Limit

Purpose:	This Modifier changes Section A.COVERAGE. It increases the limit for fire department service charges.
Usage:	This Modifier may be used with Builders Risk, Installation, or Soft Costs coverage written monoline or any combination of these coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

e. Fire Department Service Charge

We will pay your legal liability for Fire Department Service Charges when the fire department is called to save or protect Covered Property at a "job site" from a Covered Cause of Loss.

[The most we will pay under this Additional Coverage is $25,000 in any one occurrence.]

<u>We will pay up to the applicable Limit of Insurance for that "job site" to pay for such Service Charges.</u>

Any payment under this Additional Coverage is included within and will not increase the applicable "Basic Limit of Insurance".

No deductible applies to this Additional Coverage.

0645 - (M) Cable Systems Add'l Exclusions

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS, and F. DEFINITIONS. It amends the policy to exclude cable systems and their components. Artificial electrical current within the Covered Property and the failure of power or other utility service are added to the list of policy exclusions.
Usage:	This modifier can be used with any IM PAK policy that includes Scheduled Property.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>f.</u> <u>Your failure to keep receivers on antennae in a thorough state of repair.</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   <u>d.</u> <u>Artificial electrical current within the Covered Property, including arcing, short circuit or blow out.</u>

   <u>e.</u> <u>The failure of power or other utility service. But we will pay for loss or damage if the failure is a result of a Covered Cause of Loss, and occurs within 100 feet of the location(s) where your broadcasting receiving and transmitting equipment is located.</u>

F. DEFINITIONS

4. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.

["Scheduled Property" does not mean contraband, or property in the course of illegal transit or trade.]

<u>"Scheduled Property" does not mean transmission cables, cable components, contraband, or property in the course of illegal transit or trade.</u>

0646 - (M) Crane Specified Cause Of Loss - CE

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS, This modifier excludes loss caused by weight of load exceeding the manufacturers rated lifting capacity and collision of the boom or jib under Section B. EXCLUSIONS, Part 2. In addition coverage on resulting loss or damage on items excluded under Section B. EXCLUSIONS, Part 3 is limited to specified causes of loss.
Usage:	This modifier can only be used on Contractors Equipment policies written monoline

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

   <u>e.</u> <u>Weight of a load exceeding the rated lifting capacity of any item.</u>

   <u>f.</u> <u>Collision of the boom or jib with any object.</u>

[3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.]

<u>3.</u> <u>We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by fire or explosion, collision, upset or overturn results, we will pay for that resulting loss or damage.</u>

0647 - (M) Refrigeration Breakdown Restriction

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. Coverage for spoilage, rotting, change in flavor or scent etc.. is restricted to causes of loss specified under the exclusions section. These specified causes of loss include "refrigeration breakdown" and "power outage". In addition a protective safeguard requiring proper maintenance of climatic controls is added.
Usage:	This modifier is used only with Scheduled Property alone.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

4. We will not pay for loss or damage as follows, unless the loss or damage is a direct result of fire; lightning; explosion; windstorm; earthquake; flood; collapse of bridges, ramps, docks, wharves or culverts; "refrigeration breakdown"; "power outage"; collision or overturn or upset of transporting conveyance.

a. Leakage, wetting, spotting, shrinkage, evaporation or change in color.

b. Frosting, defrosting or melting.

c. Contamination, spoilage or rotting or change in flavor or scent.

d. Marring, scratching.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Climate Control System Safeguard

This insurance will be automatically suspended at the involved location if you fail to notify us immediately when you:

a. Knew of any suspension or impairment in the climate control system and failed to notify us of the fact; or

b. Fail to maintain the climate control system over which you have control in complete working order.

F. DEFINITIONS

1. "Power outage" means changes in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the location

described in the declarations, due to conditions beyond your control.

2. **"Refrigeration breakdown" means change in temperature or humidity resulting from mechanical breakdown or electrical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the location described in the declarations.**

0649 - Repl. Cost Val. - Sched. Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. This modifier allows replacement cost valuation to apply to specifically listed scheduled items by typing the symbol (RC) next to the item to be valued at Replacement Cost.
Usage:	This modifier may be used when Scheduled Prooerty and/or Contractors Equipment is selected with any other type of Covered Property other than Computerized Business Equipment.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted.Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

c. "Scheduled Replacement Cost Item"

The Limit of Insurance for each "Scheduled Replacement Cost Item" must equal at least 100% of its replacement cost at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each "Scheduled Replacement Cost Item" that the Limit of Insurance for the item bears to 100% of its replacement cost at the time of loss or damage.

If you optionally elect to have loss of or damage to a "Scheduled Replacement Cost Item" adjusted on an actual cash value basis, the penalty will be that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

4. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

c. "Scheduled Replacement Cost Item"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without Deduction for depreciation) with other property

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage;

(c) The amount you actually spend that is necessary to repair or replace the property; or

(d) At your option, the actual cash value of the property.

If you decide to have the property valued on an actual cash value basis, you may still make a claim on a replacement cost basis, as described in paragraphs (a), (b) and (c) above, if you notify us of your intent to do so within 180 days of the loss or damage.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

16. "Scheduled Replacement Cost Item" means a scheduled item where Replacement Cost coverage has been specifically indicated by including the symbol "RC" in the description of the item on the schedule attached to this policy.

0651 - Programming Error C

Purpose:	This Modifier amends Sections B., EXCLUSIONS. It adds language that will help customers understand how the exclusion applies to date, time and other data recognition programming problems and limits coverage for resulting damage from programming errors to specified causes of loss as defined in the policy.
Usage:	This Modifier may be used only when "Computerized Business Equipment" is selected alone.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

e. Programming errors, including but not limited to:

(1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates,times or other data; or

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

[b. Programming errors.]

0652 - Fine Arts

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, B. EXCLUSIONS, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. It adds coverage for Newly Acquired "Fine Arts", Preservation of Property "Fine Arts", removes exclusions that are not applicable to Fine Arts, as respects to Fine Arts coverage, and adds an exclusion for faulty packing of Fine Arts. It adds a "Pair Sets or Parts" policy loss condition, as respects Fine Arts and adds a definition for "Fine Arts".
Usage:	This modifier is used when "Fine Arts" is provided under the Scheduled Property Core coverage. This modifier is used when Fine Arts is combined with either "Builder's Risk", "Contractor's Equipment", or both, and the policy also covers "Computerized Business Equipment".

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

a. Newly Acquired Property

If during the policy period you acquire a financial interest in property of the type already covered by this policy and listed below, we will cover the property for the amounts indicated under this Coverage Extension for a period of up to 90 days. You will report the property within 90 days from the date acquired and pay any additional premium due. If you do not report the new property, we will not pay for loss of or damage to the new property.

(1) "Computerized Business Equipment"

The most we will pay in any one loss or damage is an amount equal to the highest "combined limits", up to $1,000,000.

(2) "Scheduled Property"

The most we will pay in any one loss or damage is $25,000.

<u>This Coverage Extension does not apply to "Fine Arts".</u>

<u>b.</u> <u>Newly Acquired "Fine Arts"</u>

<u>If during the policy period you acquire a financial interest in "Fine Arts" we will cover the property for up to 90 days. You will report the property</u>

within 90 days from the date acquired and will pay any additional premium due. If you do not report the new property, we will not pay for loss of or damage to the new property.

The most we will pay in any one loss or damage under this Coverage Extension is the actual cash value of the items, but not more than 25% of the Total Limit of Insurance for "Fine Arts".

c. Preservation of Property "Fine Arts"

If it is necessary to move "Fine Arts" from any location described in the Declarations in order to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of 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.

The amount payable under this Coverage Extension is included within the Limits of Insurance applicable to the location from which the property was moved. The Limit of Insurance applicable to Property in Transit does not apply to this Coverage Extension.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. Delay, loss of use or loss of market.

This exclusion does not apply to "Contractors Equipment", or as may be covered by the "EXTRA EXPENSE" and "BUSINESS INCOME" provision of this policy.

This exclusion does not apply to "Fine Arts".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

The exclusion for mechanical breakdown or failure (including rupture or bursting caused by centrifugal force) does not apply to "Fine Arts".

This exclusion does not apply to "Computerized Business Equipment".

b. Corrosion, rust or dampness.

But this exclusion does not apply to "Scheduled Property" or "Computerized

Business Equipment".

This exclusion does not apply to "Fine Arts".

c. Electrical breakdown or failure.

This exclusion applies only to "Contractors Equipment" and "Scheduled Property".

This exclusion does not apply to "Fine Arts".

g. Faulty packing of "Fine Arts".

E. ADDITIONAL COVERAGE CONDITIONS

6. Pair, Sets or Parts

The Pair, Sets or Parts Loss Condition in the Commercial Inland Conditions is replaced by the following:

a. In case of a total loss or damage of any item that are part of a pair or set that is individually listed and described in the Declaration, we will pay the full Limit of Insurance shown in the Declarations for that pair or set. You will surrender to us the remaining items of the pair or set.

b. In case of loss of or damage to any part of a pair or set that is not individually listed and described in the Declarations, we may:

(1) Repair or replace any part to restore the pair or set to its value before the loss or damage; or

(2) Pay the difference between the value of the pair or set before and after the loss or damage.

This Policy Loss Condition applies only to "Fine Arts".

F. DEFINITIONS

11. "Fine Arts" means private commercial collections of bona fide works of art of rarity, historical value or artistic merit.

"Fine Arts" does not mean contraband, or property in the course of illegal transportation or trade.

[23.]24. "Scheduled Property" means:

"Fine Arts"

as listed in the Declarations.

0653 - Programming Error E

Purpose:	This Modifier amends Sections B., EXCLUSIONS. It adds language that will help customers understand how the exclusion applies to date, time and other data recognition programming problems and limits coverage for resulting damage from programming errors to specified causes of loss as defined in the policy. This modifier applies to all types of Covered Property.
Usage:	This Modifier may be used with coverage combinations that combine Computerized Business Equipment with another type of Covered Property. Modified exclusion applies to all Covered Property.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

g. Programming errors, including but not limited to:

(1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates,times or other data; or

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

[e. Programming errors.

This exclusion applies only to "Computerized Business Equipment".]

0654 - Programming Error F

Purpose:	This Modifier amends Sections B., EXCLUSIONS. It adds a programming error exclusion and limits coverage for resulting damage from programming errors to specified causes of loss as defined in the policy. This modifier applies to all types of Covered Property.
Usage:	This Modifier may be used with coverage combinations that do not include Computerized Business Equipment. Modified exclusion applies to all Covered Property.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. Programming errors, including but not limited to:

(1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates,times or other data; or

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

0656 - $250 Ded. Laptops and Portables

Purpose:	This Modifier amends Section D. DEDUCTIBLE. It applies a separate deductible of $250 to laptops and portable computers.
Usage:	This Modifier may be used only when Computerized Equipment is selected alone.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

[D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.]

<u>We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance. However, in the event of loss of or damage to "laptop and portable computerized business equipment" $250 will be deducted from the amount of the adjusted loss or damage.</u>

<u>The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.</u>

<u>If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.</u>

0657 - Additional Coverage - Gov't Items

Purpose:	This Modifier changes Section A. COVERAGE and F. DEFINITIONS. Coverage for items owned by the U.S Goverment in our insured's care, custody and control is limited to vandalism and malicious mischief. Items owned by the U.S government are excluded except for these causes of loss.
Usage:	This modifier is used when Contractors Equipment is selected in any combination.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

<u>d.</u> <u>Government Owned Equipment</u>

<u>We will cover loss of or damage to equipment owned by the U.S. Government in your, care, custody and control and scheduled on the list on file at our premises but only if loss or damage is caused by or results from vandalism or malicious mischief. The most we will pay in any one loss or damage is the amount shown for Listed Items in the Declarations.</u>

F. DEFINITIONS

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than $2500 for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.

e. Equipment owned by the United States Government except as covered under Additional Coverages.

0658 - Programming Error G

Purpose:	This Modifier amends Sections B., EXCLUSIONS. It adds a programming error exclusion and limits coverage for resulting damage from programming errors to specified causes of loss as defined in the policy.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. Programming errors, including but not limited to:

(1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates, times or other data; or

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

0659 - Programming Error D

Purpose:	This Modifier amends Sections B., EXCLUSIONS. It adds language that will help customers understand how the exclusion applies to date, time and other data recognition programming problems and limits coverage for resulting damage from programming errors to specified causes of loss as defined in the policy. This modifier applies only to Computerized Business Equipment.
Usage:	This Modifier may be used with coverage combinations that combine Computerized Business Equipment with another type of Covered Property. Modified exclusion applies only to Computerized Business Equipment.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

g. Programming errors, including but not limited to:

(1) The inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates, times or other data; or

(2) Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems due to the inability of Covered Property to correctly recognize, process, distinguish, interpret or accept dates times or other data.

But if loss or damage by "specified causes of loss" results, we will pay for that resulting loss or damage.

We will not pay for repair, replacement or modification of Covered Property to correct any deficiencies or change any features.

This exclusion applies only to "Computerized Business Equipment".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

[g. Programming errors.

This exclusion applies only to "Computerized Business Equipment".]

0661 - Crewboats as Covered Property

Purpose:	This Modifier changes Section B. EXCLUSIONS and F. DEFINITIONS. This modifier provides coverage for boating skulls.
Usage:	This modifier can only be used when Scheduled Property is selected alone.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. Marring, chipping, scratching or denting.

But we will pay for the loss or damage if it is caused by fire,lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, or theft or attempted theft.

F. DEFINITIONS

1. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.

["Scheduled Property" does not mean contraband, or property in the course of illegal transit or trade.]

"Scheduled Property" does not mean:

a. Oars or related equipment not specifically scheduled;

b. Property while rented or chartered to others unless approved by us prior to loss or damage;

c. Power driven boats while engaged in any official race or speed test; or

d. Contraband, or property in the course of illegal transit or trade.

0663 - "Specified Testing" - IS

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS and F. DEFINITIONS. This modifier provides mechanical breakdown of equipment defined as building mechanical systems when the breakdown occurs during the testing processes defined in the policy.
Usage:	This modifier is used when Installation is written monoline in combination with any other coverage, except Builders' Risk or Builders' Risk and Soft Costs and Special Time Element.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below.Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

      This Exclusion does not apply to loss of or damage to "building mechanical systems" during "specified testing".

F. DEFINITIONS

3. "Building mechanical systems" means heating, ventilating, and air conditioning vessels, equipment and piping which are covered as "Installation".

"Building mechanical systems" does not include any:

a. System or part of a system designed to be used for manufacturing, fabrication, assembly or processing of any kind; or

b. System or part of a system designed for the production of electrical energy or steam.

17. "Specified testing" means the:

a. Use of fluids, compressed air or other gases to fill any part of a "building mechanical system"; or

b. Operation of any moving part of a "building mechanical system";

in order to validate operating performance within manufacturer's design specifications.

Such "specified testing" must be conducted using procedures:

a. Approved by the manufacturer; and

b. That meet accepted engineering practices, standards and testing codes.

18. "Specified Testing Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "building mechanical systems" from "specified testing".

19. "Specified Testing Limit of Insurance" means the most we will pay for loss of or damage to "building mechanical systems" in any one occurrence from "specified testing", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0664 - "Specified Machinery" - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with monoline Builders' Risk or Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least

of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be

considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Builders' Risk" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0665 - "Specified Machinery" - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least

of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be

considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0666 - "Specified Machinery" Incl. Production Mach. RC - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery includes production machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline. It is used in Washington state only.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by a "hazardous substance" as a result of a "machinery accident" to "specified machinery".</u>

f. Pollutant Expenses

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to

damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of "loss" to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for "loss" in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0667 - "Specified Machinery" RC - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline. It is used in Washington state only.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

f. Pollutant Expenses

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it

to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property

of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0668 - "Specified Machinery" RC - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with monoline Builders' Risk, or Builders' Risk, and Soft Costs and Special Time Element coverages. It is used in Washington state only.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

f. Pollutant Expenses

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it

to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0669 - "Specified Machinery" Incl. Production Mach. RC - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not

to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating

purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0670 - "Specified Machinery" RC - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or

replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design

specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0671 - "Specified Machinery" Incl. Production Mach. RC - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery.
Usage:	This Modifier may be used only with monoline Builders' Risk, or Builders' Risk, and Soft Costs and Special Time Element coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not

to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Builders' Risk" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0672 - "Specified Machinery" RC - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery does not include production machinery.
Usage:	This Modifier may be used only with stand-alone Builders' Risk, or Builders' Risk, and Soft Costs and Special Time Element coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

f. Pollutant Expenses

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it

to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

(1) The value of Covered Property you own will be the least of least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months

after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler; and

d. The following components of production or process machines or apparatuses:

(1) Pressure vessel or vacuum vessel, described in Paragraph a. above, other than any cylinder containing a movable plunger or piston;

(2) Pump, compressor, fan, or blower that conveys raw materials, materials in process or finished products;

(3) Separate enclosed gear set connected by a coupling, clutch or belt; or

(4) Separate driving electrical or mechanical machine connected by a coupling, clutch or belt;

that are Covered Property under "Builders' Risk" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement;

l. Production or process machine or apparatus that processes, forms, cuts, shapes, grinds, or conveys raw materials, materials in process or finished products.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0674 - Reporting Provisions - Contractors Equipment Listed and Unlisted Items

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE and E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Contractors Equipment Listed and Unlisted Equipment.
Usage:	This modifier may be used on Contractors Equipment written stand-alone or with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a.</u> <u>Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.</u>

E. ADDITIONAL COVERAGE CONDITIONS

3. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base for "Contractors Equipment" - Listed and Unlisted Items to us in writing.

