

SERFF Tracking Number: FFDC-125801024 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARAB0508  
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners  
 Liability  
 Product Name: American Business Coverage Quick Serve Restaurant  
 Project Name/Number: American Business Coverage Quick Serve Restaurant/NWAB0508

## Filing at a Glance

Companies: American Automobile Insurance Company, Associated Indemnity Corporation, Fireman's Fund Insurance Company, National Surety Corporation, The American Insurance Company

Product Name: American Business Coverage SERFF Tr Num: FFDC-125801024 State: Arkansas  
 Quick Serve Restaurant

TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: EFT \$50

Sub-TOI: 05.0002 Businessowners Co Tr Num: NARAB0508 State Status: Fees verified and received

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

Author: Michelle Davanzo Disposition Date: 09/08/2008

Date Submitted: 09/04/2008 Disposition Status: Approved

Effective Date Requested (New): 11/01/2008 Effective Date (New): 11/01/2008

Effective Date Requested (Renewal): 11/01/2008 Effective Date (Renewal): 11/01/2008

State Filing Description:

## General Information

Project Name: American Business Coverage Quick Serve Restaurant Status of Filing in Domicile:

Project Number: NWAB0508 Domicile Status Comments:

Reference Organization: Reference Number:

Reference Title: Advisory Org. Circular:

Filing Status Changed: 09/08/2008

State Status Changed: 09/05/2008 Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

For your consideration and review we are enclosing the filing information for the American Business Coverage (ABC) Quick Service Restaurant Extension Endorsement AB 9355.

SERFF Tracking Number: FFDC-125801024 State: Arkansas  
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This new coverage form is a proprietary endorsement that enhances the insurance protection for Quick Service Restaurant operations. This new extension endorsement provides 18 coverage extensions and enhancements to the AB 9000 12 93 Property/Liability Policy; this is an optional coverage form that will be available to all ABC eligible customers.

This is a form filing.

Enclosed in support of this filing are the following items:

1. American Business Coverage Explanatory Memorandum
2. American Business Coverage Quick Service Extension Endorsement
3. (State checklists/forms)

Your approval of this filing, which has a proposed effective date of November 1, 2008, would be appreciated.

## Company and Contact

### Filing Contact Information

Michelle Davanzo, Regulatory Services Senior Analyst mdavanzo@ffic.com

777 San Marin Drive (415) 899-2660 [Phone]  
 Novato, CA 94998 (866) 290-0671[FAX]

### Filing Company Information

American Automobile Insurance Company	CoCode: 21849	State of Domicile: Missouri
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1608585	
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Associated Indemnity Corporation	CoCode: 21865	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1708002	

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Fireman's Fund Insurance Company  
777 San Marin Drive  
Novato, CA 94998  
(415) 899-3290 ext. [Phone]

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CoCode: 21873  
Group Code: 761  
Group Name:  
FEIN Number: 94-1610280  
-----

State of Domicile: California  
Company Type:  
State ID Number:

National Surety Corporation  
777 San Marin Drive  
Novato, CA 94998  
(415) 899-2817 ext. [Phone]

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CoCode: 21881  
Group Code: 761  
Group Name:  
FEIN Number: 36-2704643  
-----

State of Domicile: Illinois  
Company Type:  
State ID Number:

The American Insurance Company  
777 San Marin Drive  
Novato, CA 94998  
(415) 899-2817 ext. [Phone]

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CoCode: 21857  
Group Code: 761  
Group Name:  
FEIN Number: 22-0731810  
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State of Domicile: Nebraska  
Company Type:  
State ID Number:



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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	09/08/2008	09/08/2008

### Objection Letters and Response Letters

Objection Letters				Response Letters		
Status	Created By	Created On	Date Submitted	Responded By	Created On	Date Submitted
Pending Industry Response	Llyweyia Rawlins	09/05/2008	09/05/2008	Michelle Davanzo	09/08/2008	09/08/2008

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## Disposition

Disposition Date: 09/08/2008  
Effective Date (New): 11/01/2008  
Effective Date (Renewal): 11/01/2008  
Status: Approved  
Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

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

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Explanatory memorandum	Approved	Yes
Supporting Document	AB 9355 AR marked copy	Approved	Yes
Form (revised)	American Business Coverage Quick Service Restaurant Extension Endorsement	Approved	Yes
Form	American Business Coverage Quick Service Restaurant Extension Endorsement	Approved	Yes

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## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 09/05/2008  
Submitted Date 09/05/2008  
Respond By Date 09/12/2008

Dear Michelle Davanzo,

On page 5 of 8: Legal Action

The applicable provision of the Arkansas Statute of Limitations of the Arkansas General Code, allows five (5) years in which to commence litigation for this insurance contract. You may amend by extending the time limit to five (5) years or by stating, "within the time allowed by law."

Sincerely,  
Llyweyia Rawlins

Please feel free to contact me if you have questions.

Sincerely,  
Llyweyia Rawlins

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 09/08/2008  
Submitted Date 09/08/2008

Dear Llyweyia Rawlins,

### Comments:

I am writing to you in response to your correspondence to us dated September 5, 2008.

### Response 1

Comments:

We have revised our endorsement as you requested. Due to this revision, we have changed the form number to read AB 9355 AR 04 08. We have also attached a marked copy so you can see where we revised the endorsement.