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations.

Additional premium is due and payable as of the date of each Premium Adjustment.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the "Contractors Equipment" - Listed or Unlisted Items from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

0675 - (M) Blanket With Schedule On File/Replacement Cost/CE @90% and SP @80% Coinsurance

Purpose:	This modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. It amends the valuation from ACV to Replacement Cost for both Scheduled Property and Contractors Equipment. It amends the coinsurance for Contractors Equipment from 80% to 90%.
Usage:	This modifier is used when Contractors Equipment and Scheduled Property are issued together and with at least one other coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

1. Coverage Extensions

[b. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>b. Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly</u>

Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

[a. "Contractors Equipment"

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

a. "Contractors Equipment"

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all items shown on the schedule on file with us as of the inception date of this policy, or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the replacement cost value of all items shown on the schedule on file with us as of the inception date of this policy.

3. Valuation

[a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.]

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The amount you actually spend that is necessary to repair or replace the property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

b. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

[2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

5. "Contractors Equipment" means:

Mobile machinery and equipment and spare parts normally used in the construction industry consisting of items owned by you, or property of others for which you are legally liable.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.

0676 - Computer Programs Covered As "Hardware"

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. Computer programs, instructional materials for computer programs; and materials on which computer programs are recorded such as tapes, disks and cards are moved from the definition of software to the definition of hardware. The valuation clause is amended to accommodate this change.
Usage:	This modifier is used when the value of computer programs, instructional materials for computer programs; and materials on which computer programs are recorded such as tapes, disks and cards cannot be broken out of the total purchase price of a computer system. It can only be used when Computerized Business Equipment is written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Valuation

[In the event of loss or damage, the value of "Computerized Business Equipment" as of the time of loss or damage will be determined as follows:

a. The value of "hardware" will be the least of the following:

(1) The cost to replace the "hardware" with identical unused "hardware";

(2) The cost to repair the "hardware";

(3) The amount you actually spend to repair or replace the "hardware";

(4) The cost to replace the "hardware" with unused property of similar quality and function if the "hardware" cannot be replaced with identical unused "hardware";

(5) The cost to replace the "hardware" with property of similar quality and function if you do not actually repair or replace it; or

(6) The amount of your legal liability, not to exceed the replacement cost.

b. The value of "software" will be the cost to reproduce or replace the "software". But if it is not reproduced or replaced, we will only pay the blank value of the "software".

c. The value of Equipment Control Systems you own or lease which are used exclusively to protect or service your "Computerized Business Equipment" will be the least of the following:

(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

d. The value of Equipment Control Systems for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

<u>In the event of loss or damage, the value of "Computerized Business Equipment" as of the time of loss or damage will be determined as follows:</u>

<u>a. The value of "hardware" will be the least of the following:</u>

<u>(1) Machines Which Can Accept Data and Process It</u>

<u>(a) The cost to replace the machines with identical unused machines;</u>

<u>(b) The cost to repair the machines;</u>

<u>(c) The amount you actually spend to repair or replace the machines;</u>

<u>(d) The cost to replace the machines with unused property of similar quality and function if the machines cannot be replaced with identical unused machines; or</u>

<u>(e) The cost to replace the machines with property of similar quality and function if</u>

you do not actually repair or replace it.

(f) The vamount of your legal liability for such "hardware" not to exceed the replacement cost.

(2) All Other "Hardware"

The value will be the cost to reproduce or replace the "hardware". But if it is not reproduced or replaced, we will only pay the blank value of the "hardware".

b. The value of "software" will be the cost to reproduce or replace the "software". But if it is not reproduced or replaced, we will only pay the blank value of the "software".

c. The value of Equipment Control Systems you own or lease which are used exclusively to protect or service your "Computerized Business Equipment" will be the least of the following:

(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

d. The value of Equipment Control Systems for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

[13. "Hardware" means machines which can accept data and process it. But it does not include "Software".]

13. "Hardware" means:

a. Machines which can accept data and process it.

b. Computer programs;

c. Instructional materials for computer programs; and

d. Materials on which computer programs are recorded such as tapes, disks and cards.

But it does not include "Software".

[21. "Software" means:

a. Data, if it is in a format that can be read directly by your "hardware";

b. Computer programs;

c. Instructional materials for computer programs;

d. Data storage media of all types, provided they are not an integral part of "hardware".]

21. "Software" means data, if it is in a format that can be read directly by your machines covered as "hardware".

0677 - Specified Collapse Exclusion - BR/IS

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Builders' Risk and Installation are the only coverages provided under the policy.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Builders' Risk" or "Installation" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

      (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred;

      (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred; or

      (3) "Loss" excluded in Section B - Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

0678 - Specified Collapse Exclusion - BR

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Builders' Risk or Builders' Risk, and Soft Costs and Special Time Element is written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Builders' Risk" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to

the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

      (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred;

      (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred; or

      (3) "Loss" excluded in Section B - Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

0679 - Specified Collapse Exclusion - IS

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Installation is written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Installation" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by

'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

      (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred;

      (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred; or

      (3) "Loss" excluded in Section B - Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

0680 - Stated Value - SP

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. It amends coverage to provide Stated Value coverage for Scheduled Property. It deletes the Coinsurance clause and amends the Valuation clause.
Usage:	This Modifier may be used only with Scheduled Property and Computerized Business Equipment.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

"Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

The coinsurance penalty does not apply to "Computerized Business Equipment".]

3. Valuation

In the event of "loss", the value of your Covered Property at the time of "loss" will be determined as follows:

[a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less

than 10 years old at the time of loss or damage;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The Limit of Insurance shown in the Schedule for that property;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0681 - Blanket With Schedule On File/Replacement Cost/CE @90% Coinsurance

Purpose:	This modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. It amends the valuation from ACV to Replacement Cost for Contractors Equipment. It amends the coinsurance for Contractors Equipment from 80% to 90%.
Usage:	This modifier is used when Contractors Equipment is issued with any coverage except Scheduled Property.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

a. Newly Acquired "Contractors Equipment"

[If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.]

<u>If during the policy period you acquire items of the type already covered by this policy, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for "loss" to the new items.</u>

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension is included within and will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

[a. "Contractors Equipment"

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

a. "Contractors Equipment"

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all items shown on the schedule on file with us as of the inception date of this policy, or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for the Unlisted Items bears to 90% of its replacement cost value of all items shown on the schedule on file with us as of the inception date of this policy.

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

<u>(a) The cost to replace Covered Property (without deduction for depreciation) with other property:</u>

<u>(i) Of comparable material and quality; and</u>

<u>(ii) Used for the same purpose;</u>

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

[1. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

<u>1. "Contractors Equipment" means:</u>

<u>Mobile machinery and equipment and spare parts normally used in the construction industry consisting of items owned by you, or property</u> of others for which you are legally liable.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use.

0682 - Specified Collapse Exclusion - IS

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Installation is written in combination with any other coverage, except Builders' Risk.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Installation" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to the collapse or imminent collapse and "earth movement" is not a

Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".

f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

(1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred;

(2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred; or

(3) Loss or damage excluded in Section B - Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

But this exclusion applies only to "Installation".

0683 - Specified Collapse Exclusion - BR

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Builders' Risk is written in combination with any other coverage, except Installation.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Builders' Risk" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to

the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

      (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred;

      (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the loss or damage occurred; or

      (3) Loss or damage excluded in Section B - Exclusions parts 1.a., 1.b., 1.c., 1.d. and 1.e.

   This exclusion applies only to "Builders' Risk".

0684 - Expediting Expense - $100,000

Purpose:	This Modifier changes Section A. COVERAGE. It provides coverage up to $100,000 for expediting expense and additional cost of construction materials and labor.
Usage:	This modifier may be used with any coverage combination that include "Builders' Risk" and/or "Installation." It cannot be used with "Builders' Risk," and "Soft Costs" and Special Time Element.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

f. Expediting Costs and Additional Cost of Construction Materials and Labor

(1) We will pay for the following costs made necessary by a Covered Cause of Loss to Covered Property at the "job site":

(a) Your costs to expedite repair of Covered Property;

(b) Your increased cost of construction materials and labor; and

(c) Your costs to make changes in construction specifications.

But we will only pay for costs to make changes in construction specifications when:

(i) The loss or damage by a Covered Cause of Loss results in a total loss to Covered Property; and

(ii) The costs to make changes in construction specifications are not otherwise covered by the Ordinance or Law Additional Coverage provided under this policy.

[(2) The most we will pay under this Additional Coverage is the least of:

(a) 5% of the applicable "Basic Limit of Insurance"; or

(b) $100,000.]

(2) <u>The most we will pay under this Additional Coverage is $100,000.</u>

0686 - Replacement Cost - SP

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. It amends the policy to provide Replacement Cost coverage and increased the coinsurance percentage from 80% to 90%.
Usage:	This Modifier may be used only when Scheduled Property is selected alone.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

<u>2.</u> <u>Coinsurance</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will only pay the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value as of the time of loss or damage.</u>

3. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

a. The value of Covered Property you own will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied

in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

(1) The cost to replace Covered Property (without deduction for depreciation) with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0687 - Replacement Cost

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It amends the Coinsurance Clause to 90% of Replacement Cost and the Valuation Clause to Replacement Cost.
Usage:	This modifier can only be used on Contractors Equipment policies written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

[a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.]

<u>a.</u> <u>Listed Items</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

3. Valuation

In the event of loss or damage, the value of "Contractors Equipment" at the time of loss or damage will be determined as shown below:

a. Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(1) The cost to replace Covered Property (without deduction for depreciation) with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0688 - Replacement Cost - Builders' Risk/Installation

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It amends the Valuation Clause to Replacement Cost.
Usage:	This modifier can be used only with IM PAK Builders' Risk and Installation policies written in combination with any other coverage. It is not used when only Builders' Risk and Installation are written together.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Builders' Risk"

(1) The value of Covered Property you own will be the least of the following:

[**(a) The actual cash value of that property, including your labor, reasonable profit and delivery charges;]**

<u>(a) The cost to replace Covered Property (without deduction for depreciation) with other property:</u>

<u>(i) Of comparable material and quality; and</u>

<u>(ii) Used for the same purpose;</u>

<u>including your labor, reasonable profit and delivery charges;</u>

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0689 - CBE Transit Limit - $150,000

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE. It increases the property in transit and while temporarily not at your "locations" limit of insurance to $150,000.
Usage:	This modifier is used only with Computerized Business Equipment policies written monoline.

Sections(s) of the policy changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted from the policy by this Modifier. Underlined text indicates parts that are added to the policy by this Modifier.

If this Modifier adds or deletes an enumerated clause to/from the policy, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

We will pay for loss of or damage to Covered Property from any of the Covered Causes of Loss.

4. Coverage Extensions We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

c. Property in Transit Or While Not At Your Locations

We will pay for loss of or damage to Covered Property while:

(1) In transit; or

(2) While temporarily not at your "locations".

[The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of $75,000. But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.]

<u>The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of $150,000. But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.</u>

0690 - CBE Transit Limit - $100,000

Purpose:	This Modifier changes the following policy Section(s): A., COVERAGE. It modifies the policy to change the CBE transit limit from $75,000 to $100,000.
Usage:	This Modifier can only be used on IM PAK Computerized Business Equipment policies written monoline.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

c. Property in Transit Or While Not At Your Locations

We will pay for loss of or damage to Covered Property while:

(1) In transit; or

(2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of **[$75,000]** **<u>$100,000</u>.** But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0693 - Replacement Cost - Builders' Risk/Installation

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It amends the Valuation Clause to Replacement Cost.
Usage:	This modifier can only be used with Builders' Risk and Installation policies, either monoline or in combination with each other.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

a. The value of Covered Property you own will be the least of the following:

[(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;]

<u>(1) The cost to replace Covered Property (without deduction for depreciation) with other property:</u>

<u>(a) Of comparable material and quality; and</u>

<u>(b) Used for the same purpose;</u>

<u>including your labor, reasonable profit and delivery charges;</u>

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0694 - CBE Off Premises Power and Supply

Purpose:	This Modifier changes policy Section(s): B. EXCLUSIONS. The 1000ft restriction and list of specific types of utilities supplying power to the premises was deleted.
Usage:	This modifier provides broaden coverage for off premises power usage. It can be used whenever Computerized Business Equipment is selected.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets[ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

[c. The failure of power or other utility service supplied to your "locations". But we will pay for loss of or damage to "Computerized Business Equipment":

(1) If the failure results from a Covered Cause of Loss to the power or other utility service at or within 1,000 feet of your "location".

(2) If the failure occurs away from your "location" and was the result of loss or damage from a Covered Cause of Loss, to any of the following which supply electricity, steam or gas to your "location":

(a) Utility generating plants;

(b) Switching stations;

(c) Substations;

(d) Transformers; or

(e) Other equipment (excluding overhead power or utility transmission lines).

(3) If the failure was the result of direct physical damage from lightning to the power or other utility service.]

<u>c. The failure of power or other utility service supplied to your "locations". But we will pay for loss of or damage to "Computerized Business Equipment" if the failure occurs away from your "locations" and was the result of loss or damage from a Covered Cause of Loss, to power or other utility service supplied to your "locations".</u>

0695 - Replacement Cost - CE @ 100% CO.

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The valuation is changed from Actual Cash Value to Replacement Cost and the coinsurance provision is changed from 80% to 100% for Contractors Equipment.
Usage:	This modifier is used when Contractors Equipment is selected alone.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

<u>2.</u> <u>Coinsurance</u>

<u>a.</u> <u>Listed Items</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 100% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 100% of its</u>

replacement cost value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 100% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 100% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

3. Valuation

In the event of loss or damage, the value of "Contractors Equipment" at the time of loss or damage will be determined as shown below:

a. Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(1) The cost to replace Covered Property (without deduction for depreciation) with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0696 - RC, CE @ 100% CO. & SP @ 80% CO.

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. Replacement cost coverage applies to the Contractors Equipment and Scheduled Property. A coinsurance percentage of 100% applies to Contractors Equipment and an 80% coinsurance percentage applies to Scheduled Property.
Usage:	This modifier is used when Contractors Equipment and Scheduled Property are selected together.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

[a. "Contractors Equipment"

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

<u>a.</u> <u>"Contractors Equipment"</u>

<u>(1)</u> <u>Listed Items</u>

The Limit of Insurance for each item shown in the Declarations must equal at least 100% of its replacement cost value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 100% of its replacement cost value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 100% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 100% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

[b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its replacement cost value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its replacement cost value at the time of loss or damage.

3. Valuation

In the event of loss or damage, the value of Covered Property as of the time of loss or damage will be the least of the following:

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not

exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0697- Replacement Cost: CE @100% and SP @80%

Purpose:	This modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It amends the valuation from ACV to Replacement Cost for both Scheduled Property and Contractors Equipment. It amends the coinsurance for Contractors Equipment from 80% to 100%.
Usage:	This modifier is used when Contractors Equipment, Scheduled Property and Computerized Business Equipment are issued together.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

a. "Contractors Equipment"

[(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.]

<u>(1) Listed Items</u>

<u>The Limit of Insurance for each item shown in the</u>

Declarations must equal at least 100% of its replacement cost value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 100% of its replacement cost value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 100% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 100% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

b. "Scheduled Property"

[The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its replacement costs value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its replacement cost value at the time of loss or damage.

3. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

a. "Scheduled Property"

(1) The value of Covered Property you own will be the

least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0698 - Replacement Cost - CE @100%

Purpose:	This modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It amends valuation from Actual Cash Value to Replacement Cost for Contractors Equipment. The coinsurance percentage is increased from 80% to 100% for Contractors Equipment.
Usage:	This modifier is used under Contractors Equipment and Computerized Equipment policies written together without any other types of covered property.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

"Contractors Equipment"

[(1) Listed Items The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".]

(1) Listed Items The Limit of Insurance for each item shown in the Declarations must equal at least 100% of its replacement cost value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 100% of its replacement cost value at the time of loss or damage.

(2) **Unlisted Items The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 100% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.**

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 100% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 100% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0699 - Replacement Cost - SP @ 80% CO.

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS.
Usage:	This modifier applies when Scheduled Property is selected alone. Replacement cost applies to all scheduled items. A coinsurance percentage of 80% applies.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

<u>2.</u> <u>Coinsurance</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its replacement cost value at the time of loss or damage.</u>

[3. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

(1) The cost to replace Covered Property (without deduction for depreciation) with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0700 - Replacement Cost - SP @80% Co.