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**Changed Items:**

**Supporting Document Schedule Item Changes**

Satisfied -Name: AB 9355 AR marked copy  
 Comment:

**Form Schedule Item Changes**

Form Name	Form Number	Edition Date	Form Type	Action	Action Specific Data	Readability Score	Attach Document
American Business Coverage Quick Service Restaurant Extension Endorsement	AB9355 AR	04 08	Endorsement/Amendment/Conditions	New			AB 9355 quick serve restaurant AR.pdf

**Previous Version**

American Business Coverage Quick Service Restaurant Extension Endorsement	AB9355	04 08	Endorsement/Amendment/Conditions	New			AB 9355 quick serve restaurant final 08-15-08.pdf
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No Rate/Rule Schedule items changed.

If you need any further information, please let me know.

Sincerely,  
 Michelle Davanzo

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	American Business Coverage Quick Service Restaurant Extension Endorsement	AB9355 AR	04 08	Endorsement/New Amendment/Conditions			AB 9355 quick serve restaurant AR.pdf

**American Business Coverage Quick Service Restaurant Extension Endorsement  
 AB 93 55 AR 04 08  
 This endorsement modifies insurance provided under the following:  
 American Business Coverage AB 9000**

**Schedule of Coverages subject to the \$250,000 Blanket Limit of Insurance**

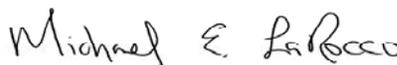
<b>Coverage Description</b>	<b>Sub-Limits of Insurance</b>	<b>Additional Limits</b>
Accounts Receivable*		
Broadened Premise Coverage	Included	
Business Personal Property at Newly Acquired Premises*		
Business Personal Property - Off Premises*		
Communicable Disease Extra Expense	\$25,000	
Computer Equipment, Media, Data and Programs*		
Consequential Loss		
Contaminated Food	\$25,000	
Costs		
Time Element		
Contract Penalty		
Cost of Expediting*	\$25,000	
Cost of Inventory, Appraisal or Adjustment*	\$25,000	
Depositors Forgery*	\$25,000	
Employee Dishonesty	\$25,000	
Extended Medical Payments	Included	
Extended Period of Indemnity	24 months	
Fine Arts	\$25,000	
Fire Department Service Charge*	\$25,000	
Fire Protection Devices*	\$25,000	
Foundations	Included	
Income Support Properties*	\$100,000	
Loss of Refrigeration		
Money and Securities	\$25,000	
Money Orders and Counterfeit Money*	\$25,000	
Newly Acquired Buildings	\$250,000	
Off Premises Time Element		
Outdoor Property: Trees, Shrubs, Plants and Lawns		
Personal Effects	\$5,000	
Property of Others*		
Realty Tax Increased Assessment	\$25,000	
Sign and Glass Coverage	\$25,000	
(Where Insured Doesn't Own The Building)		
Temporary Properties	\$25,000	
Valuable Papers and Records*		
Water Damage *	\$15,000	

**\*Refer to AB 9000 for coverage provisions of all applicable additional coverages or coverage extensions**

This Form must be attached to Change Endorsement when issued after the policy is written.  
 One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

**I. Schedule of Coverages Subject to the Blanket Limit of Insurance**

**A. \$250,000 Blanket limit of Insurance**

A \$250,000 combined **Blanket Limit of Insurance** applies in each occurrence to all coverages described in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above. You may elect to apportion the \$250,000 **Blanket Limit of Insurance** to a single coverage or between any combination of coverages for loss in each occurrence. However, regardless of how the **Blanket Limit of Insurance** is apportioned or the number of locations involved the most we will pay in any single occurrence is \$250,000.

This **Blanket Limit of Insurance** does not apply to any other coverages provided by Property/Liability Policy AB 9000 12 93.

**B. Specified Sub-Limits**

For all coverages with specified sub-limits in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above, the most we will pay in any single occurrence is the specified sub-limit for the scheduled coverage item. Any specified sub-limits are included within the **Blanket Limit of Insurance** and do not increase the \$250,000 **Blanket Limit of Insurance**.

**C. Additional Limits of Insurance**

Additional Limits of Insurance may be purchased for each of the coverages listed above. If purchased, these Additional Limits of Insurance will be designated in the **Schedule of Coverages subject to the Blanket Limit of Insurance**, and will apply in addition to whatever amount you have otherwise apportioned to that coverage under the **Blanket Limit of Insurance**.

The limits stated in this endorsement replace any other limits for all coverages in the **Schedule of Coverage** subject to the \$250,000 Blanket Limit of Insurance.

**II. Section I Property Coverages, A.5. Additional Coverages, item g, of Property/Liability Policy – AB 90 00 12 93, is deleted in its entirety and is replaced by the following:**

**g. Business Income**

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your **operations** during the **period of restoration**. We will also pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property is actually repaired, rebuilt or replaced and operations are resumed; and
- (2) Ends on the earlier of:

(a) The date you could restore operations with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or

(b) 365 consecutive days after the date determined in (1) above.

But we will not pay for any loss of Business Income beyond 24 consecutive months after the date of direct physical loss or damage.

The suspension must be caused by direct physical loss of or damage to property at the described premises, including personal property in the open (or in a vehicle) within 1000 feet, caused by or resulting from any Covered Causes of Loss.

**Business Income** means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

**Business Income Extension**

Your Business Income coverage is extended to apply to property at any location you acquire other than fairs or exhibitions. The most we will pay for loss under this Extension is \$10,000. This additional coverage is not subject to the Limits of Insurance.