Purpose:	This modifier changes the following policy Section(s): E. Additional Coverage Conditions. It amends valuation from Actual Cash Value to Replacement Cost for Scheduled Property.
Usage:	This modifier is used when Scheduled Property and Computerized Business Equipment are issued together without any other types of covered property.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

[2. Coinsurance

"Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its replacement cost value at the time of loss or damage.</u>

This Additional Coverage Condition does not apply to "Computerized Business Equipment".

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

[a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0701 - Replacement Cost CE

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It amends the Coinsurance Clause to 90% of Replacement Cost and the Valuation Clause to Replacement Cost for Contractors Equipment.
Usage:	This Modifier is used with Contractors Equipment, Installation and CBE combined.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

b. "Contractors Equipment"

[(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

<u>(1) Listed Items</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost value at the time of loss or damage or you will</u>

incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the replacement cost value of all Unlisted Items at the time of loss or damage.

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

[(c) The cost of replacing that property with substantially identical property.]

(c) The amount you actually spend that is necessary to repair or replace the property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0702 - Stated Amount CE

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance provision is deleted for Contractors Equipment. The valuation is changed to stated amount for Contractors Equipment.
Usage:	This Modifier can be used only with Contractors Equipment and Installation. This modifier should be used only for accounts with above average maintenance and records system. The insured should appraise the equipment value annually.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

[You must maintain minimum limits of insurance on the following types of Covered Property.

a. "Installation"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply when the applicable "Installation" Coinsurance Percentage shown in the Declarations is zero (0).

b. "Contractors Equipment"

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a

penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

"Installation"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the actual cash value of the "Installation" at that "job site", at the time of loss or damage, times the "Installation" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply to "Contractors Equipment".

11. Valuation

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not

exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or]

(a) The Limit of Insurance shown in the Schedule for that property;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0703 - CE Blanket 90% Coins Nonreporting

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. This modifier provides blanket coverage on Contractors Equipment by eliminating all reference to Listed Items in the policy text. Unlisted Items are written on a nonreporting, 90% coinsurance, actual cash value basis.
Usage:	This modifier is only used when Contractors Equipment is written monoline.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

2. Coinsurance

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others.

F. DEFINITIONS

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

[a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than $2500 for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

a. Unlisted Items - Items you own or that are in your care, custody or control under a "long term lease or rental agreement" or that you have borrowed from others. The Limit of Insurance for this property is shown in the Declarations.

b. Leased or Rented Items - Items in your care, custody or control under a "short term lease or rental agreement". The limit of insurance for this property is shown in the Declarations.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over

public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use;

4. **"Long term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period of 90 consecutive days or more.**

9. **"Short term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period less than 90 consecutive days.**

0704 - CE Blanket 90% Coins Nonreporting

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. This modifier provides blanket coverage on Contractors Equipment by eliminating all reference to Listed Items in the policy text. Unlisted Items are written on a nonreporting, 90% coinsurance, actual cash value basis.
Usage:	This modifier is used when Contractors Equipment is written in any combination other than Contractors Equipment with Computerized Business Equipment. It cannot be used with Contractors Equipment by itself.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

[b. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance You must maintain minimum limits of insurance on only the following types of Covered Property.

c. "Contractors Equipment"

[(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of

Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others.

F. DEFINITIONS

8. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

[a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

a. Unlisted Items - Items you own or that are in your care, custody or control under a "long term lease or rental agreement" or that you have borrowed from others. The Limit of Insurance for this property is shown in the Declarations.

b. Leased or Rented Items - Items in your care, custody or control under a "short term lease or rental agreement". The limit of insurance for this

property is shown in the Declarations.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use;

23. "Long term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period of 90 consecutive days or more.

30. "Short term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period less than 90 consecutive days.

0705 - CE Blanket 90% Coins Nonreporting

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. This modifier provides blanket coverage on Contractors Equipment by eliminating all reference to Listed Items in the policy text. Unlisted Items are written on a nonreporting, 90% coinsurance, actual cash value basis.
Usage:	This modifier is only used when Contractors Equipment and Computerized Business Equipment are on the same policy.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

[b. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

"Contractors Equipment"

[a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".

F. DEFINITIONS

5. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

[a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

a. Unlisted Items - Items you own or that are in your care, custody or control under a "long term lease or rental agreement" or that you have borrowed from others. The Limit of Insurance for this property is shown in the Declarations.

b. Leased or Rented Items - Items in your care, custody or control under a "short term lease or rental agreement". The limit of insurance for this property is shown in the Declarations.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use;

19. "Long term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period of 90 consecutive days or more.

25. "Short term lease or rental agreement" means a written agreement that requires you to lease or rent mobile machinery or equipment for a period less than 90 consecutive days.

0706 - CBE Not At Your Locations

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, Coverage Extensions. It extends the time property not at the insured's location is covered by deleting the word "temporary".
Usage:	This modifier is used with CBE written as a stand-alone coverage.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

c. Property in Transit Or While Not At Your Locations

We will pay for loss of or damage to Covered Property while:

(1) In transit; or

(2) While **[temporarily]** not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of $75,000. But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0707 - Replacement Cost - CE 90% CO.

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance provision for Contractors Equipment is changed to 90% and the valuation for Contractors Equipment is changed to replacement cost.
Usage:	This modifier can only be used when Contractors Equipment, Scheduled Property and Computerized Business Equipment are selected together.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

a. "Contractors Equipment"

[(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

<u>(1) Listed Items</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

b. "Contractors Equipment"

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss

or damage; or

[(c) The cost of replacing that property with substantially identical property.]

<u>(c) The amount you actually spend that is necessary to repair or replace the property.</u>

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0708 - Profit Exclusion - BR

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. It deletes reasonable profit from valuation and the definition of "completed value".
Usage:	This modifier may only be used when Builders' Risk reporting or non-reporting is selected.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

11. Valuation In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

    a. The actual cash value of that property, including your labor**[, reasonable profit]** and delivery charges;

    b. The cost of reasonably restoring that property to its condition immediately before loss or damage;

    c. The cost of replacing that property with substantially identical property; or

    d. Your legal liability for property of others.]

0709 - Valuable Papers and Records/$250,000

Purpose:	This Modifier changes Section A. The amount of coverage provided for valuable papers is increased to $250,000.
Usage:	This modifier may be used with any type of covered property. Additional premium is required when this modifier is used.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

c. Valuable Papers and Records

We will pay your costs to research, replace, or restore lost or damaged valuable papers and records, including those which are on computer software, for which there are no duplicates. The most we will pay for loss of or damage to this property is **]$50,000] <u>$250,000</u>.**

But we will not pay for loss of or damage to accounts, bills, deeds, evidences of debt, currency, money, notes or securities.

0710 - Newly Acquired 180 Days

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, Coverage Extensions. The days required to report newly acquired property is increased from 90 day to 180 days. In addition the maximum amount of payment in any one loss for scheduled property is increased from $25,000 to $250,000.
Usage:	This modifier may be used whenever Computerized Business Equipment and Scheduled Property are selected together.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[a. Newly Acquired Property

If during the policy period you acquire a financial interest in property of the type already covered by this policy and listed below, we will cover the property for the amounts indicated under this Coverage Extension for a period of up to **[90]** **<u>180</u>** days. You will report the property within 90 days from the date acquired and pay any additional premium due. If you do not report the new property, we will not pay for loss of or damage to the new property.]

(1) "Computerized Business Equipment"

The most we will pay in any one "loss" is an amount equal to the highest "combined limits", up to $250,000.

(2) "Scheduled Property"

The most we will pay in any one loss or damage is **[$25,000]** **<u>$250,000</u>.**

0711 - Fine Arts Listed for ACV

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition so that valuation of "Fine Arts" items that have the symbol "(ACV)" in the description of the item on the "Fine Arts" schedule will be valued on an ACV basis.
Usage:	This modifier may be used when "Fine Arts" coverage is provided on a stand alone basis, not in combination with any other IMPAK coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[11. Valuation The value for each item is agreed to be the amount shown for that item in the Declarations.]

<u>11.</u> <u>Valuation The value for each item is agreed to be the amount shown for that item in the Declarations. But if the symbol "(ACV)" is shown in the description of the item on the Declarations, the value of that item will be the least of the following amounts, and will be determined as of the time of loss or damage:</u>

<u>a.</u> <u>The actual cash value of that property;</u>

<u>b.</u> <u>The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>c.</u> <u>The cost of replacing that property with substantially identical property.</u>

0712 - Fine Arts Listed for ACV

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition so that valuation of "Fine Arts" items that have the symbol "(ACV)" in the description of the item on the "Fine Arts" schedule will be valued on an ACV basis.
Usage:	This modifier may be used with all IM PAK coverage combinations that include "Fine Arts" coverage except: "Fine Arts" only; "Fine Arts" and "Scheduled Items"; "Fine Arts" and "Scheduled Items" and "Contractor's Equipment."

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

11. Valuation In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

[b. "Fine Arts"

The value of each item is agreed to be the value shown for that item in the Declarations.]

<u>b.</u> <u>"Fine Arts"</u>

<u>The value for each item is agreed to be the amount shown for that item in the Declarations. But if the symbol "(ACV)" is shown in the description of the item on the Declarations, the value of that item will be the least of the following amounts:</u>

<u>(1) The actual cash value of that property;</u>

<u>(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>(3) The cost of replacing that property with substantially identical property.</u>

0713 - Fine Arts Listed for ACV

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition so that valuation of "Fine Arts" items that have the symbol "(ACV)" in the description of the item on the "Fine Arts" schedule will be valued on an ACV basis.
Usage:	This modifier is used when "Fine Arts" is provided under the Scheduled Property Core coverage. This modifier is used when "Fine Arts" is provided with the following combinations: "Fine Arts" and "Scheduled Items"; "Fine Arts" and "Scheduled Items" and "Contractor's Equipment."

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

11. Valuation In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[The value of each "Fine Arts" item is agreed to be the amount shown for that item in the Declarations.]

<u>The Valuation above does not apply to "Fine Arts".</u>

<u>The value for each "Fine Arts" item is agreed to be the amount shown for that item in the Declarations. But if the symbol "(ACV)" is shown in the description of the item on the Declarations, the value of that item will be the least of the following amounts:</u>

<u>a.</u> <u>The actual cash value of that property;</u>

<u>b.</u> <u>The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>c.</u> <u>The cost of replacing that property with substantially identical property.</u>

0714 - Fine Arts Covered for ACV

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition to provide coverage for "Fine Arts" on an ACV basis.
Usage:	This modifier may be used when only "Fine Arts" coverage is provided, not in combination with any other IM PAK coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[4. Valuation The value for each item is agreed to be the amount shown for that item in the Declarations.]

<u>4.</u> <u>Valuation The value of "Fine Arts" will be the least of the following amounts:</u>

<u>a.</u> <u>The actual cash value of that property;</u>

<u>b.</u> <u>The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>c.</u> <u>The cost of replacing that property with substantially identical property.</u>

<u>In the event of loss or damage, the value of property will be determined as of the time of loss or damage.</u>

0715 - Fine Arts Covered for ACV

Purpose:	This Modifier changes Section E: ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition so that coverage for "Fine Arts" is provided on an ACV basis.
Usage:	This modifier may be used with all IM PAK coverage combinations that include "Fine Arts" coverage except: "Fine Arts" only; "Fine Arts" and "Scheduled Items"; "Fine Arts" and "Scheduled Items" and "Contractor's Equipment".

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

[a. "Fine Arts"

The value of each item is agreed to be the value shown for that item in the Declarations.]

<u>a.</u> <u>"Fine Arts"</u>

<u>The value of "Fine Arts" will be the least of the following amounts:</u>

<u>(1) The actual cash value of that property;</u>

<u>(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>(3) The cost of replacing that property with substantially identical property.</u>

0716 - Fine Arts Covered for ACV

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the Valuation condition so that coverage for "Fine Arts" is provided on an ACV basis.
Usage:	This modifier is used when "Fine Arts" is provided under the Scheduled Property Core coverage. This modifier is used when "Fine Arts" is provided with the following combinations: "Fine Arts" and "Scheduled Items"; "Fine Arts" and "Scheduled Items" and "Contractor's Equipment."

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

11. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[The value of each "Fine Arts" item is agreed to be the amount shown for that item in the Declarations.]

<u>The Valuation above does not apply to "Fine Arts".</u>

<u>The value of "Fine Arts" will be the least of the following amounts:</u>

<u>a.</u> <u>The actual cash value of that property;</u>

<u>b.</u> <u>The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>c.</u> <u>The cost of replacing that property with substantially identical property.</u>

0717 - Profit Exclusion BR Replacement Cost

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. It changes the policy to provide Replacement Cost coverage with profit excluded.
Usage:	This modifier may be used only with Builders' Risk.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

11. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.]

<u>a. The value of Covered Property you own will be the least of the following:</u>

<u>(1) The cost to replace Covered Property (without deduction for depreciation) with other property:</u>

<u>(a) Of comparable material and quality; and</u>

<u>(b) Used for the same purpose;</u>

<u>including your labor and delivery charges;</u>

<u>(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or</u>

<u>(3) The cost of replacing that property with substantially identical property.</u>

b. The value of Covered Property for which you are legally

liable will be the amount of your legal liability, not to exceed the replacement cost.

F. DEFINITIONS

[4. "Completed value" means the finished value of the "Builders' Risk" at the date of completion of construction, including your labor, reasonable profit and delivery charges.]

<u>4. "Completed value" means the finished value of the "Builders' Risk" at the date of completion of construction, including your labor and delivery charges.</u>

0718 - CBE Not At Your Locations, $3,500 Per Location

Purpose:	This Modifier changes policy Section: A. COVERAGE, part 4. C, Property in Transit Or While Not At Your Locations. Coverage is extended to apply to Covered Property at unlisted locations, with a limit of $3,500 per location and $150,000 all locations combined.
Usage:	This Modifier can be used only with Computerized Business Equipment.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[c. Property in Transit Or While Not At Your Locations

We will pay for loss of or damage to Covered Property while:

(1) In transit; or

(2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of $75,000. But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.]

<u>c. Property in Transit Or While Not At Your Locations</u>

<u>We will pay for loss of or damage to Covered Property while:</u>

<u>(1) In transit; or</u>

<u>(2) While not at your "locations".</u>

<u>The most we will pay in any one loss or damage under this extension is:</u>

<u>(1) $3,500 at any one premises; or</u>

<u>(2) The highest "combined limits", up to a maximum of $150,000 for all premises in any one occurrence.</u>

<u>But, if the Covered Property is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.</u>

0719 - Replacement Cost - CE @ 90% CO.

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the valuation of Contractors Equipment from acv to replacement cost and changes the coinsurance penalty from 80% to 90%.
Usage:	This modifier may be used only when Contractors Equipment is selected with Computerized Business Equipment coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

"Contractors Equipment"

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

<u>a.</u> <u>Listed Items</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost value at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value at the time of loss or damage.</u>

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 90% of the replacement cost value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 90% of the replacement cost value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".

4. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

[a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.]

n **a. "Contractors Equipment"**

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The amount you actually spend that is necessary to repair or replace the property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0730 - CBE Transit Limit - $150,000

Purpose:	This Modifier changes the following policy Section(s):A. COVERAGE. It increases the limit for the Property in Transit or Not at Your Locations from $75,000 to $150,000.
Usage:	This modifier may be used with policies that cover Computerized Business Equipment in combination with at least one other IM PAK coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

d. "Computerized Business Equipment" In Transit Or While Not At Your Locations

We will pay for loss of or damage to "Computerized Business Equipment" while:

(1) In transit; or

(2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of **[$75,000]** **<u>$150,000</u>.** But, if the "Computerized Business Equipment" is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0731 - CBE Transit Limit - $100,000

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE. It increases the limit for the Property in Transit or Not at Your Locations from $75,000 to $100,000.
Usage:	This modifier may be used with policies that cover Computerized Business Equipment in combination with at least one other IM PAK coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

c. "Computerized Business Equipment" In Transit Or While Not At Your Locations

We will pay for loss of or damage to "Computerized Business Equipment" while:

(1) In transit; or

(2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of **[$75,000]** **<u>$100,000</u>**. But, if the "Computerized Business Equipment" is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0732 - CBE Not At Your Locations

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, Coverage Extensions. It extends the time property not at the insured's location is covered by deleting the word "temporary".
Usage:	This modifier is used with CBE written in combination with any other coverage. It does not apply to CBE written mono-line.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

d. "Computerized Business Equipment" In Transit Or While Not At Your Locations

We will pay for loss of or damage to "Computerized Business Equipment" while:

(1) In transit; or

(2) While **[temporarily]** not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of $75,000. But, if the "Computerized Business Equipment" is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0733 - CBE Off Premises/Transit, $500,000

Purpose:	This Modifier changes the following policy Section(s): A. COVERAGE, Coverage Extensions. The amount of insurance payable under this coverage extension is increased from $75,000 to $500,000.
Usage:	This modifier may be used with policies that cover Computerized Business Equipment in combination with at least one other IM PAK coverage. Additional premium should be charged for this increased coverage. Bulletin 208 should be used as a starting basis to develop a commensurate premium charge.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

c. "Computerized Business Equipment" In Transit Or While Not At Your Locations

We will pay for loss of or damage to "Computerized Business Equipment" while:

(1) In transit; or

(2) While temporarily not at your "locations".