**Business Income Exclusions**

We will not pay for:

- (1) Any increase of Business Income loss caused by or resulting from:
  - (a) Delay in rebuilding, repairing or replacing the property or resuming **operations**, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (b) Suspension, lapse or cancellation of any license lease or contract. But, if the suspension, lapse or cancellation is directly caused by the suspension of **operations**, we will cover such loss that affects your Business Income during the **period of restoration**.
- (2) Any other consequential loss.

**III. Section I Property Coverages, A.5. Additional Coverages, item h, of Property/Liability Policy – AB 90 00 12 93, is amended to include:**

Communicable Disease Extra Expense:

- a. We will pay for the actual expense you incur due to a communicable disease event occurring at your premises. The extra expense must be a result of a communicable disease event that has taken place at a covered location.
- b. We will not pay for any loss under this Additional Coverage which is caused directly or indirectly by any the following:
  - (1) Fines or penalties of any kind;
  - (2) Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
  - (3) The cost of replacing actual or suspected contaminated property from the insured location, or any other location;
  - (4) Any loss otherwise excluded by an applicable exclusion to this policy.
- c. Communicable Disease means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.
- d. Communicable Disease Event means that an official Public Health Authority has ordered that your premises be evacuated and disinfected due to the outbreak of a Communicable Disease at the covered location.
- e. For purposes of the Additional Coverage, Extra Expense is limited to:
  - (1) The actual expense you incur to evacuate the covered premises due to a Communicable Disease Event; and
  - (2) The actual expense you incur to disinfect the covered premises of the Communicable Disease; and
  - (3) The actual expense you incur to test the covered premises to confirm disinfection of the Communicable Disease.
- f. This Additional Coverage does not create any Business Income coverage under any coverage for which provides coverage for Business Income.
- g. All other provisions of this policy apply to this Additional Coverage.
- h. The most we will pay under this Additional Coverage in any once occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for Communicable Disease Extra Expense.

**IV. Additional Coverage**

The following Section is added to Section I, Property Coverage A of Property/Liability Policy AB 90 00 12 93:

u. Consequential Loss

We will pay the reduction in value of the remaining parts of your stock when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of your stock at the described premises and the remaining parts cannot be used in conjunction with other stock.

v. Contract Penalty

We will pay the contractual penalties you are required to pay to your customers as a result of any clause in your written contracts with such customers imposing such penalties for failure to timely deliver your product according to the contract terms. The failure to timely deliver must result solely from direct physical loss or damage by a Covered Cause of Loss.

w. Employee Dishonesty Coverage

- (1) We will pay for direct physical loss of covered property resulting from dishonest or fraudulent acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) while they work for you and for 30 days after they leave your employment.

We will pay for loss of or damage to money, securities and other property resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the premises or banking premises to a person (other than a messenger) outside those premises or to a place outside those premises.

We will pay for loss of funds resulting directly from a fraudulent instruction directing a financial institution to transfer pay or deliver funds from your transfer account.

The property covered is:

- (a) Money;
- (b) Securities; and
- (c) Other property that is tangible and has an intrinsic value which you own, hold, or for which you are legally liable.

- (2) An employee is a natural person who is subject to your direction and control. Independent contractors or agents or representatives of the same general character are not employees.

If you are a non-profit organization, employee does include any non-compensated natural person, other than a fund solicitor, while performing services for you that are usual to the duties of an employee.

- (3) The dishonest or fraudulent act(s) must be committed within the Coverage period and with the manifest intent to:
  - (a) Cause you to sustain loss or damage; and also
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotional awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (i) Any employee; or
    - (ii) Any other person or organization.
- (4) We will pay only for covered loss discovered within 90 days after the end of the Coverage period or cancellation date of this insurance.
- (5) We will not pay for loss, or any part of any loss:
  - (a) The proof of which is dependent upon either:
    - (i) An inventory computation; or
    - (ii) A profit and loss computation.
  - (b) Resulting from any act of any employee after the time that you, or any of your partners or officers have discovered or have knowledge of any dishonest act by that employee committed by that employee before or after being hired by you.
  - (c) Which is an indirect result of any dishonest or fraudulent act including loss:
    - (i) Which relates to your inability to earn income.
    - (ii) Which is a penalty, or interest payment.
    - (iii) Which is an expense related to any legal action.
- (6) If you have made a timely discovery and timely claim on more than one policy we or any affiliate has issued to you or any affiliate of yours, the most we will pay is the largest limit payable on any one policy.

An occurrence, means all loss caused by any employee or in which that person is involved, whether all loss involved one or more acts of

dishonesty even when more than one employee is involved.

All loss caused by an unidentifiable employee(s) is one occurrence unless there is proof that no one employee could have been involved in all of the loss. Involved means to have had an effect on.