The most we will pay in any one loss or damage under this extension is the highest "combined limits", up to a maximum of **[$75,000]** **<u>$500,000</u>**. But, if the "Computerized Business Equipment" is moved due to impending danger of loss or damage from a Covered Cause of Loss, we will pay for loss or damage up to the applicable Limit of Insurance shown in the Declarations.

0734 - Replacement Cost and Agreed Amount

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It changes the valuation clause to replacement cost and agreed amount
Usage:	This modifier can only be used with Scheduled Property.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

[1. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

[1. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

<u>(1) The cost to replace Covered Property (without deduction for depreciation) with other property:</u>

<u>(a) Of comparable material and quality; and</u>

<u>(b) Used for the same purpose;</u>

(2) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0735 - Stated Amount - CE

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance provision is deleted for Contractors Equipment. The valuation is changed to stated amount for Contractors Equipment.
Usage:	This Modifier can be used only with Contractors Equipment. This modifier should be used only for accounts with above average maintenance and records system. The insured should appraise the equipment value annually.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.]

1. Valuation

In the event of loss or damage, the value of "Contractors Equipment" at the time of loss or damage will be determined as shown below:

a. Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least

of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(1) The Limit of Insurance shown in the Schedule for that property;

(2) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0736 - Stated Value - SP

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It amends the policy to provide Stated Value coverage.
Usage:	This Modifier may be used only when Scheduled Property is selected alone.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

3. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

a. The value of Covered Property you own will be the least of the following:

[(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

<u>(1) The Limit of Insurance shown in the Schedule for that property;</u>

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially

identical property.

b. The value of Covered Property for which you are legally liable as of the time of loss or damage will be the amount of your legal liability, not to exceed the replacement cost.

0737 - Replacement Cost - SP @ No Co.

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. It deletes coinsurance and changes valuation to replacement cost.
Usage:	This modifier applies when Scheduled Property is selected alone. Replacement cost applies to all scheduled items. No coinsurance penalty applies.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

3. Valuation

In the event of loss or damage, the value of Covered Property at the time of loss or damage will be determined as follows:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.]

<u>(1) The cost to replace Covered Property (without</u>

deduction for depreciation) with other property:

(a) Of comparable material and quality; and

(b) Used for the same purpose;

(2) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0738 - (M) Wine Market Valuation

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance provision is deleted and the valuation provision is changed to market price valuation.
Usage:	This modifier is used only with Scheduled Property alone.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

3. Valuation

[In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

In the event of loss or damage the value of your Covered Property as of the time of loss or damage will be the price the bottled wine products could have been sold for if no loss or damage had occurred.

0739 - Stated Value - SP

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. It amends coverage to provide Stated Value coverage for Scheduled Property. It deletes the Coinsurance clause and amends the Valuation clause.
Usage:	This Modifier may be used only when Scheduled Property, Contractors Equipment and Computerized Business Equipment are written together.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

[b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

<u>(a) The Limit of Insurance shown in the Schedule for that property;</u>

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0740 - Stated Amount - CE and SP

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance clause is deleted and the valuation for both Contractors Equipment and Scheduled Property is changed from actual cash value to stated amount.
Usage:	This modifier is used only when Contractors Equipment and Scheduled Property are selected together. This modifier should be used only for accounts with above average maintenance and records system. The insured should appraise the equipment value annually.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

a. "Contractors Equipment"

(1) Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage]

1. Valuation

[In the event of loss or damage, the value of Covered Property as of the time of loss or damage will be the least of the following:]

<u>In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be determined as shown below:</u>

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

<u>(a) The Limit of Insurance shown in the Schedule for that property;</u>

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

(a) The Limit of Insurance shown in the Schedule for that property;

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0741 - Stated Amount - CE and SP

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance clause is deleted and the valuation for Scheduled Property and Contractors Equipment is changed from actual cash value to stated amount.
Usage:	This modifier is used only when Contractors Equipment, Scheduled Property and Computerized Business Equipment are selected.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

a. "Contractors Equipment"

(1) Listed Items The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

(2) Unlisted Items The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

b. "Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage

to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

3. Valuation In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

<u>(a) The Limit of Insurance shown in the Schedule for that property;</u>

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

<u>(a) The Limit of Insurance shown in the Schedule for that property;</u>

(b) The cost of reasonably restoring the Covered Property to its condition immediately before loss

or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0742 - Replacement Cost - SP

Purpose:	This Modifier amends Section E. ADDITIONAL COVERAGE CONDITIONS. It amends the coverage to provide Replacement Cost coverage for Scheduled Property and amends the coinsurance requirement for Scheduled Property from 80% to 90%.
Usage:	This Modifier may be used only when Scheduled Property and Computerized Business equipment are selected.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

"Scheduled Property"

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".]

<u>2.</u> <u>Coinsurance</u>

<u>The Limit of Insurance for each item shown in the Declarations must equal at least 90% of its replacement cost at the time of loss or damage or you will incur a penalty.</u>

<u>The penalty is that we will only pay the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 90% of its replacement cost value as of the time of loss or damage.</u>

<u>But this Additional Coverage Condition does not apply to "Computerized Business Equipment".</u>

3. Valuation

In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Scheduled Property"

(1) The value of Covered Property you own will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim. This provision only applies to property that is less than 10 years old at the time of loss or damage;]

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

0743 - Motor Sports Insurance

Purpose:	This Modifier changes Sections A. COVERAGE, B. EXCLUSIONS, D. DEDUCTIBLE, E. ADDITIONAL COVERAGE CONDITIONS, and F. DEFINITIONS. It customizes coverage to respond to the specific insurance needs of insureds who own equipment used in the motorsports industry.
Usage:	This modifier can be used only with Scheduled Property written as a stand alone coverage. It is presently approved for use by only the San Francisco District Office.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[b. Fire Protective Systems

If your fire protective equipment discharges accidentally or to control a Covered Cause of Loss, we will pay for your expense to:

(1) Recharge or refill your fire protective systems; and

(2) Replace or repair faulty valves or controls which caused the discharge.

The most we will pay in any one loss or damage under this extension is $75,000.]

<u>b.</u> <u>Fire Protective Systems</u>

<u>We will pay up to $1,000 for your expense to recharge or refill your fire protective systems that protect Covered Property.</u>

<u>This Coverage Extension does not apply to expense caused by or resulting from discharge of fire protective systems during "racing".</u>

<u>c.</u> <u>Replacement "Race Vehicle"</u>

<u>If you lease, rent, buy or borrow a "race vehicle" to replace one listed in the Schedule, we will cover the replacement for up to 90 days, subject to the coverage and Limit of Insurance that would have applied to the replaced "race vehicle".</u>

You will report the replacement "race vehicle" within 90 days from the date acquired and will pay any additional premium due. If you do not report the replacement, we will not pay for loss of or damage to the replacement "race vehicle".

d. Substitute "Trailer"

If a "trailer" listed in the Schedule is disabled and you must operate a temporary substitute, we will cover the substitute for up to 30 days, subject to the coverage and Limit of Insurance that would have applied to the disabled "trailer".

Coverage applies for 30 days from the date you acquire the substitute, or until the disabled "trailer" is repaired, whichever first occurs.

4. Additional Coverages

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

f. Breaking, marring, chipping, scratching or denting.

[D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

The applicable Deductible shown in the Declarations applies to the Coverage Extensions and Additional Coverages unless otherwise stated in the Coverage Extension or Additional Coverage.]

D. DEDUCTIBLE

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage exceeds the applicable Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

If a title for a Deductible appears in quotations in the Declarations, that Deductible has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

A Deductible does not apply to the Fire Protective Systems Coverage Extension.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

The Limit of Insurance for each item shown in the Declarations must equal at

least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.]

H. DEFINITIONS

2. "Flat towing" means having one or more of the "race vehicles" tires in contact with the ground during towing.

5. "Racing" means the period of time during which the "race vehicle" is being operated:

a. On any race track;

b. In any speed or competition event;

c. In any practice session; or

d. In any testing situation involving movement of the race car.

"Racing" also includes any period of acceleration or deceleration before, after or during these operations.

"Racing" does not include:

a. Loading or unloading from trailers;

b. Movement to or from the staging lanes, paddock area, or starting grid; or

c. Similar necessary incidental movement, whether under power or not.

6. "Race vehicle" means motor cars and motor cycles listed in the Schedule.

[7. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.

"Scheduled Property" does not mean contraband, or property in the course of illegal transit or trade.]

7. "Scheduled Property" means "race vehicles", "trailers", "tools and equipment" and "spare parts" listed in the Schedule.

"Scheduled Property" does not mean:

a. Contraband, or property in the course of illegal transit or trade;

b. "Race vehicles" operating on public roads or while "racing";

c. "Race vehicles" licensed for use on public roads;

d. Tires or tubes damaged by blowout, puncture or other road damage unless caused by a Covered Cause of Loss;

e. "Race vehicles" while being "flat towed" on public roads;

f. Property while leased, rented or loaned to others;

g. Mopeds and All Terrain Vehicles while being operated by an unlicensed driver;

h. Property while at a racing facility which is not sanctioned by the National Hot Rod Association (NHRA), International Hot Rod Association (IHRA), Championship Auto Racing Teams (CART), National Association of Stock Car Racing (NASCAR), Sports Car Club of America (SCCA), International Motorsports Association (IMSA), American Federation of Motorcyclist (AFM), or American Motorcycle Association (AMA).

8. "Spare parts" means parts specifically designated as spares for your "race vehicle". It does not include parts held out for sale as a business venture.

9. "Tools and equipment" means:

a. Mechanics tools and related equipment needed in the course of preparation, use, and maintenance of your "race vehicle"; and

b. Mopeds and all terrain vehicles at an exhibition, show or National Hot Rod Association (NHRA), International Hot Rod Association (IHRA), Championship Auto Racing Teams (CART), National Association of Stock Car Racing (NASCAR), Sports Car Club of America (SCCA), International Motorsports Association (IMSA), American Federation of Motorcyclist (AFM), or American Motorcycle Association (AMA) sanctioned race facility.

"Tools and equipment" does not include tools and equipment used regularly for other purposes.

10. "Trailer" means the conveyance listed in the Schedule, designed to be pulled by a vehicle licensed for highway use.

0744 - SC/Special Time Element with Occupancy

Purpose:	This Modifier amends the following Sections: A. COVERAGE; B. EXCLUSIONS; and E. ADDITIONAL COVERAGE. This Modifier provides Soft Costs and Special Time Element coverage for a building or structure under construction and while occupied.
Usage:	This Modifier may be used only with IM PAK Coverages 032.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "business income" is actually reduced during the "post loss period of construction".</u>

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "rental value" is actually reduced during the "post-loss period of construction".</u>

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

<u>a.</u> <u>Interference by strikers or other persons affecting:</u>

(1) Construction or repair of the Covered Property; or

(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.

E. ADDITIONAL COVERAGE CONDITIONS

3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled; **or**

b. Your interest ceases.[**; or**

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

a. Make every effort to meet the "planned completion date". This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; **and**

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

If you do not make every effort to meet the "planned completion date", or you do not resume the operation or use of any part of the "project" as soon as possible, we will only pay the "amount of loss" that we would have otherwise paid if you had complied with the above conditions.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.]

b. Either;

(1) **Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred; or**

(2) **Your likely "business income" and "rental value" during the "post-loss period of construction" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred, if the building was occupied for its intended purpose at the time of loss or damage.**

c. **Your actual "business income" and "rental value" before loss of or damage to Covered Property from any of the Covered Causes of Loss occurred, if the building was occupied for its intended purpose at the time of loss or damage;**

0745 - Rpt Prov - IS

Purpose:	This Modifier changes Sections C. LIMITS OF INSURANCE, and E. ADDITIONAL COVERAGE CONDITIONS, to provide coverage on a reporting basis.
Usage:	This Modifier may be used when Installation is selected alone or with any other coverage that is not on a reporting basis.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.]

<u>The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.</u>

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions**.**

E. ADDITIONAL COVERAGE CONDITIONS

<u>4.</u> <u>Reporting Provisions</u>

<u>a. Reports</u>

<u>Within 30 days after the end of the Reporting Period shown in the Declarations, you must report the Premium Base for "Installation" to us in writing.</u>

<u>The Premium Base is your Actual Amount of Gross Sales (collected and uncollected) earned from your business activities defined under this policy as "Installation".</u>

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for "Installation" from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

0746 - Rpt Prov - IS CE Leased / Rented Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Installation Coverage and Contractors Equipment Leased and Rented Equipment.
Usage:	This modifier may be used on Installation/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.]

<u>The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.</u>

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

E. ADDITIONAL COVERAGE CONDITIONS

<u>4.</u> <u>Reporting Provisions</u>

<u>a.</u> <u>Reports</u>

<u>Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base outlined below for each type of Covered Property to us in writing.</u>

(1) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(2) "Installation"

The Premium Base is your Actual Amount of Gross Sales earned (collected and uncollected) from your business activities insured under this policy as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

0747 - Rpt Prov - IS CE List/Unlist Items

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Installation Coverage and Contractors Equipment Listed and Unlisted Equipment.
Usage:	This modifier may be used on Installation/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.]

<u>The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.</u>

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

E. ADDITIONAL COVERAGE CONDITIONS

<u>4.</u> <u>Reporting Provisions</u>

<u>a.</u> <u>Reports</u>

<u>Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base outlined below for each type of Covered Property to us in writing.</u>

<u>(1)</u> <u>"Contractors Equipment" - Listed and Unlisted Items</u>

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

(2) "Installation"

The Premium Base is your Actual Amount of Gross Sales earned (collected and uncollected) from your business activities insured under this policy as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) "Installation"

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.

0748 - Rpt Prov - IS CE List/Unlist & Leased/Rented

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It adds Reporting Provisions for Installation Coverage and Contractors Equipment Listed/Unlisted and Leased/Rented Equipment.
Usage:	This modifier may be used on Installation/Contractors Equipment policies written alone or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a.</u> <u>Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.</u>

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base outlined below for each type of Covered Property to us in writing.

(1) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(2) "Contractors Equipment" - Listed and Unlisted Items

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

(3) "Installation"

The Premium Based is your Actual Amount of Gross Sales (collected and uncollected) earned from your business activities insured as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) Covered Property other than "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you

will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

C. LIMITS OF INSURANCE

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

0749 - Rpt Prov - BR/IS CE List/Unlist Items

Purpose:	This Modifier changes Section A. COVERAGE, C. LIMITS OF INSURANCE and E. ADDITIONAL COVERAGE CONDITIONS. It adds reporting provisions for Builders' Risk coverage, Installation coverage and Contractor's Equipment Listed and Unlisted Items coverage.
Usage:	This modifier may be used on IM PAK Builders' Risk/Installation policies written in combination with Contractors Equipment coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a.</u> <u>Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.</u>

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable

Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.]

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Listed and Unlisted Items

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

(3) "Installation"

The Premium Based is your Actual Amount of Gross Sales (collected and uncollected) earned from your business activities insured as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) Covered Property other than "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0750 - Rpt Prov - BR/IS CE List/Unlist and Leased/Rented Items

Purpose:	This Modifier changes Sections A. COVERAGE; C. LIMITS OF INSURANCE and E. ADDITIONAL COVERAGE CONDITIONS. It adds reporting provisions for Builders' Risk coverage, Installation coverage and Contractor's Equipment Listed and Unlisted and Leased and Rented Items coverage.
Usage:	This modifier may be used on IM PAK Builders' Risk/Installation policies written in combination with Contractors Equipment coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

[a. Newly Acquired "Contractors Equipment"

If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover the items for up to 90 days. You will report the items within 90 days from the date acquired and will pay any additional premium due. If you do not report the new items, we will not pay for loss of or damage to the new items.

The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.]

<u>a.</u> <u>Newly Acquired "Contractors Equipment"</u>

<u>If during the policy period you acquire items of the type already covered by this policy as Listed and Unlisted Items, we will cover them for the remainder of the Policy Period. You will report the new items in the "Contractors Equipment" Premium Base as required by the Reporting Provisions of this policy. If you do not report the new items in the Premium Base, we will not pay for loss of or damage to the new items.</u>

<u>The most we will pay under this Coverage Extension is the Limit of Insurance shown in the Declarations for Newly Acquired "Contractors Equipment". Any payment made under this extension will not increase the "Contractors Equipment" "Maximum Amount of Payment" shown in the Declarations.</u>

C. LIMITS OF INSURANCE

[The most we will pay for loss or damage in any one occurrence is the applicable

Limit of Insurance shown in the Declarations. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations. The "Job Site" Limits of Insurance shown in the "Installation" Declarations apply separately to each "job site" for which you have a specific construction contract. But in the event coverage for loss or damage is provided under the Coverage Extensions or Additional Coverages, the Limits of Insurance stated within the specific Coverage Extension or Additional Coverage will apply as additional amounts of insurance, unless otherwise stated within the Coverage Extension or Additional Coverage.