- (7) If you (or any predecessor in interest) sustained loss during the period of any prior insurance that you could have recovered under that insurance except the time within which to discover loss had expired: we will, as part of, not in addition to the Limit of Insurance of this Coverage, pay for it under this Coverage, provided:
  - (a) This Coverage became effective at the time of cancellation or termination of the prior insurance; and
  - (b) The loss would have been covered by this Coverage had it been in effect when the acts were committed.
  - (c) An amount being paid as a part of the Limit of Insurance is limited to the lesser of the amount recoverable under:
    - (i) This Coverage as of its effective date; or
    - (ii) The prior insurance had it remained in effect.
- (8) ERISA PLANS as a named insured under Employee Dishonesty Coverage have the following provisions without increasing the Limit of Insurance for Employee Dishonesty Coverage. These provisions are in compliance with certain provisions of the Retirement Income Security Act (ERISA).
  - (a) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for the Employee Dishonesty Coverage Form that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.
  - (b) If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that Insured for loss sustained by any Plan will be held by that Insured for the use and benefit of the Plan(s) sustaining the loss.
  - (c) If two or more Plans are insured under this insurance, any payment we make for loss:
    - (i) Sustained by two or more Plans; or

- (ii) Of commingled funds or other property of two or more Plans that arises out of the occurrence,

is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

- (d) The deductible provisions of the Employee Dishonesty Coverage Form does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- (9) Recoveries, less the cost of obtaining them, made prior to settlement of loss under this Employee Dishonesty coverage, are to be credited to the loss.
- (10) Your duties in the event of a loss include:
- (a) After you discover a loss or a situation that may result in a loss under this Coverage, you must:
    - (i) Notify us as soon as possible with an outline of the facts as known to you.
    - (ii) Do nothing after loss to impair your rights of recovery against any person or organization.
    - (iii) Give us a detailed, sworn proof of loss within 90 days of our request, or 120 days after you discover a loss if we have not made a written request for a proof of loss.
    - (iv) Produce for our examination all pertinent records.
    - (v) Cooperate with us in the investigation of your claim.
    - (vi) Submit to examination under oath at our request and give us a signed statement of your answers.
  - (b) You must transfer to us all your rights of recovery against any person or organization for any loss you sustain and for which we have paid or settled. You must do everything necessary to secure those rights for us.
- (11) We will pay up to \$1,000 to cover the costs you incur to investigate in order to prepare your proof of loss. This coverage does not increase your coverage limit and it is payable only if you have a covered claim.

- (12) You may not bring any legal action against us involving loss under this endorsement:

- (a) Unless there has been full compliance with all of the terms of this insurance; and
- (b) Unless the action is brought within five years after the date on which you discover the loss.

This insurance provides no rights or benefits to any other person or organization.

- (13) Distribution of recovery:

- (a) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:

- (i) To you, until you are reimbursed for that loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
- (ii) Then to us, until we are reimbursed for the settlement made;
- (iii) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

- (b) Recoveries do not include any recovery:

- (i) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (ii) Of original securities after duplicates of them have been issued.

- (14) If more than one insured is named in the Declarations, the first named insured will act for itself and for every other insured for the purposes of this insurance.

- x. Loss of Refrigeration - We will pay for loss or damage to your goods contained in the refrigeration units at the premises described in the Declarations caused by or resulting from:

- (1) mechanical or electrical breakdown of the refrigeration units, their controls and related equipment which are owned, or used by you; or
- (2) a power failure beyond your control which causes a change in temperature or humidity

We will not pay for any loss or damage if you fail to use reasonable care to maintain all refrigeration units in proper operating condition.

y. Off Premises Time Element

(1) We will pay for loss of Business Income or Extra Expense at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss, not on the described premises, from one of the following services:

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

(i) Pumping stations; and

(ii) Water mains.

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

(i) Communication transmission lines, including optic fiber transmission lines;

(ii) Coaxial cables; and

(iii) Microwave radio relays, except satellites.

It does not include overhead transmission lines.

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

(i) Utility generating plants;

(ii) Switching stations;

(iii) Substations;

(iv) Transformers; and

(v) Transmission lines.

It does not include overhead transmission lines.

(2) We will only pay for loss you sustain after the first 12 hours following the direct physical loss or damage to the off-premises property to which this endorsement applies.

z. Fine Arts

We will pay for loss or damage to your fine arts and fine arts owned by others but in your care, custody or

control at covered locations. We cover such property against direct physical loss or damage from a Covered Cause of Loss applying to your business personal property at the location.

Fine arts means property that is rare or of artistic or historic value.

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fine Arts.

If there is other insurance covering the same loss or damage provided by this Additional Coverage, whether covered by this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance. But we will not pay more than the applicable Limit of Insurance.

aa. Foundations

If the Declarations show you have Building Coverage, we will pay for loss to:

(1) foundations of covered buildings, structures, machinery and boilers, and

(2) foundations of equipment and machinery, whether above or below ground.

Item A.2., Property Not Covered, part i. is deleted. The Policy Deductible applies to this extension of coverage.

V. Section I Property Coverage, A, 5 Additional Coverages, of Property/Liability Policy AB 9000 12 93, is amended as follows:

d. Fire Department Service Charge

The most we will pay any one person under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fire Department Service Charge

o. Cost of Inventory, Appraisal or Adjustment Expense

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Cost of Inventory, Appraisal or Adjustment Expense.

p. Cost of Expediting

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Expediting Expense.

r. Money and Securities

Our limit of liability is increased to \$25,000 maximum whether inside the premises or outside the premises.

VI. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following:

a. Newly Acquired Buildings

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Buildings

d. Business Personal Property at Newly Acquired Premises

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Property whether the loss occurs to Buildings or Business Personal Property or both.

e. Personal Effects

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

h. Money Order and Counterfeit Money

Our limit of liability for this coverage extension is increased to \$25,000.

i. Depositor's Forgery

Our limit of liability for this coverage extension is increased to \$25,000.