If a title for a Limit of Insurance appears in quotations in the Declarations, that limit has a special meaning and may act to reduce or eliminate coverage under some circumstances. Refer to Section F - Definitions.

E. ADDITIONAL COVERAGE CONDITIONS

4. Reporting Provisions

a. Reports

Within 30 days after the end of the Reporting Period shown in the Declarations, you must report to us the applicable Premium Base and any other information outlined below for each type of Covered Property to us in writing.

(1) "Builders' Risk"

The Premium Base is the "completed value" of each building or structure under construction at each "job site" as of the last day of the Reporting Period.

You must also report the following for each such building or structure:

(a) The address;

(b) The type of construction and the intended occupancy; and

(c) The date construction commenced.

If a building or structure was completed during the Reporting Period, you must report the information required in (a) through (c), above, and include the date of completion.

(2) "Contractors Equipment" - Leased or Rented Items

The Premium Base is your actual expense incurred (paid and owed) to lease or rent items from others during the Reporting Period.

(3) "Contractors Equipment" - Listed and Unlisted Items

The Premium Base is the actual cash value of all Listed and Unlisted Items acquired, disposed of, or sold during the Reporting Period.

(4) "Installation"

The Premium Based is your Actual Amount of Gross Sales (collected and uncollected) earned from your business activities insured as "Installation" during the Reporting Period.

b. Premiums

(1) Premium Computation and Adjustment

(a) Covered Property other than "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed using the applicable Adjustment Rate shown in the Declarations and your estimated Premium Base. Your Actual Premium will be computed at the end of each Premium Adjustment Period by multiplying the applicable Adjustment Rate by the applicable Premium Base you reported to us.

We will subtract the Actual Premium from the Deposit Premium until it is used up. You will then pay us the additional premium that exceeds the Deposit Premium. All additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(b) "Contractors Equipment" - Listed or Unlisted Items

Your Deposit Premium is computed by applying the policy rate to the actual cash value of all Listed and Unlisted Items as of the first day of the Policy Period.

If at the end of the Premium Adjustment Period the actual cash value of the Listed and Unlisted Items acquired exceeds the actual cash value of Listed and Unlisted Items disposed of or sold, you will pay us an additional premium.

If at the end of the Premium Adjustment Period the actual cash value of Listed and Unlisted Items disposed of or sold exceeds the actual cash value of the Listed and Unlisted Items acquired, we will return premium to you.

Your Actual Premium for the Premium Adjustment Period will be calculated on such excesses using the applicable Adjustment Rate shown in the Declarations. Additional premium is due and payable as of the date of each Premium Adjustment.

We will pay you any unused amount of your Deposit Premium at the end of the Policy Period.

(2) Cancellation

If this policy is cancelled, you will report your Premium Base for the Covered Property from the last Premium Adjustment Period up to and as of the date of cancellation.

c. Records

You must keep accurate records of all transactions used to develop the Premium Base required for Premium Adjustment.

d. Penalty for Late "Builders' Risk" Reports

If at the time of loss or damage you have failed to send us a required report, we will be liable only for the buildings and structures shown on the last report we received. If the late report is the first report due for this policy, we will be liable for no more than 75% of the amount for which we would otherwise be liable.

0751 - Coinsurance Exclusion - Reporting Coverage

Purpose:	This Modifier amends Section E. ADDITIONAL COVERAGE CONDITIONS. This modifier amends the coinsurance provision to reflect a reporting policy.
Usage:	This Modifier may be used only with IM PAK Builders' Risk Coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".]

<u>2.</u> <u>Coinsurance</u>

<u>The amount you report as the "Builders' Risk" Premium Base must be the total "completed value" of each building and structure under construction at each "job site". We will not pay the full amount of any loss or damage if the amount you reported as the total "completed value" for the "job site" where the loss or damage occurred is less then the actual "completed value" at that "job site".</u>

<u>The penalty is that we will only pay the proportion of the loss or damage that the amount you reported as the total "completed" value" for the "job site" where the loss or damage occurred bears to the actual "completed value" at the "job site" times the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations.</u>

<u>This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).</u>

0752 - Coinsurance Exclusion - Reporting Coverage

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. This modifier amends the coinsurance provision to reflect a reporting policy.
Usage:	This Modifier may be used only with Builders' Risk Coverage written with coverage other than Computerized Business Equipment.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

You must maintain minimum limits of insurance on the following types of Covered Property.

a. "Builders' Risk"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).]

<u>2.</u> <u>Coinsurance</u>

<u>You may incur a coinsurance penalty, as outlined below, on the following types of Covered Property.</u>

<u>a.</u> <u>"Builders' Risk"</u>

<u>The amount you report as the "Builders' Risk" Premium Base must be the total "completed value" of each building and structure under construction at each "job site". We will not pay the full amount of any loss or damage if the amount you reported as the total "completed value" for the "job site" where the loss or damage occurred is less then the actual "completed value" at</u>

that "job site".

The penalty is that we will only pay the proportion of the loss or damage that the amount you reported as the total "completed" value" for the "job site" where the loss or damage occurred bears to the actual "completed value" at the "job site" times the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations.

This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).

0753 - Coinsurance Exclusion - Reporting Coverage

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. This modifier amends the coinsurance provision to reflect a reporting policy.
Usage:	This Modifier may be used only with Builders' Risk Coverage written with Computerized Business Equipment and at least one other coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

You must maintain minimum limits of insurance on only the following types of Covered Property.

a. "Builders' Risk"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).]

<u>2.</u> <u>Coinsurance</u>

<u>You may incur a coinsurance penalty, as outlined below, on only the following types of Covered Property.</u>

<u>a.</u> <u>"Builders' Risk"</u>

<u>The amount you report as the "Builders' Risk" Premium Base must be the total "completed value" of each building and structure under construction at each "job site". We will not pay the full amount of any loss or damage if the amount you reported as the total "completed value" for the "job site" where the loss or damage occurred is less then the actual "completed value" at</u>

that "job site".

The penalty is that we will only pay the proportion of the loss or damage that the amount you reported as the total "completed" value" for the "job site" where the loss or damage occurred bears to the actual "completed value" at the "job site" times the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations.

This Additional Coverage Condition does not apply when the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations is zero (0).

0754 - Coinsurance Exclusion - Reporting Coverage

Purpose:	This Modifier amends Section E., ADDITIONAL COVERAGE CONDITIONS. This modifier amends the coinsurance provision to reflect a reporting policy.
Usage:	This Modifier may be used only with IM PAK Builders' Risk Coverage written with Computerized Business Equipment Coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

[Builders' Risk"

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty. The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

This Additional Coverage Condition does not apply to "Computerized Business Equipment".]

<u>"Builders' Risk"</u>

<u>The amount you report as the "Builders' Risk" Premium Base must be the total "completed value" of each building and structure under construction at each "job site". We will not pay the full amount of any loss or damage if the amount you reported as the total "completed value" for the "job site" where the loss or damage occurred is less then the actual "completed value" at that "job site".</u>

<u>The penalty is that we will only pay the proportion of the loss or damage that the amount you reported as the total "completed" value" for the "job site" where the loss or damage occurred bears to the actual "completed value" at the "job site" times the applicable "Builders' Risk" Coinsurance Percentage shown in the Declarations.</u>

<u>This Additional Coverage Condition does not apply to "Computerized Business Equipment".</u>

0755 - Soft Cost Only w/Occupancy

Purpose:	This Modifier amend the following Sections: A. COVERAGE; B. EXCLUSIONS; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This Modifier provides Soft Costs coverage for the building or structure under construction and while occupied.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion".

Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3. "Soft Costs"</u>

<u>We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".</u>

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

<u>a. Interference by strikers or other persons affecting:</u>

<u>(1) Construction or repair of the Covered Property; or</u>

<u>(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.</u>

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

<u>2. "Soft Costs"</u>

We will not pay the "amount of loss" until the applicable Deductible shown in the Declarations is exceeded. We will then pay for that part of the "amount of loss" incurred by you in excess of such deductible, up to the Limit of Insurance.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Softs Costs and Special Time Element Coverage.]

<u>This Additional Coverage Condition does not apply to "Soft Costs".</u>

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled; or

b. Your interest ceases.

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

[a. Make every effort to meet the "planned completion date". This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

a. Make every effort to meet the "planned completion date". This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

1. "Amount of loss" means the sum of your actual "soft costs", as covered by this policy.

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

[20. "Rental value" means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair rental value of any portion of the completed "project" which would have been occupied by you.]

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

0756 - Soft Costs and Business Income Only

Purpose:	This Modifier amends the following Sections: A. COVERAGE E. ADDITIONAL COVERAGE CONDITIONS; and F., DEFINITIONS. This Modifier provides only Soft Costs and Business Income Coverage.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Soft Costs and Special Time Element

[c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

E. ADDITIONAL COVERAGE CONDITIONS

4. Determining the "Amount of Loss"

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

<u>b.</u> <u>Your likely "business income" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.</u>

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

<u>1.</u> <u>"Amount of loss" means the sum of your actual "soft costs" and "business income", as covered by this policy.</u>

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project".

[20. "Rental value" means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair rental value of any portion of the completed "project" which would have been occupied by you.]

0757 - Rental Value Only

Purpose:	This Modifier amends the following Sections: A. COVERAGE; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS and F. DEFINITIONS. This Modifier provides only Rental Value Coverage.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>"Rental Value"

<u>We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".</u>

D. DEDUCTIBLE

[2. Soft Costs and Special Time Element]

<u>2. "Rental Value"</u>

We will not pay the "amount of loss" until the applicable Deductible shown in the Declarations is exceeded. We will then pay for that part of the "amount of loss" incurred by you in excess of such deductible, up to the Limit of Insurance.

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Soft Costs and Special Time Element Coverage.]

<u>This Additional Coverage Condition does not apply to "Rental Value".</u>

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;

b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

<u>a. Your likely "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.</u>

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

<u>1. "Amount of loss" means your actual "rental value", as covered by this policy.</u>

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0758 - Soft Costs and Rental Value Only

Purpose:	This Modifier amends the following Sections: A. COVERAGE; E. ADDITIONAL COVERAGE CONDITIONS; and F., DEFINITIONS. This Modifier provides only Soft Costs and Rental Value Coverage
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Soft Costs and Special Time Element

[b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

E. ADDITIONAL COVERAGE CONDITIONS

6. Determining the "Amount of Loss"

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

<u>b. Your likely "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.</u>

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

<u>1. "Amount of loss" means the sum of your actual "soft costs" and "rental value", as covered by this policy.</u>

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

0759 - Soft Costs and BI w/Occupancy

Purpose:	This Modifier amends the following Sections: A. COVERAGE; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F., DEFINITIONS. This Modifier provides Soft Costs and Business Income coverage for a building or structure under construction and while occupied.
Usage:	This Modifier may be used only with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Soft Costs and Special Time Element

b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "business income" is actually reduced during the "post loss period of construction".</u>

[c. "Rental Value"

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

<u>a.</u> <u>Interference by strikers or other persons affecting:</u>

(1) Construction or repair of the Covered Property; or

(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.

E. ADDITIONAL COVERAGE CONDITIONS

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled; or

b. Your interest ceases; or

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

[a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[b. Your likely "business income" and "rental value " during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

b. Your likely "business income" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred.

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

1. "Amount of loss" means the sum of your actual "soft costs" and "business income", as covered by this policy.

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project".

[21. "Rental Value " means the sum of:

a. The total rental income from the tenant occupancy of the completed "project", as furnished and equipped by you;

b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and

c. The fair Business Income of any portion of the completed "project" which would have been occupied by you.]

0760 - Soft Costs and RV w/Occupancy

Purpose:	This Modifier amends the following Sections: A., COVERAGE; B., EXCLUSIONS; E., ADDITIONAL COVERAGE CONDITIONS; and F., DEFINITIONS. This Modifier provides Soft Costs and Rental Value coverage for a building or structure under construction and while occupied.
Usage:	This Modifier may be used only with with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Soft Costs and Special Time Element

[b. "Business Income"

We will pay the amount by which your "business income" is actually reduced during the "period of delay in completion". Such reduction in "business income" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

[c.] "Rental Value"
<u>b.</u>

We will pay the amount by which your "rental value" is actually reduced during the "period of delay in completion". Such reduction in "rental value" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".

<u>If the building or structure was occupied for its intended purpose at the time of loss or damage, we will pay the amount by which your "rental value" is actually reduced during the "post-loss period of construction".</u>

B. EXCLUSIONS

4. We will not pay the "amount of loss" that is directly or indirectly due to an increase in the "post-loss period of construction" caused by any of the following. Such "amount of loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the following:

[a. Interference by strikers or other persons affecting the construction or repair of the Covered Property.]

<u>a.</u> <u>Interference by strikers or other persons affecting:</u>

(1) Construction or repair of the Covered Property; or

(2) Operation or use of the "project" if the building or structure was occupied for its intended purpose at the time of loss or damage.

E. ADDITIONAL COVERAGE CONDITIONS

[3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled;

b. Your interest ceases; or

c. Unless we specify otherwise in writing and charge additional premium, when any "Builders' Risk" is:

(1) Occupied in whole or in part; or

(2) Put into use for other than testing purposes.]

3. When Coverage Will End

Coverage will end when any one of the following first occurs:

a. This policy expires or is cancelled; or

b. Your interest ceases; or

5. Duties In The Event of Loss

You must see that the following are done in the event of loss of or damage to Covered Property:

[a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair; and

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion".]

a. Make every effort to meet the "planned completion date".

This includes, but is not limited to:

(1) Resumption of, as soon as possible, all or any part of the construction or repair;

(2) Use of other machinery, equipment, supplies or materials that could reduce the "period of delay in completion"; and

(3) Resumption of, as soon as possible, the operation or use of any part of the "project", if the building or structure was occupied for its intended purpose at the time of loss or damage.

6. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[b. Your likely "business income" and "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

b. Either;

(1) Your likely "rental value" during the "period of delay in completion" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred; or

(2) Your likely "rental value" during the "post-loss period of construction" had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred, if the building was occupied for its intended purpose at the time of loss or damage.

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

1. "Amount of loss" means the sum of your actual "soft costs" and "rental value", as covered by this policy.

[4. "Business income" means the sum of:

a. The net profit or loss (before income taxes) from the operation or use of the "project"; and

b. The continuing normal operating expenses, including payroll, of the operation or use of the "project", less your "rental value".]

0764 - "Specified Machinery" Incl. Production Mach. - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides the equivalent of boiler and machinery coverage for property defined as specified machinery.
Usage:	This Modifier may be used only with monoline Builders' Risk and Builders' Risk, and Soft Costs and Special Time Element coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

The value of Covered Property will be the least of the following:

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not

to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value; at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will

be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Builders' Risk" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0765 - "Specified Machinery" Incl. Production Mach. - IS

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides the equivalent of boiler and machinery coverage for property defined as specified machinery.
Usage:	This Modifier may be used only with Installation coverage written monoline.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

<u>f. Pollutant Expenses</u>

<u>(1) "Pollutants" Other Than Ammonia</u>

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified

machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

The value of Covered Property will be the least of the following:

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value; at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13 "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power; and

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. **Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;**

k. **Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.**

20. **"Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",**

21. **"Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.**

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0766 - "Specified Machinery" Incl. Production Mach. RC - BR

Purpose:	This Modifier amends the following Sections: A. COVERAGE, sub-section Additional Coverages; B. EXCLUSIONS; E. ADDITIONAL COVERAGE CONDITIONS; and F. DEFINITIONS. This modifier provides replacement cost, and adds the equivalent of boiler and machinery coverage for property defined as specified machinery. Specified machinery includes production machinery.
Usage:	This Modifier may be used only with monoline Builders' Risk, or Builders' Risk, and Soft Costs and Special Time Element coverages. It is used in Washington state only.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

4. Additional Coverages

c. Debris Removal

(1) We will pay for your expense to remove debris of Covered Property caused by or resulting 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 of the "loss".

(2) The most we will pay under this Additional Coverage is 25% of the amount we pay for direct "loss" to Covered Property plus the deductible in this Coverage Part applicable to that "loss". Any payment will not increase the applicable Limit of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance shown elsewhere in this Coverage Part, we will pay up to $75,000 in any one occurrence as an additional amount of insurance.

[(3) We will not pay for your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage.]

<u>(3) We will not pay under this Coverage Extension for:</u>

<u>(a) Your expense to extract "pollutants" from land or water, or to remove, restore, or replace polluted land or water under this Additional Coverage; or</u>

<u>(b) Your additional expenses to clean up, repair, replace or dispose of Covered Property damaged or contaminated by "pollutants" as a result of a "machinery accident" to "specified machinery".</u>

f. Pollutant Expenses

(1) "Pollutants" Other Than Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is damaged or contaminated by "pollutants", other than ammonia, we will pay up to $100,000 of your additional expenses to clean up, repair, replace or dispose of such Covered Property for each "job site" during each separate 12 month period of the policy.

As used here, additional expenses mean expenses beyond those you would have incurred had no "pollutants" been involved.

(2) Ammonia

If as a result of a "machinery accident" covered by this Coverage Part, Covered Property is contaminated by ammonia, we will pay up to $25,000 for such damage, including salvage charges, at each "job site" during each separate 12 month period of the policy.

(3) Any amount payable under this Additional Coverage:

(a) Is included in the applicable "Specified Machinery Limit of Insurance"; and

(b) Will be paid only if reported to us in writing within 180 days of the date on which the "machinery accident" occurs.

(4) This Additional Coverage does not apply to or limit our payment for expenses resulting from any of the "specified causes of loss" that are caused by or result from a "machinery accident".

B. EXCLUSIONS

2. We will not pay for loss or damage caused by or resulting from any of the following:

[e. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".]

e. Except as may be provided under the Additional Coverages, the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by any of the "specified causes of loss" results, we will pay for that resulting loss or damage caused by the "specified causes of loss".

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it

to damage or destroy itself.

This Exclusion does not apply to loss of or damage to "specified machinery" from a "machinery accident".

E. ADDITIONAL COVERAGE CONDITIONS

4. Valuation

In the event of loss or damage, the value of your Covered Property as of the time of loss or damage will be the least of the following:

[a. The value of Covered Property you own will be the least of the following:

(1) The actual cash value of that property, including your labor, reasonable profit and delivery charges;

(2) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(3) The cost of replacing that property with substantially identical property.

b. The value of Covered Property for which you are legally liable will be the amount of your legal liability, not to exceed the replacement cost.]

a. All Covered Property Except Property Directly Damaged By A "Machinery Accident"

The value of Covered Property will be the least of the following:

(1) The value of Covered Property you own will be the least of the following:

(a) The cost to replace Covered Property (without deduction for depreciation) with other property:

(i) Of comparable material and quality; and

(ii) Used for the same purpose;

including your labor, reasonable profit and delivery charges;

(b) The amount you actually spend in repairing the damage or replacing the damaged property with new property of similar kind and quality; or

(c) The cost of replacing that property with substantially identical property if new property of similar kind and quality is not available.

(2) The value of Covered Property for which you are legally

liable will be the amount of your legal liability, not to exceed the replacement cost.

b. All Covered Property Directly Damaged By A "Machinery Accident"

(1) We will pay you the amount you spend to repair or replace your Covered Property directly damaged by a "machinery accident". Our payment will be the least of the following:

(a) The applicable "Specified Machinery Limit of Insurance";

(b) The cost at the time of the "machinery accident" to repair the damaged property with property of like kind, capacity, size and quality;

(c) The cost at the time of the "machinery accident" to replace the damaged property on the same site with other property:

(i) Of like kind, capacity, size and quality; and

(ii) Used for the same purpose;

(d) The amount you actually spend that is necessary to repair or replace the damaged property.

(2) As respects any "specified machinery", if the cost of repairing or replacing only a part of the "specified machinery" is greater than:

(a) The cost of repairing the "specified machinery"; or

(b) The cost of replacing the entire "specified machinery" on the same "job site";

we will pay only the lesser of (1) (a) or (1) (b).

The repair parts or replacement "specified machinery" must be:

(c) Of like kind, capacity, size and quality; and

(d) Used for the same purpose.

The cost of repair or replacement in (1) and (2) above does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

(3) We will not pay you:

(a) If the loss or damage is to property that is obsolete or useless to you, or

(b) For any extra cost if you decide to repair or replace the damaged property with property of a better kind or quality or of larger capacity.

(4) If you do not repair or replace the damaged property within 18 months after the date of the "machinery accident", then we will pay only the lesser of the:

(a) Cost it would have taken to repair; or

(b) Actual cash value;

at the time of the "machinery accident".

But this limitation does not apply to any time period beyond the 18 months that we agree to in writing.

6. Suspension

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

a. Your last known address; or

b. The address where "specified machinery" is located.

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

E. DEFINITIONS

13. "Machinery accident" means a sudden and accidental breakdown of "specified machinery" or part of "specified machinery". At the time the "machinery accident" occurs, the "machinery accident" must manifest itself by physical damage to the "specified machinery" that necessitates repair or replacement.

None of the following is a "machinery accident":

a. Depletion, deterioration, corrosion or erosion;

b. Wear and tear;

c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

d. Breakdown of any vacuum tube, gas tube or brush;

e. The functioning of any safety or protective device;

f. Cracking of any part of a gas turbine when such part was exposed to the products of combustion.

g. Breakdown of "specified machinery" or part of "specified machinery" that occurs during testing of such property beyond the recommended or design specifications of the manufacturer for that property.

15. "One accident" means:

If an initial "machinery accident" causes other "machinery accidents", all will be

considered "one accident". All "machinery accidents" at any one "job site" which manifest themselves at the same time and are the result of the same cause will be considered "one accident".

19. "Specified machinery" means:

a. Boilers, fired vessels, unfired vessels normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning vessels, and any metal piping and its accessory equipment;

b. Mechanical or electrical machines or apparatuses used for the generation, transmission or utilization of mechanical or electrical power;

c. The following vessels when used with machinery stated in a. and b.:

(1) Condensate return tank;

(2) Cushion or expansion tank used with a hot water heating boiler;

that are Covered Property under "Installation" and are in use or connected ready for use at the "job site".

"Specified machinery" does not mean any:

a. Part of a boiler, fired vessel or electric steam generator that does not contain

(1) Steam or water; or

(2) Other heat transfer medium or its vapors;

b. Insulating or refractory material;

c. Non-metallic vessel, unless it is constructed and used in accordance with the American Society of Mechanical Engineers Code (A.S.M.E.);

d. Catalyst;

e. Buried vessel or piping;

f. Sewer piping, piping forming a part of a fire protection system or water piping other than:

(1) Feed water piping between any boiler and its feed pump or injector; or

(2) Boiler condensate return piping; or

(3) Water piping forming a part of refrigerating and air-conditioning vessels and piping used for cooling, humidifying or space heating purposes;

g. Part of a vessel that is not under:

(1) Pressure of the contents of the vessel; or

(2) Internal vacuum;

h. Oven, stove, furnace, incinerator, pot or kiln;

i. Structure, foundation, cabinet or compartment containing or supporting the "specified machinery";

j. Machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes;

k. Felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

20. "Specified Machinery Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "specified machinery" from a "machinery accident",

21. "Specified Machinery Limit of Insurance" means the most we will pay for loss or damage in any "one accident" to "specified machinery" from a "machinery accident", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0767 - Specified Collapse Exclusion - BR/IS

Purpose:	This Modifier changes policy Section B. EXCLUSIONS. This modifier reaffirms our intent to exclude collapse losses that occur concurrently or in any sequence with Flood or Earth Movement when coverage for Flood or Earth Movement is not provided.
Usage:	This modifier is used when Builders' Risk and Installation are written together along with any other coverage.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

e. Collapse or Imminent Collapse From "Flood" or "Earth Movement"

(1) Collapse meaning an abrupt falling down or caving in of a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

with the result being that such property cannot be occupied for its intended purpose.

(2) Imminent Collapse meaning a:

(a) Building or structure; or

(b) Substantial part of a building or structure;

that is in imminent danger of abruptly falling down or caving in or that suffers a substantial impairment of structural integrity with the result being that such property cannot be occupied for its intended purpose.

(3) This exclusion applies only to property covered as "Builders' Risk" or "Installation" when:

(a) "Flood" contributes concurrently or in any sequence to the collapse or imminent collapse and "flood" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Flood Limit of Insurance"; or

(b) "Earth movement" contributes concurrently or in any sequence to

<u>the collapse or imminent collapse and "earth movement" is not a Covered Cause of Loss under this Coverage Part as indicated by 'No Coverage' shown in the Declarations for "Earth Movement Limit of Insurance".</u>

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   f. Weather conditions. But this exclusion only applies if weather conditions contribute concurrently or in sequence with:

      (1) "Flood", unless an amount is shown under "Flood Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred;

      (2) "Earth movement", unless an amount is shown under "Earth Movement Limit of Insurance" in the Declarations for the "job site" where the "loss" occurred; or

      (3) "Loss" excluded in Section B - Exclusions parts 1.a., 1.b., 1.c, **[and]** 1.d. **<u>and 1.e.</u>**

      This exclusion applies only to "Builders' Risk" and "Installation".

0768 - CBE Medical Equipment Incl. Breakdown

Purpose:	This Modifier amends Sections B., EXCLUSIONS, E, ADDITIONAL COVERAGE CONDITIONS and F., DEFINITIONS. It amends the policy to provide coverage for computerized medical equipment by revising the definition of "Hardware" and adding a condition to the policy requiring proper installation and maintenance of equipment.
Usage:	This Modifier may be used only when “Computerized Business Equipment” is selected alone.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

3. We will not pay for loss of or damage to "Hardware" caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

a. Mechanical failure or breakdown of "hardware".

b. Errors or omissions in design, construction, or maintenance of "hardware".

c. Artificial electric current within "hardware" including arcing, short circuit or blow out.

These exclusions do not apply if, at the time of loss or damage, you have met all of the requirements on Installation, Inspection and Maintenance of "Hardware'", in Section E, ADDITIONAL COVERAGE CONDITIONS.

E. ADDITIONAL COVERAGE CONDITIONS

2. Installation, Inspection and Maintenance of "Hardware"

You are required to install, equip and maintain "hardware" in accordance with the recommendations of the manufacturers of the "hardware". If you do not install, equip or maintain the "hardware" yourself, you may arrange to have this done for you by a company with whom you sign a maintenance contract, provided that the company installs, equips and maintains the "hardware" in accordance with the recommendations of the manufacturers of the "hardware".

You are also required to arrange for inspection and maintenance of "hardware" at least monthly by either yourself or a company with whom you sign a maintenance contract, and to maintain written records of such inspection and maintenance.

H. DEFINITIONS

[13. "Hardware" means machines which can accept data and process it. But it does not include "Software".]

13. "Hardware" means machines, including computerized medical equipment, which can accept data and process it. But it does not include vacuum tubes, gas tubes, or "Software".

0769 - Renovation Extension

Purpose:	This Modifier amends Section F. DEFINITIONS. This modifier amends the definition of "Builders' Risk" to include property being renovated, repaired, rebuilt or refurbished as covered property.
Usage:	This Modifier may be used with Builders' Risk coverage written both monoline or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

3. "Builders' Risk" means:

Property described in the Declarations under "Builders Risk" owned by you or for which you are legally liable consisting of:

a. Buildings or structures including temporary structures while being constructed, erected or fabricated at the "job site";

b. Property that will become a permanent part of the buildings or structures at the "job-site";

(1) While in transit to the "job site" or temporary storage location;

(2) While at the "job site" , including while being installed, or at a temporary storage location;

<u>c.</u> <u>Buildings and structures while being renovated, repaired, rebuilt or refurbished.</u>

"Builders' Risk" does not include:

<u>a.</u> Contraband, or property in the course of illegal transit or trade;

[b. Buildings or structures that existed at the "job site" prior to the inception of this policy;]

<u>b.</u> Land (including land on which the property is located) or water.

0770 - Existing Building Coverage - BR

Purpose:	This Modifier amends Section F. DEFINITIONS. This modifier deletes the restriction on existing buildings and structures in the Builders' Risk definition, which then brings existing buildings or structures at the "job site" within the scope of covered property. **Note:** This modifier is designed to cover **new** buildings or structures already in the course of construction when we write the policy as new business. This modifier should **not** be used to provide coverage for existing buildings or structures being renovated, repaired, rebuilt or refurbished. Use Modifier 0043, Renovation Extension, on renovation or rehab type exposures.
Usage:	This Modifier may be used with Builders' Risk coverage written both monoline or in combination with other coverages.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

3. "Builders' Risk" means:

   Property described in the Declarations under "Builders Risk" owned by you or for which you are legally liable consisting of:

   a. Buildings or structures including temporary structures while being constructed, erected or fabricated at the "job site";

   b. Property that will become a permanent part of the buildings or structures at the "job-site";

      (1) While in transit to the "job site" or temporary storage location;

      (2) While at the "job site" , including while being installed, or at a temporary storage location;

   "Builders' Risk" does not include:

   a. Contraband, or property in the course of illegal transit or trade;

   [b. Buildings or structures that existed at the "job site" prior to the inception of this policy;]

   b. Land (including land on which the property is located) or water.

0772 - Stated Amount - CE

Purpose:	This Modifier changes the following policy Section(s): E. ADDITIONAL COVERAGE CONDITIONS. The coinsurance clause is deleted and the valuation for Contractors Equipment is changed from actual cash value to stated amount.
Usage:	This modifier is used only when Contractors Equipment and Computerized Business Equipment are selected. This modifier should be used only for accounts with above average maintenance and records system. The insured should appraise the equipment value annually.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

[2. Coinsurance

"Contractors Equipment"

a. Listed Items

The Limit of Insurance for each item shown in the Declarations must equal at least 80% of its actual cash value at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss of or damage to each item that the Limit of Insurance for the item bears to 80% of its actual cash value at the time of loss or damage.

b. Unlisted Items

The Unlisted Item Limit of Insurance shown in the Declarations must equal at least 80% of the actual cash value of all Unlisted Items at the time of loss or damage or you will incur a penalty.

The penalty is that we will pay only the proportion of any loss or damage that the Limit of Insurance for Unlisted Items bears to 80% of the actual cash value of all Unlisted Items at the time of loss or damage.

The coinsurance penalty does not apply to items leased, rented or borrowed from others unless they are shown as Listed Items.

This Additional Coverage Condition does not apply to "Computerized Business Equipment".]

1. Valuation In the event of loss or damage, the value of your Covered Property at the time of loss or damage will be determined as follows:

a. "Contractors Equipment"

The value of "Contractors Equipment" will be determined as shown below:

(1) Listed And Unlisted Items

The value of Listed And Unlisted Items will be the least of the following:

[(a) The actual cash value of that property;

But in the event of partial loss or damage, not exceeding 20% of the Limit of Insurance applicable to the Covered Property, no depreciation will be applied in the settlement of the claim;]

<u>(a) The Limit of Insurance shown in the Schedule for that property;</u>

(b) The cost of reasonably restoring that property to its condition immediately before loss or damage; or

(c) The cost of replacing that property with substantially identical property.

(2) Leased Or Rented Items

The value of Leased or Rented Items will be the amount of your legal liability, not to exceed the replacement cost.

0775 - Waterborne Coverage - $250,000

Purpose:	This Modifier changes Section A. COVERAGE,and F. DEFINITIONS. This modifier limits waterborne coverage for Contractor Equipments to $250,000.
Usage:	This modifier can be used with Contractors Equipment policies written monoline or with other coverages.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

3. Coverage Extensions

We will pay for loss or damage from a Covered Cause of Loss for each of the following Coverage Extensions:

a. "Contractors Equipment" While Waterborne

We will pay for loss of or damage to "Contactors Equipment" while waterborne. The most we will pay in any one loss or damage under this Additional Coverage is $250,000.

F. DEFINITIONS

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

a. Listed Items - Items listed in the Declarations;

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than $2500 for any one item;

c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be

liable for the items, or the item is to be operated by you or your employee when in use**;**

e. **Items while waterborne unless on public vessels with scheduled routes, except for the coverage provided in the Coverage Extensions section of this policy.**

0776 - "Specified Testing" - BR

Purpose:	This Modifier changes the following policy Section(s): B. EXCLUSIONS and F. DEFINITIONS. This modifier provides mechanical breakdown of equipment defined as building mechanical systems when the breakdown occurs during the testing processes defined in the policy.
Usage:	This modifier is used when Builders' Risk or Builders' Risk, and Soft Costs and Special Time Element coverages are written monoline; or when Builders' Risk is written in combination with any other coverage except Installation.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

B. EXCLUSIONS

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

   a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

      <u>This Exclusion does not apply to loss of or damage to "building mechanical systems" during "specified testing".</u>

F. DEFINITIONS

<u>3.</u> **<u>"Building mechanical systems" means heating, ventilating, and air conditioning vessels, equipment and piping which are covered as "Builders' Risk".</u>**

<u>"Building mechanical systems" does not include any:</u>

<u>a.</u> **<u>System or part of a system designed to be used for manufacturing, fabrication, assembly or processing of any kind; or</u>**

<u>b.</u> **<u>System or part of a system designed for the production of electrical energy or steam.</u>**

<u>18.</u> **<u>"Specified testing" means the:</u>**

<u>a.</u> **<u>Use of fluids, compressed air or other gases to fill any part of a "building mechanical system"; or</u>**

<u>b.</u> **<u>Operation of any moving part of a "building mechanical system";</u>**

<u>in order to validate operating performance within manufacturer's design specifications.</u>

Such "specified testing" must be conducted using procedures:

a. Approved by the manufacturer; and

b. That meet accepted engineering practices, standards and testing codes.

19. "Specified Testing Deductible" means the Deductible applicable in any one occurrence of loss of or damage to "building mechanical systems" from "specified testing".