VII. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following additional coverages:

k. Contaminated Food

- (1) If a Board of Health orders your premises closed; or
- (2) either you or any government body makes an announcement warning the public of a health hazard because of either the discovery or the suspicion that contaminated food has been served to your patrons at a location described in the Declarations.
- (3) We will pay:
  - (a) your cost to clean your equipment per local Board of Health requirements;

- (b) your cost to replace consumable goods declared contaminated by the local Board of Health;
- (c) the cost of necessary medical tests and vaccines for infected employees;
- (d) your actual expenses to reimburse patrons for reasonable doctor's care, medical tests and hospitalization, made necessary by their actual or suspected consumption of contaminated food at a covered location;
- (e) the actual loss of Business Income at the affected location(s) described in the Declarations;
- (f) paid leave for all employees until the site has been cleared by the local Board of Health for reopening and
- (g) extra advertising cost to restore your reputation.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Contaminated Food.

l. Temporary Properties

We will pay for direct physical loss or damage to personal property, such as bleachers, pavilions, platforms or awnings, which you erect for temporary use during the course of your business operations. However, we will only pay for such loss or damage if it results from a Covered Cause of Loss, and the property damaged is at a covered location.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Temporary Properties.

This Coverage Extension does not apply to loss or damage caused directly or indirectly by flood or earth movement.

m. Sign and Glass Coverage

If you occupy a location that you do not own, we cover the signs and glass that you use in your business at a covered location. Sign and glass coverage includes:

- (1) Lettering and ornamentation;
- (2) Signs or glass that are on the exterior of the insured premises; and
- (3) Signs or glass that are on the exterior of the insured premises, but which is interior to an enclosed structure.

We will cover such signs and glass for direct physical loss or damage from any covered cause of loss applying to your Business Personal Property.

We will not pay for loss of or damage to any sign or glass at any location at which you are required by lease or other contract to insure the Business Real Property, except

where such lease or other contract specifically requires you to insure the exterior signs at the location.

The most we will pay for loss or damage in any one **occurrence** under this Additional Coverage, regardless of the number of signs or panes of glass lost or damaged, is the Limit of Insurance shown in the Schedule that applies to Sign and Glass Coverage.

This Additional Coverage shall apply only as excess insurance over any insurance provided by or for the building owner, whether or not any proceeds under any such policy are collectible.

n. Broadened Premises Coverage

The within 100 feet of the described premises limit stated in Paragraph A.1.b. **Business Personal Property** is deleted and replaced by within 1000 feet of the described premises.

VIII. Section I Property Coverage, B, Exclusions, item f(5), is amended by deleting the following:

- (4) Water that backs up from a sewer or drain: or
- (5) Water under the ground surface pressing on, flowing or seeping through;
  - (a) Foundations, walls, floor, or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows, or other openings.

IX. Section II Liability Coverage, Coverage D – Medical Payments, item 2.a of Property/Liability Policy AB 9000 12 93, is deleted and replaced in its entirety by the following:

- a. We will pay medical expenses as described below for **bodily injury** caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent;
  - (3) Because of your operations; provided that:
    - (a) The accident takes place in the coverage territory and during the policy period;
    - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
    - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

X. Section II Liability Coverage, Part H, Exclusions – Medical Payments, item 2(f), of Property/Liability Policy AB 9000 12 93, is deleted.

XI. Section II Liability Coverage, part K, General Conditions, is amended to include:

6. Other Insurance

Unless otherwise stated, if there is other insurance covering the same loss or damage under this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from the other insurance, whether collectible or not. But we will not pay more than our applicable Limit of Insurance.

*SERFF Tracking Number:* FFDC-125801024      *State:* Arkansas  
*First Filing Company:* American Automobile Insurance Company, ...      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* NARAB0508  
*TOI:* 05.0 Commercial Multi-Peril - Liability & Non-      *Sub-TOI:* 05.0002 Businessowners  
Liability  
*Product Name:* American Business Coverage Quick Serve Restaurant  
*Project Name/Number:* American Business Coverage Quick Serve Restaurant/NWAB0508

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: FFDC-125801024 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARAB0508  
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners  
Liability  
Product Name: American Business Coverage Quick Serve Restaurant  
Project Name/Number: American Business Coverage Quick Serve Restaurant/NWAB0508

## Supporting Document Schedules

<b>Satisfied -Name:</b> Uniform Transmittal Document- Property & Casualty	<b>Review Status:</b> Approved	09/08/2008
<b>Comments:</b> <b>Attachments:</b> Form Filing Schedule.pdf NAIC Transmittal - Form.pdf		
<b>Satisfied -Name:</b> Cover Letter	<b>Review Status:</b> Approved	09/08/2008
<b>Comments:</b> <b>Attachment:</b> Cover Letter NWAB0508.pdf		
<b>Satisfied -Name:</b> Explanatory memorandum	<b>Review Status:</b> Approved	09/08/2008
<b>Comments:</b> <b>Attachment:</b> Explanatory Memorandum.pdf		
<b>Satisfied -Name:</b> AB 9355 AR marked copy	<b>Review Status:</b> Approved	09/08/2008
<b>Comments:</b> <b>Attachment:</b> AB 9355 quick serve restaurant AR red 908.pdf		

**PROPERTY & CASUALTY 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 the state.)

This filing transmittal is part of Company Tracking #			NARAB0508		
This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
	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)
1	American Business Coverage Quick Service Restaurant Extension Endorsement	AB9355 04 08	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
2			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
3			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
4			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
5			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
6			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
7			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
8			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
9			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

### Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
Fireman's Fund Insurance Companies	0761

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Fireman's Fund Insurance Company	CA	21873	94-1610280	
National Surety Corporation	IL	21881	36-2704643	
The American Insurance Company	NE	21857	22-0731810	
Associated Indemnity Corporation	CA	21865	22-1708002	
American Automobile Insurance Company	MO	21849	22-1608585	

<b>5. Company Tracking Number</b>	NARAB0508
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Michelle A. Davanzo	Regulatory Analyst	(415) 899-2660	866-290-0671	Michelle.davanzo@ffic.com

7. Signature of authorized filer	<i>Michelle A. Davanzo</i>
8. Please print name of authorized filer	Michelle A. Davanzo

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

9. Type of Insurance (TOI)	5.0 CMP Liability and Non-Liability
10. Sub-Type of Insurance (Sub-TOI)	5.0002 Businessowners
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 11-01-08      Renewal: 11-01-08
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	09-04-08
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document—

<b>20.</b>	<b>This filing transmittal is part of Company Tracking #</b>	NARAB0508
<b>21.</b>	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]	

For your consideration and review we are enclosing the filing information for the American Business Coverage (ABC) Quick Service Restaurant Extension Endorsement AB 9355.

This new coverage form is a proprietary endorsement that enhances the insurance protection for Quick Service Restaurant operations. This new extension endorsement provides 18 coverage extensions and enhancements to the AB 9000 12 93 Property/Liability Policy; this is an optional coverage form that will be available to all ABC eligible customers.

This is a form filing.

Enclosed in support of this filing are the following items:

1. American Business Coverage Explanatory Memorandum
2. American Business Coverage Quick Service Extension Endorsement
3. (State checklists/forms)

Your approval of this filing, which has a proposed effective date of November 1, 2008, would be appreciated.

<b>22.</b>	<b>Filing Fees</b> (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]
<b>Check #:</b> <b>Amount:</b>  <b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b>	

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

PC TD-1 pg 2 of 2



September 4, 2008

Honorable Julie Benafield Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

**RE: American Business Coverage  
Quick Service Restaurant Extension Endorsement**

Fireman's Fund Insurance Company	761-21873
The American Insurance Company	761-21857
National Surety Corporation	761-21881
Associated Indemnity Corporation	761-21865
American Automobile Insurance Company	761-21849
Company Filing # NARAB0508	

Dear Sir or Madam:

For your consideration and review we are enclosing the filing information for the American Business Coverage (ABC) Quick Service Restaurant Extension Endorsement AB 9355.

This new coverage form is a proprietary endorsement that enhances the insurance protection for Quick Service Restaurant operations. This new extension endorsement provides 18 coverage extensions and enhancements to the AB 9000 12 93 Property/Liability Policy; this is an optional coverage form that will be available to all ABC eligible customers.

This is a form filing.

Enclosed in support of this filing are the following items:

1. American Business Coverage Explanatory Memorandum
2. American Business Coverage Quick Service Extension Endorsement
3. (State checklists/forms)

Your approval of this filing, which has a proposed effective date of November 1, 2008 would be appreciated.

Sincerely,

Michelle A. Davanzo  
Regulatory Analyst  
Commercial Business, Governance  
800-227-1700 ext 2660 wk  
415-899-2660

**Fireman's Fund  
Insurance Companies  
A member of the  
Alliance Group**

777 San Marin Drive  
Novato, CA 94998  
415.899.2000

# **American Business Coverage Quick Service Restaurant Extension Endorsement AB 9355 0408**

## **American Business Coverage Filing Memorandum**

For your consideration and review we are enclosing the filing information for the American Business Coverage (ABC) Quick Service Restaurant Extension Endorsement AB 9355. The proposed effective for this new coverage is November 1, 2008.

This new coverage form is a proprietary endorsement that enhances the insurance protection for Quick Service Restaurant operations. This new extension endorsement provides 18 coverage extensions and enhancements to the AB 900012 93 Property/Liability Policy; this is an optional coverage form that will be available to all ABC eligible customers. The rate structure reflects flat premium charges for our ABC risks and is not subject to deviation or schedule modifications.

Enclosed in support of this filing are the following items:

1. American Business Coverage Explanatory Memorandum
2. American Business Coverage Quick Service Extension Endorsement
3. Revised ABC Manual pages 2-9 and 5-9
4. Actuarial Memorandum
5. (State checklists/forms)

**American Business Coverage Quick Service Restaurant Extension Endorsement**  
**AB 93 55 AR 04 08**  
**This endorsement modifies insurance provided under the following:**  
**American Business Coverage AB 9000**

**Schedule of Coverages subject to the \$250,000 Blanket Limit of Insurance**

<b>Coverage Description</b>	<b>Sub-Limits of Insurance</b>	<b>Additional Limits</b>
Accounts Receivable*		
Broadened Premise Coverage	Included	
Business Personal Property at Newly Acquired Premises*		
Business Personal Property - Off Premises*		
Communicable Disease Extra Expense	\$25,000	
Computer Equipment, Media, Data and Programs*		
Consequential Loss		
Contaminated Food	\$25,000	
Costs		
Time Element		
Contract Penalty		
Cost of Expediting*	\$25,000	
Cost of Inventory, Appraisal or Adjustment*	\$25,000	
Depositors Forgery*	\$25,000	
Employee Dishonesty	\$25,000	
Extended Medical Payments	Included	
Extended Period of Indemnity	24 months	
Fine Arts	\$25,000	
Fire Department Service Charge*	\$25,000	
Fire Protection Devices*	\$25,000	
Foundations	Included	
Income Support Properties*	\$100,000	
Loss of Refrigeration		
Money and Securities	\$25,000	
Money Orders and Counterfeit Money*	\$25,000	
Newly Acquired Buildings	\$250,000	
Off Premises Time Element		
Outdoor Property: Trees, Shrubs, Plants and Lawns		
Personal Effects	\$5,000	
Property of Others*		
Realty Tax Increased Assessment	\$25,000	
Sign and Glass Coverage	\$25,000	
(Where Insured Doesn't Own The Building)		
Temporary Properties	\$25,000	
Valuable Papers and Records*		
Water Damage *	\$15,000	