20. "Specified Testing Limit of Insurance" means the most we will pay for loss of or damage to "building mechanical systems" in any one occurrence from "specified testing", regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

Such Limit of Insurance is included within and will not increase the applicable "Basic Limit of Insurance".

0777 - Business Income and Rental Value

Purpose:	This Modifier amends the following Section: A. COVERAGE; D. DEDUCTIBLE; E. ADDITIONAL COVERAGE CONDITIONS; and F.; DEFINITIONS. This Modifier provides Business Income and Rental Value Coverage.
Usage:	This Modifier may be used only with with Builders' Risk, and Soft Costs and Special Time Element coverage.

Sections of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

A. COVERAGE

[3. Soft Costs and Special Time Element]

a. "Soft Costs"

We will pay your "soft costs" during the "period of delay in completion". Such "soft costs" must result from loss of or damage to Covered Property from any of the Covered Causes of Loss which delays the completion of the "project" beyond the "planned completion date".]

<u>3.</u> <u>Special Time Element</u>

[2. Soft Costs and Special Time Element]

<u>2.</u> <u>Special Time Element</u>

E. ADDITIONAL COVERAGE CONDITIONS

2. Coinsurance

The "Basic Limit of Insurance" for each "job site" shown in the Declarations must equal the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site" shown in the Declarations or you will incur a penalty.

The penalty is that we will only pay the proportion of the loss or damage that the applicable "Basic Limit of Insurance" bears to the "completed value" at that "job site" times the "Builders' Risk" Coinsurance Percentage for that "job site".

[This Additional Coverage Condition does not apply to Softs Costs and Special Time Element Coverage.]

<u>This Additional Coverage Condition does not apply to Special Time Element Coverage.</u>

4. Determining the "Amount of Loss"

The "amount of loss" will be determined based on:

[a. Your budgeted costs for the project had loss of or damage to Covered Property from any of the Covered Causes of Loss not occurred;]

F. DEFINITIONS

[1. "Amount of loss" means the sum of your actual "soft costs", "business income" and "rental value", as covered by this policy.]

<u>1. "Amount of loss" means the sum of your actual "business income" and "rental value", as covered by this policy.</u>

[23. "Soft costs" means your actual and necessary business costs in excess of your budgeted amount for the "project" consisting only of type shown in the Declarations.]

0780 - List of Property On File

Purpose:	This Modifier changes Section F. DEFINITIONS. This modifier amends the defintion to state that coverage applies to the items listed on file with the company rather than on the Declarations.
Usage:	It can be used whenever Scheduled Property is selected.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

[4. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.]

<u>4.</u> <u>"Scheduled Property" means items listed on the list on file at our premises. The list on file at our premises must be signed and dated, by you before you send it to us.</u>

"Scheduled Property" does not mean contraband, or property in the course of illegal transit or trade.

0781 - Waterborne - Property Not Covered (SP)

Purpose:	This Modifier changes the following policy Section(s):F. DEFINITIONS. This modifier is used to exclude coverage on waterborne property.
Usage:	This modifier can be used with any IM PAK coverage that includes Scheduled Property.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

4. "Scheduled Property" means items listed in the Declarations owned by you or for which you are legally liable.

   "Scheduled Property" does not mean**<u>:</u> [contraband, or property in the course of illegal transit or trade.]**

   <u>a.</u> <u>Property while waterborne; or</u>

   <u>b.</u> <u>Contraband, or property in the course of illegal transit or trade.</u>

0782 - Percentage Deductible

Purpose:	This Modifier changes the following policy Section(s): F. DEFINITIONS. This modifier defines percentage deductible under "Contractors Equipment" definitions.
Usage:	This Modifier may be used with Contractors Equipment written monoline or with other coverages.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below.Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

5. "Percentage Deductible" means the amount deducted in any one occurrence of loss or damage to "Contractors Equipment". The "Percentage Deductible" applicable to:

a. Listed Items will be developed by multiplying the percentage shown in the Declarations by the sum of the applicable Limit(s) of Insurance for each covered item involved in any one occurrence of loss or damage.

b. Unlisted Items will be developed by multiplying the percentage shown in the Declarations by the sum of the applicable valuation for each covered item involved in any one occurrence of loss or damage.

c. Leased or Rented Items not listed in the Declarations will be developed by multiplying the percentage shown in the Declarations by the sum of the amount(s) for which you are legally liable for each covered item involved in any one occurrence of loss or damage.

In no event will sum of the the actual amount deducted be less than the Minimum Deductible, or more than the Maximum Deductible shown in the Declarations..

0787 – Theft Ded Waiver Up To $10,000- Wireless Recovery System

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft, up to $10,000, when the stolen item is equipped with a wireless recovery system and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment and Scheduled Property policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For Wireless Equipment Location And Tracking System

The following Loss Condition is added to the LOSS CONDITIONS Section of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of Covered Property, the applicable deductible is waived and will not apply to any such property equipped with a wireless equipment location and tracking system.

The most we will waive in any one occurrence of loss or damage is $10,000.

This waiver applies only to stolen Covered Property that is not recovered within 30 days of the theft, or that is recovered in damaged condition, but only if you promptly report the theft to the police and inform them that the stolen Covered Property is equipped with a wireless equipment location and tracking system, which has been activated.

0788 – Theft Deductible Waiver- Wireless Recovery System

Purpose:	This Modifier changes Section E. ADDITIONAL COVERAGE CONDITIONS. It waives the deductible applicable to theft when the stolen item is equipped with a wireless recovery system and certain conditions are met.
Usage:	This Modifier may be used with Contractors Equipment and Scheduled Property policies written both stand-alone or in combination with any other coverage.

Section(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

E. ADDITIONAL COVERAGE CONDITIONS

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

1. Theft Deductible Waiver For Wireless Equipment Location And Tracking System

The following Loss Condition is added to the LOSS CONDITIONS of the COMMERCIAL INLAND MARINE CONDITIONS:

In the event of theft of Covered Property, the applicable deductible is waived and will not apply to any such property equipped with a wireless equipment location and tracking system.

This waiver applies only to stolen Covered Property that is not recovered within 30 days of the theft, or that is recovered in damaged condition, but only if you promptly report the theft to the police and inform them that the stolen Covered Property is equipped with a wireless equipment location and tracking system, which has been activated.

0793 - List Of Property On File - CE

Purpose:	This Modifier changes the following policy Section(s): F. DEFINITIONS. It amends the definition for Contractors Equipment Listed Items from Items listed in the Declarations to Items shown on the list on file at our premises.
Usage:	This Modifier may only be used with Contractors Equipment written monoline or in combination with other coverages. Note: The Limit of Insurance for Unlisted Items is shown on the Declarations Page and is controlled by a Gen-A-Rate screen entry.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

[a. Listed Items - Items listed in the Declarations;]

<u>a.</u> <u>Listed Items - Items that are shown on the list on file at our premises.</u>

b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;

[c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

<u>c.</u> <u>Leased or Rented Items - Items, not listed on the list on file at our premises, that you have leased or rented from others. The Limit of Insurance for this property is shown in the Declarations.</u>

<u>The list on file at our premises must be signed and dated, by you before you send it to us.</u>

"Contractors Equipment" does not include:

a. Contraband, or property in the course of illegal transit or trade;

b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be

liable for the items, or the item is to be operated by you or your employee when in use;

0794 - CE Unlisted And Borrowed Flexible

Purpose:	This Modifier changes Section F. DEFINITIONS. The definition of Contractors Equipment is amended to provide coverage for borrowed items under subsection c., leased or rented items, rather than subsection b., unlisted items, of the Contractors Equipment definition. This gives underwriters the flexibility to provide the same per item limit of insurance for leased, rented and borrowed items by inserting the amount on the Declarations.
Usage:	This modifier can be used with any IM PAK coverage that includes Contractors Equipment. Note: The Limit of Insurance for Unlisted Items is shown on the Declarations Page and is controlled by a Gen-A-Rate screen entry.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets [ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

2. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

   a. Listed Items - Items listed in the Declarations;

   [b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;]

   <u>b. Unlisted Items - Items you own that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;</u>

   [c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.]

   <u>c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased, rented or borrowed from others.</u>

   "Contractors Equipment" does not include:

   a. Contraband, or property in the course of illegal transit or trade;

   b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use;

0795 - Unlisted Items Including Employees Tools

Purpose:	This Modifier changes the following policy Section(s): F. DEFINITIONS, for "Contractors Equipment" Unlisted Items. It amends coverage for Unlisted Items to include employees' tools.
Usage:	This modifier can be used with Contractors Equipment written monoline or in combination with other coverages. Note: The Limit of Insurance for Unlisted Items is shown on the Declarations Page and is controlled by a Gen-A-Rate screen entry.

Sections(s) of the Core Coverage Part changed by this Modifier are shown below. Bold text indicates parts amended by this Modifier. Text in brackets[ ] indicates parts that are deleted. Underlined text indicates parts that are added.

If this Modifier adds or deletes an enumerated clause to/from the Core Coverage Part, it will cause the remaining clauses (if any) in the segment that it modifies to be renumbered or re-lettered accordingly.

F. DEFINITIONS

5. "Contractors Equipment" means mobile machinery and equipment normally used in the construction industry consisting of:

   a. Listed Items - Items listed in the Declarations;

   [b. Unlisted Items - Items you own or you have borrowed from others that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than $2500 for any one item;]

   <u>b.</u> <u>Unlisted Items - Items:</u>

   <u>(1)</u> <u>You own;</u>

   <u>(2)</u> <u>You have borrowed from others;</u>

   <u>(3)</u> <u>Your employees own;</u>

   <u>that are not specifically listed by item in the Declarations. The Limit of Insurance for this property is shown in the Declarations, but we will not pay more than the amount shown for any one item;</u>

   c. Leased or Rented Items - Items, not listed in the Declarations, that you have leased or rented from others.

   "Contractors Equipment" does not include:

   a. Contraband, or property in the course of illegal transit or trade;

   b. Vehicles designed and principally used to transport property or persons over public roads;

c. Aircraft or watercraft;

d. Items leased, rented or loaned to others; unless they have agreed in writing to be liable for the items, or the item is to be operated by you or your employee when in use;

Rate Information

Rate data does NOT apply to filing.

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty

Review Status: Approved 05/19/2008

Comments:

Attachments:

NAIC Transmittal - Forms.pdf

2008-03-0014 - NAIC Form Filing Schedule.pdf

Satisfied -Name: Filing Memorandum

Review Status: Approved 05/19/2008

Comments:

Attachment:

2008-03-0014 IM PAK Filing Memorandum - FORMS ONLY.pdf

Satisfied -Name: Exhibit I and II

Review Status: Approved 05/19/2008

Comments:

Attachments:

Exhibit I - Mod List AR 03-28.pdf

Exhibit II - Obsolete Mod List 03-28.pdf

Property & Casualty Transmittal Document

1 . Reserved for Insurance Dept. Use Only	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	Group NAIC #
	The Travelers Companies, Inc.	3548
	NIPPONKOA Insurance Company, Ltd.	2558

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #
	The Travelers Indemnity Company	CT	25658	06-0566050	
	The Charter Oak Fire Insurance Company	CT	25615	06-0291290	
	The Travelers Indemnity Company of Connecticut	CT	25682	06-0336212	
	The Travelers Indemnity Company of America	CT	25666	58-6020487	
	The Phoenix Insurance Company	CT	25623	06-0303275	
	Travelers Property Casualty Company of America	CT	25674	36-2719165	
	NIPPONKOA Insurance Company, Ltd.	NY	27073	98-0032627	

5.	Company Tracking Number	2008-03-0014-F

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Margaret M. Salsbury Travelers One Tower Square Hartford, CT 06183	Senior Regulatory Analyst	(860) 277-6470	(860) 954-0580	MSALSBUR@Travelers.com

7.	Signature of authorized filer	Margaret M. Salsbury
8.	Please print name of authorized filer	Margaret M. Salsbury

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

9.	**Type of Insurance (TOI)**	09.0
10.	**Sub-Type of Insurance (Sub-TOI)**	09.0000
11.	**State Specific Product code(s) (if applicable)[See State Specific Requirements]**	N/A
12.	**Company Program Title** (Marketing title)	Commercial Inland Marine
13.	**Filing Type**	☐ Rate/Loss Cost ☐ Rules ☐ Rates/Rules ☒ Forms ☐ Combination Rates/Rules/Forms ☐ Withdrawal ☐ Other (give description)
14.	**Effective Date(s) Requested**	New: 06/01/2008 Renewal: 06/01/2008
15.	**Reference Filing?**	☐ Yes ☒ No
16.	**Reference Organization** (if applicable)	N/A
17.	**Reference Organization # & Title**	N/A
18.	**Company's Date of Filing**	04/23/2008
19.	**Status of filing in domicile**	☒ Not Filed ☒ Pending ☐ Authorized ☐ Disapproved

Property & Casualty Transmittal Document—

20.	**This filing transmittal is part of Company Tracking #**	2008-03-0014-F

21.	**Filing Description** [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

In compliance with the insurance laws and regulations in your state, our companies respectfully submit the attached Commercial Inland Marine form filing to be used with our proprietary IM PAK program.

By way of background information, the concept of IM PAK is based upon using standard clauses and provisions to generate a final coverage form. These standard provisions are individually coded and may be replaced by one or more substitute provisions which we call modifiers. For example, the standard 80% coinsurance provision may be modified to a 90% or 100% provision for replacement cost valuation instead of the standard actual cash value provision. Through this dynamic process, a tailored coverage form is created for each risk without having to use an array of separate endorsements to achieve the desired level of coverage.

With this filing, we are submitting a comprehensive revision to our existing IM PAK program. The vast majority of the language changes which have been made are to simply replace the outdated, defined term “loss” with the phrase “loss or damage” to be consistent with our other coverage products which have become commonly accepted on an industry level.

For a detailed explanation of our filing, please refer to the enclosed Filing Memorandum.

Your approval of this filing will be appreciated. Should you have any questions regarding this submission, please feel free to contact me at your convenience.

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]

Check #: N/A - EFT
Amount: $50.00

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

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

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FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	**2008-03-0014**
2.	**This filing corresponds to rate/rule filing number** (Company tracking number of rate/rule filing, if applicable)	**N/A**

3.	**Form Name /Description/Synopsis**	**Form # Include edition date**	**Replacement or Withdrawn?**	**If replacement, give form # it replaces**	**Previous state filing number, if required by state**
01	IM PAK Clause Modifiers	See Exhibits I and II included in filing	☒ New ☒ Replacement ☒ Withdrawn	See Exhibits I and II included in filing	
02			☐ New ☐ Replacement ☐ Withdrawn		
03			☐ New ☐ Replacement ☐ Withdrawn		
04			☐ New ☐ Replacement ☐ Withdrawn		
05			☐ New ☐ Replacement ☐ Withdrawn		
06			☐ New ☐ Replacement ☐ Withdrawn		
07			☐ New ☐ Replacement ☐ Withdrawn		
08			☐ New ☐ Replacement ☐ Withdrawn		
09			☐ New ☐ Replacement ☐ Withdrawn		
10			☐ New ☐ Replacement ☐ Withdrawn		

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FILING MEMORANDUM
OMNI II PROGRAM
INLAND MARINE COVERAGE PART

The purpose of this filing is to file a comprehensive revision to our existing IM PAK® product.

As background, the concept of IM PAK is based upon using standard clauses and provisions to generate a final coverage form. These standard provisions are individually coded and may be replaced by one or more substitute provisions we call 'modifiers'. For example, the standard 80% coinsurance clause may be replaced by a 90% or 100% provision, or replacement cost valuation may be used instead of the standard actual cash value provision. Through this dynamic process, a tailored coverage form is created for each risk without the necessity of using an array of separate endorsements to achieve the desired scope of coverage.

The changes involved with this filing are sixfold:

- First and representing the largest amount of text revision is replacing the outdated, defined term *"loss"* with the phrase *'loss or damage'* which is used in other coverage products and has become commonly accepted on an industry level.

  This term was used frequently throughout the coverage text and the magnitude of this simple change was quite large as the revision impacted the majority of policy provisions. We emphasis, however, the overall coverage intent of this wording change remains parallel to the existing product as previously filed and approved.

- Second, we have also clarified the scope of coverage in some places. These clarifications are separately identified for your review. Again, these changes are intended to keep this important product for us current with ISO and other Travelers proprietary forms without change to the existing scope of coverage.

- Third, the Government Action and Nuclear Hazard exclusions have also been updated in line with the wording current used and approved in ISO coverage forms. The change of wording to these provisions does not represent any change to the coverage intent of the existing product as previously filed and approved.

- Fourth, the availability of programming resources has allowed us to incorporate the previously filed and approved Electronic Vandalism endorsement into the core IM PAK product. This change allows us to preserve the intent of IM PAK by embedding this previously separate endorsement directly into our coverage form.

- Fifth, the availability of programming resources has allowed us to incorporate several optional features into the IM PAK product which will more smoothly mesh these options with the policy issuance process and final policy output. These options are separately identified and detailed in the attached material.