**\*Refer to AB 9000 for coverage provisions of all applicable additional coverages or coverage extensions**

This Form must be attached to Change Endorsement when issued after the policy is written.  
 One of the **Fireman's Fund Insurance Companies** as named in the policy.

\_\_\_\_\_  
 Secretary

\_\_\_\_\_  
 President

**I. Schedule of Coverages Subject to the Blanket Limit of Insurance**

**A. \$250,000 Blanket limit of Insurance**

A \$250,000 combined **Blanket Limit of Insurance** applies in each occurrence to all coverages described in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above. You may elect to apportion the \$250,000 **Blanket Limit of Insurance** to a single coverage or between any combination of coverages for

loss in each occurrence. However, regardless of how the **Blanket Limit of Insurance** is apportioned or the number of locations involved the most we will pay in any single occurrence is \$250,000.

This **Blanket Limit of Insurance** does not apply to any other coverages provided by Property/Liability Policy AB 9000 12 93.

**B. Specified Sub-Limits**

For all coverages with specified sub-limits in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above, the most we will pay in any single occurrence is the specified sub-limit for the scheduled coverage item. Any specified sub-limits are included within the **Blanket Limit of Insurance** and do not increase the \$250,000 **Blanket Limit of Insurance**.

**C. Additional Limits of Insurance**

Additional Limits of Insurance may be purchased for each of the coverages listed above. If purchased, these Additional Limits of Insurance will be designated in the **Schedule of Coverages subject to the Blanket Limit of Insurance**, and will apply in addition to whatever amount you have otherwise apportioned to that coverage under the **Blanket Limit of Insurance**.

The limits stated in this endorsement replace any other limits for all coverages in the **Schedule of Coverage** subject to the \$250,000 Blanket Limit of Insurance.

**II. Section I Property Coverages, A.5. Additional Coverages, item g, of Property/Liability Policy – AB 90 00 12 93, is deleted in its entirety and is replaced by the following:**

**g. Business Income**

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your **operations** during the **period of restoration**. We will also pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property is actually repaired, rebuilt or replaced and operations are resumed; and
- (2) Ends on the earlier of:
  - (a) The date you could restore operations with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
  - (b) 365 consecutive days after the date determined in (1) above.

But we will not pay for any loss of Business Income beyond 24 consecutive months after the date of direct physical loss or damage.

The suspension must be caused by direct physical loss of or damage to property at the described premises, including personal property in the open (or in a vehicle) within 1000 feet, caused by or resulting from any Covered Causes of Loss.

**Business Income** means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

**Business Income Extension**

Your Business Income coverage is extended to apply to property at any location you acquire other than fairs or exhibitions. The most we will pay for loss under this Extension is \$10,000. This additional coverage is not subject to the Limits of Insurance.

**Business Income Exclusions**

We will not pay for:

- (1) Any increase of Business Income loss caused by or resulting from:
  - (a) Delay in rebuilding, repairing or replacing the property or resuming **operations**, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (b) Suspension, lapse or cancellation of any license lease or contract. But, if the suspension, lapse or cancellation is directly caused by the suspension of **operations**, we will cover such loss that affects your Business Income during the **period of restoration**.
- (2) Any other consequential loss.

**III. Section I Property Coverages, A.5. Additional Coverages, item h, of Property/Liability Policy – AB 90 00 12 93, is amended to include:**

**Communicable Disease Extra Expense:**

- a. We will pay for the actual expense you incur due to a communicable disease event occurring at your premises. The extra expense must be a result of a communicable disease event that has taken place at a covered location.

b. We will not pay for any loss under this Additional Coverage which is caused directly or indirectly by any the following:

- (1) Fines or penalties of any kind;
- (2) Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
- (3) The cost of replacing actual or suspected contaminated property from the insured location, or any other location;
- (4) Any loss otherwise excluded by an applicable exclusion to this policy.

c. Communicable Disease means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.

d. Communicable Disease Event means that an official Public Health Authority has ordered that your premises be evacuated and disinfected due to the outbreak of a Communicable Disease at the covered location.

e. For purposes of the Additional Coverage, Extra Expense is limited to:

- (1) The actual expense you incur to evacuate the covered premises due to a Communicable Disease Event; and
- (2) The actual expense you incur to disinfect the covered premises of the Communicable Disease; and
- (3) The actual expense you incur to test the covered premises to confirm disinfection of the Communicable Disease.

f. This Additional Coverage does not create any Business Income coverage under any coverage for which provides coverage for Business Income.

g. All other provisions of this policy apply to this Additional Coverage.

h. The most we will pay under this Additional Coverage in any once occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for Communicable Disease Extra Expense.