- Sixth, the IM PAK method of constructing individually tailored policies also required the programming of new modifiers to capture the wording change in most cases. We have included the previously approved modifier number with the replacement modifier number for your convenience and reference. The only change to this population of modifiers is the conversion of the wording to *'loss or damage'*.

We again emphasize that the vast majority of these changes have been made to update the wording of this product only and the scope of coverage remains identical to the existing product as currently filed.

Enclosed are the following exhibits:

- EXHIBIT I - This exhibit lists the new modifiers, the newly renumbered modifiers and the existing modifiers which have been modified along with an explanation as to the specific changes, if any, which were made. It is intended to clearly demonstrate that the vast majority of the text changes relate to the replacement of the term "loss" with the phrase 'loss or damage'.

- EXHIBIT II – This exhibit lists the obsolete modifiers being withdrawn in the current filing.

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0586	**New**	Named Storm Deductible	
0587	**New**	Rental Payments	
0588	0412	(M) Repl. Cost Val. Sched. Items	*"Loss"* changed to *'loss or damage'*
0589	0048	Freezing Exclusion - BR/IS	*"Loss"* changed to *'loss or damage'*
0590	0422	(M) Repl. Cost Val. Sched. Items	*"Loss"* changed to *'loss or damage'*
0591	0568	(M) Repl. Cost Val. Sched. Items	*"Loss"* changed to *'loss or damage'*
0592	0134	Business Income and Rental Value with Occupancy	*"Loss"* changed to *'loss or damage'*
0593	0317	(M) "Soft Costs"	*"Loss"* changed to *'loss or damage'*
0594	0052	Omission in, or Faulty Design Exclusion - IS	*"Loss"* changed to *'loss or damage'*
0595	0049	Omission in, or Faulty Design Exclusion - BR/IS	*"Loss"* changed to *'loss or damage'*
0596	0053	Omission in, or Faulty Design Exclusion*	*"Loss"* changed to *'loss or damage'*
0597	0051	Omission in, or Faulty Design Exclusion - BR/IS	*"Loss"* changed to *'loss or damage'*
0598	0046	Freezing Exclusion - BR	*"Loss"* changed to *'loss or damage'*
0599	0045	Freezing Exclusion - IS	*"Loss"* changed to *'loss or damage'*
0604	**New**	AR and LA “Bacteria” Changes	
0605	**New**	AR and LA “Bacteria” Changes	
0606	**New**	AR and LA “Bacteria” Changes	
0615	**New**	Rpt. Prov. - CE List/Unlist & Leased/Rented Items	
0616	**New**	Rpt. Prov. - BR, CE Listed/Unlisted Items	
0617	**New**	Expediting Expense - $250,000	
0619	**New**	Rpt. Prov. - BR, CE Listed/Unlisted & Leased/Rented	
0620	0078	Rpt. Prov. - BR, CE Leased/Rented Items	*"Loss"* changed to *'loss or damage'*

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0625	**New**	Landscaping and Signs - Extended Coverage	
0627	**New**	Theft Ded Waiver Up To $10K - Stolen Equip Recovery System	
0628	**New**	Theft Deductible Waiver Up To $10,000 - NER Membership	
0629	**New**	Theft Deductible Waiver - Stolen Equipment Recovery System	
0630	**New**	Theft Deductible Waiver - NER Membership	
0631	0231	(M) Backup and Surface Water	*"Loss"* changed to *'loss or damage'*
0633	0058	Soft Costs	*"Loss"* changed to *'loss or damage'*
0634	0057	Business Income Only	*"Loss"* changed to *'loss or damage'*
0635	0060	Business Income with Occupancy	*"Loss"* changed to *'loss or damage'*
0636	0062	Rental Value Only with Occupancy	*"Loss"* changed to *'loss or damage'*
0637	0072	Rpt. Prov. - BR	*"Loss"* changed to *'loss or damage'*
0638	0074	Rpt. Prov.- BR/IS	*"Loss"* changed to *'loss or damage'*
0639	0084	Rpt. Prov. - BR, IS, CE Leased/Rented	*"Loss"* changed to *'loss or damage'*
0640	0023	Breakage Exclusion - All	*"Loss"* changed to *'loss or damage'*
0642	0239	(M) Lost Keys Coverage	*"Loss"* changed to *'loss or damage'*
0643	0047	Freezing Exclusion - BR/IS	*"Loss"* changed to *'loss or damage'*
0644	0176	Increase in Fire Department Coverage Limit	*"Loss"* changed to *'loss or damage'*
0645	0216	Cable Systems Additional Exclusions	*"Loss"* changed to *'loss or damage'*
0646	0252	(M) Crane Specified Cause of Loss - CE	*"Loss"* changed to *'loss or damage'*
0647	0242	(M) Refigeration Breakdown Restriction	*"Loss"* changed to *'loss or damage'*
0649	0421	(M) Repl. Cost Val. Sched. Items	*"Loss"* changed to *'loss or damage'*
0651	**New**	Programming Error C	
0652	**New**	Fine Arts Covered for ACV	
0653	**New**	Programming Error E	
0654	**New**	Programming Error F	
0656	0369	(M) $250 Deductible for Laptops and Portable Computers	*"Loss"* changed to *'loss or damage'*
0657	0374	(M) Government Owned Equipment	*"Loss"* changed to *'loss or damage'*

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0658	**New**	Programming Error G	
0659	**New**	Programming Error D	
0661	**New**	(M) Crewboats as Covered Property	
0663	0483	"Specified Testing" - IS	*"Loss"* changed to *'loss or damage'*
0664	0466	"Specified Machinery" - BR	*"Loss"* changed to *'loss or damage'*
0665	0484	"Specified Machinery" - IS	*"Loss"* changed to *'loss or damage'*
0666	**New**	"Specified Machinery" Incl. Production Mach. RC- IS	
0667	**New**	"Specified Machinery" RC- IS	
0668	**New**	"Specified Machinery" RC - BR	
0669	0489	"Specified Machinery" Incl. Production Mach. RC- IS	*"Loss"* changed to *'loss or damage'*
0670	0488	"Specified Machinery" RC- IS	*"Loss"* changed to *'loss or damage'*
0671	0487	"Specified Machinery" Incl. Production Mach. RC- BR	*"Loss"* changed to *'loss or damage'*
0672	0486	"Specified Machinery" RC - BR	*"Loss"* changed to *'loss or damage'*
0674	**New**	Rpt. Prov. - CE List/Unlist Items	
0675	**New**	(M) Blkt W/ Sch. On File/Replacement Cost/CE @90% & SP @80% Coins	
0676	**New**	(M) Computer Programs as "Hardware"	
0677	**New**	Specified Collapse Exclusion-BR/IS	
0678	**New**	Specified Collapse Exclusion-BR	
0679	**New**	Specified Collapse Exclusion-IS	
0680	**New**	Stated Value-Scheduled Property*	
0681	**New**	(M) Blkt W/ Schedule On File/Replacement Cost/CE @90% Coins	
0682	**New**	Specified Collapse Exclusion-IS	
0683	**New**	Specified Collapse Exclusion-BR	
0684	**New**	Expediting Expense - $100,000	
0686	**New**	Replacement Cost - Scheduled Property*	
0687	**New**	Replacement Cost Coverage	
0688	0141	Replacement Cost - Coverage BR/IS	*"Loss"* changed to *'loss or damage'*

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0689	0197	(M) CBE Transit Limit - $150,000	*"Loss"* changed to *'loss or damage'*
0690	0199	(M) CBE Transit Limit - $100,000	*"Loss"* changed to *'loss or damage'*
0693	0139	Replacement Cost - Coverage BR/IS	*"Loss"* changed to *'loss or damage'*
0694	0224	(M) CBE - Expanded Off Premise Power and Service	*"Loss"* changed to *'loss or damage'*
0695	**New**	(M) Replacement Cost - CE @ 100% Co	
0696	**New**	(M) Replacement Cost CE @ 100% CO, SP @ 80% CO.	
0697	**New**	(M) Replacement Cost CE @ 100% and SP @ 80%	
0698	**New**	(M) Replacement Cost (CE) @ 100% Co	
0699	**New**	(M) Replacement Cost - SP @ 80% Co.	
0700	**New**	(M) Replacement Cost (SP) 80% Co.	
0701	**New**	(M) Replacement Cost - CE	
0702	**New**	(M) Stated Amount - CE	
0703	0280	(M) CE Blanket 90% Coins Nonreporting	*"Loss"* changed to *'loss or damage'*
0704	0281	(M) CE Blanket 90% Coins Nonreporting	*"Loss"* changed to *'loss or damage'*
0705	0282	(M) CE Blanket 90% Coins Nonreporting	*"Loss"* changed to *'loss or damage'*
0706	0273	(M) CBE Not At Your Locations	*"Loss"* changed to *'loss or damage'*
0707	0557	Replacement Cost - CE @ 90% CO.	*"Loss"* changed to *'loss or damage'*
0708	0319	(M) Profit Exclusion - BR	*"Loss"* changed to *'loss or damage'*
0709	0367	(M) Valuable Papers and Records - $250,000	*"Loss"* changed to *'loss or damage'*
0710	0371	(M) Newly Acquired 180 Days	*"Loss"* changed to *'loss or damage'*
0711	0534	Fine Arts Listed for ACV	*"Loss"* changed to *'loss or damage'*
0712	0384	Fine Arts Listed for ACV	*"Loss"* changed to *'loss or damage'*
0713	0385	Fine Arts Listed for ACV*	*"Loss"* changed to *'loss or damage'*
0714	**New**	Fine Arts Covered for ACV	
0715	0381	Fine Arts Covered for ACV	*"Loss"* changed to *'loss or damage'*
0716	0382	Fine Arts Covered for ACV	*"Loss"* changed to *'loss or damage'*
0717	0401	(M) Profit Exclusion BR Replacement Cost	*"Loss"* changed to *'loss or damage'*
0718	0411	(M) CBE Not at Your Locations, $3,500 Per Location	*"Loss"* changed to *'loss or damage'*

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0719	**New**	(M) Replacement Cost (CE) 90% Coinsurance	
0730	**New**	(M) CBE Transit Limit - $150,000	
0731	**New**	(M) CBE Transit Limit - $100,000	
0732	**New**	(M) CBE Not at Your Locations	
0733	**New**	(M) CBE Transit $500,000	
0734	**New**	(M) Replacement Cost and Agreed Amount	
0735	**New**	Stated Amount - CE	
0736	**New**	Stated Value-Scheduled Property*	
0737	**New**	(M) Replacement Cost SP @ No. Co.	
0738	**New**	(M) Wine Market Valuation Clause	
0739	**New**	(M) Stated Amount - SP	
0740	**New**	(M) Stated Amount CE/SP	
0741	**New**	(M) Stated Amount CE/SP/CBE	
0742	**New**	Replacement Cost - Scheduled Property*	
0743	**New**	Motor Sports Insurance	
0744	0063	SC/Special Time Element with Occupancy	*"Loss"* changed to *'loss or damage'*
0745	0073	Rpt. Prov. - IS	*"Loss"* changed to *'loss or damage'*
0746	0079	Rpt. Prov. - IS, CE Leased/Rented Items	*"Loss"* changed to *'loss or damage'*
0747	**New**	Rpt. Prov. - IS, CE Listed/Unlisted Items	
0748	**New**	Rpt. Prov. - IS, CE Listed/Unlisted & Leased/Rented	
0749	**New**	Rpt. Prov. - BR, IS, CE Listed/Unlisted	
0750	**New**	Rpt. Prov. - BR, IS, CE Listed/Unlisted & Leased/Rented	
0751	0116	Reporting Form Coinsurance	*"Loss"* changed to *'loss or damage'*
0752	0118	Reporting Form Coinsurance	*"Loss"* changed to *'loss or damage'*
0753	0119	Reporting Form Coinsurance*	*"Loss"* changed to *'loss or damage'*
0754	0117	Reporting Form Coinsurance	*"Loss"* changed to *'loss or damage'*
0755	0061	Soft Costs Only with Occupancy	*"Loss"* changed to *'loss or damage'*

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Title	Arkansas Comment / Description of Change
0756	0064	Soft Costs and Business Income Only	*"Loss"* changed to *'loss or damage'*
0757	0059	Rental Value Only	*"Loss"* changed to *'loss or damage'*
0758	0065	Soft Costs and Rental Value Only	*"Loss"* changed to *'loss or damage'*
0759	0066	Soft Costs and BI with Occupancy	*"Loss"* changed to *'loss or damage'*
0760	0067	Soft Costs and RV with Occupancy	*"Loss"* changed to *'loss or damage'*
0764	0467	"Specified Machinery" Incl. Production Mach. - BR	*"Loss"* changed to *'loss or damage'*
0765	0485	"Specified Machinery" Incl. Production Mach. - IS	*"Loss"* changed to *'loss or damage'*
0766	**New**	"Specified Machinery" Incl. Production Mach. RC- BR	
0767	0497	Specified Collapse Exclusion-BR/IS	*"Loss"* changed to *'loss or damage'*
0768	0036	CBE Medical Equipment Incl. Breakdown	*"Loss"* changed to *'loss or damage'*
0769	0043	Renovation Extension	No change in wording. The change is from being user selected to system generated
0770	**New**	Existing Building Coverage	
0772	**New**	(M) Stated Amount CE	
0775	**New**	Waterborne Coverage - $250,000	
0776	0465	"Specified Testing" - BR	*"Loss"* changed to *'loss or damage'*
0777	0068	Business Income and Rental Value	*"Loss"* changed to *'loss or damage'*
0780	0301	List of Property on File (SP)	*"Loss"* changed to *'loss or damage'*
0781	0207	(M) Waterborne - Property Not Covered	*"Loss"* changed to *'loss or damage'*
0782	0277	Percentage Deductible	*"Loss"* changed to *'loss or damage'*
0787	**New**	Theft Ded Waiver Up To $10,000 - Wireless Recovery System	
0788	**New**	Theft Deductible Waiver - Wireless Recovery System	

EXHIBIT I - List of Revised And New IM PAK Modifiers

Proposed Modification Number	Current Modification Number	Arkansas	
		Title	**Comment / Description of Change**
0793	0275	List of Property On File - CE	The change to this modifier is now the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0794	0208 0209 0391 0407	CE Unlisted And Borrowed Flexible	The change to this modifier is now the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0795	0087 0110 0111 0225	Unlisted Items Including Employee Tools	The change to this modifier is now the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.

EXHIBIT II - List of Withdrawn IM PAK Modifiers

	Title	Comment / Description of Change
0026	Earthquake Exclusion - SP	Obsolete - No longer needed
0027	Flood Exclusion - SP	Obsolete - No longer needed
0069	Unlstd. Items Excl. Emp. Tools - $5,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0070	Unlstd. Items Excl. Emp. Tools - $10,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0087	Unlisted Items Including Emp. Tools - $2,500 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0110	Unlisted Items Including Emp. Tools - $5,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0111	Unlisted Items Including Emp. Tools - $10,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0114	Earth Movement Exclusion	Obsolete - No longer needed
0115	Flood Exclusion	Obsolete - No longer needed
0203	Unlstd. Items Excl. Emp. Tools - $100,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0208	CE $2,500 Unlisted and Borrowed Flexible	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0209	CE $5,000 Unlisted and Borrowed Flexible	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0225	Unlisted Items Including Emp. Tools - $25,000 / Item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0231	(M) Backup and Surface Water	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0275	List of Property On File - CE	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0347	Unlisted Items Including Emp. Tools - $15,000 / Item	Obsolete - No longer needed
0370	(M) CE Unlisted Items - $150,000 Per Item Limit	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.

EXHIBIT II - List of Withdrawn IM PAK Modifiers

	Title	Comment / Description of Change
0375	Unlisted $1,000	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0391	Unlisted & Borrowed Flexible $10,000 per item	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0407	(M) U/L Employees Tools $2,500 / Item & Borrowed Flexible	Obsolete as the Limit Per Any One Item is now a Dec Page entry vs. a hard limit printed within the modifier.
0425	Earth Movement % Deductible	Obsolete - No longer needed
0426	Earth Movement % Deductible $100,000 Minimum	Obsolete - No longer needed
0427	Earth Movement % Deductible $200,000 Minimum	Obsolete - No longer needed
0428	Earth Movement % Deductible $300,000 Minimum	Obsolete - No longer needed
0429	Earth Movement % Deductible $50,000 Minimum	Obsolete - No longer needed
0430	Flood % Deductible	Obsolete - No longer needed
0431	Flood % Deductible $100,000 Minimum	Obsolete - No longer needed
0432	Flood % Deductible $200,000 Minimum	Obsolete - No longer needed
0433	Flood % Deductible $300,000 Minimum	Obsolete - No longer needed
0434	Flood % Deductible $50,000 Minimum	Obsolete - No longer needed
0436	Flood % Deductible $25,000 Minimum	Obsolete - No longer needed
0437	Earth Movement % Deductible $25,000 Minimum	Obsolete - No longer needed
0554	Earth Movement Annual Aggregate Limits	Obsolete - No longer needed
0555	Flood Annual Aggregate Limits	Obsolete - No longer needed