#### IV. Additional Coverage

The following Section is added to Section I, Property Coverage A of Property/Liability Policy AB 90 00 12 93:

u. Consequential Loss

We will pay the reduction in value of the remaining parts of your stock when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of your stock at the described premises and the remaining parts cannot be used in conjunction with other stock.

v. Contract Penalty

We will pay the contractual penalties you are required to pay to your customers as a result of any clause in your written contracts with such customers imposing such penalties for failure to timely deliver your product according to the contract terms. The failure to timely deliver must result solely from direct physical loss or damage by a Covered Cause of Loss.

w. Employee Dishonesty Coverage

(1) We will pay for direct physical loss of covered property resulting from dishonest or fraudulent acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) while they work for you and for 30 days after they leave your employment.

We will pay for loss of or damage to money, securities and other property resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the premises or banking premises to a person (other than a messenger) outside those premises or to a place outside those premises.

We will pay for loss of funds resulting directly from a fraudulent instruction directing a financial institution to transfer pay or deliver funds from your transfer account.

The property covered is:

- (a) Money;
- (b) Securities; and
- (c) Other property that is tangible and has an intrinsic value which you own, hold, or for which you are legally liable.

(2) An employee is a natural person who is subject to your direction and control. Independent contractors or agents or representatives of the same general character are not employees.

If you are a non-profit organization, employee does include any non-compensated natural person, other than a fund solicitor, while performing services for you that are usual to the duties of an employee.

(3) The dishonest or fraudulent act(s) must be committed within the Coverage period and with the manifest intent to:

- (a) Cause you to sustain loss or damage; and also
- (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotional awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:

- (i) Any employee; or
- (ii) Any other person or organization.

(4) We will pay only for covered loss discovered within 90 days after the end of the Coverage period or cancellation date of this insurance.

(5) We will not pay for loss, or any part of any loss:

(a) The proof of which is dependent upon either:

- (i) An inventory computation; or
- (ii) A profit and loss computation.

(b) Resulting from any act of any employee after the time that you, or any of your partners or officers have discovered or have knowledge of any dishonest act by that employee committed by that employee before or after being hired by you.

(c) Which is an indirect result of any dishonest or fraudulent act including loss:

- (i) Which relates to your inability to earn income.
- (ii) Which is a penalty, or interest payment.
- (iii) Which is an expense related to any legal action.

(6) If you have made a timely discovery and timely claim on more than one policy we or any affiliate has issued to you or any affiliate of yours, the most we will pay is the largest limit payable on any one policy.

An occurrence, means all loss caused by any employee or in which that person is involved, whether all loss involved one or more acts of dishonesty even when more than one employee is involved.

All loss caused by an unidentifiable employee(s) is one occurrence unless there is proof that no one

employee could have been involved in all of the loss. Involved means to have had an effect on.

(7) If you (or any predecessor in interest) sustained loss during the period of any prior insurance that you could have recovered under that insurance except the time within which to discover loss had expired: we will, as part of, not in addition to the Limit of Insurance of this Coverage, pay for it under this Coverage, provided:

(a) This Coverage became effective at the time of cancellation or termination of the prior insurance; and

(b) The loss would have been covered by this Coverage had it been in effect when the acts were committed.

(c) An amount being paid as a part of the Limit of Insurance is limited to the lesser of the amount recoverable under:

- (i) This Coverage as of its effective date; or
- (ii) The prior insurance had it remained in effect.

(8) ERISA PLANS as a named insured under Employee Dishonesty Coverage have the following provisions without increasing the Limit of Insurance for Employee Dishonesty Coverage. These provisions are in compliance with certain provisions of the Retirement Income Security Act (ERISA).

(a) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for the Employee Dishonesty Coverage Form that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.

(b) If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that Insured for loss sustained by any Plan will be held by that Insured for the use and benefit of the Plan(s) sustaining the loss.

(c) If two or more Plans are insured under this insurance, any payment we make for loss:

- (i) Sustained by two or more Plans; or
- (ii) Of commingled funds or other property of two or more Plans that arises out of the occurrence,

is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

- (d) The deductible provisions of the Employee Dishonesty Coverage Form does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- (9) Recoveries, less the cost of obtaining them, made prior to settlement of loss under this Employee Dishonesty coverage, are to be credited to the loss.
- (10) Your duties in the event of a loss include:
  - (a) After you discover a loss or a situation that may result in a loss under this Coverage, you must:
    - (i) Notify us as soon as possible with an outline of the facts as known to you.
    - (ii) Do nothing after loss to impair your rights of recovery against any person or organization.
    - (iii) Give us a detailed, sworn proof of loss within 90 days of our request, or 120 days after you discover a loss if we have not made a written request for a proof of loss.
    - (iv) Produce for our examination all pertinent records.
    - (v) Cooperate with us in the investigation of your claim.
    - (vi) Submit to examination under oath at our request and give us a signed statement of your answers.
  - (b) You must transfer to us all your rights of recovery against any person or organization for any loss you sustain and for which we have paid or settled. You must do everything necessary to secure those rights for us.
- (11) We will pay up to \$1,000 to cover the costs you incur to investigate in order to prepare your proof of loss. This coverage does not increase your coverage limit and it is payable only if you have a covered claim.
- (12) You may not bring any legal action against us involving loss under this endorsement:

- (a) Unless there has been full compliance with all of the terms of this insurance; and
- (b) Unless the action is brought within **five** years after the date on which you discover the loss.

This insurance provides no rights or benefits to any other person or organization.

(13) Distribution of recovery:

- (a) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - (i) To you, until you are reimbursed for that loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
  - (ii) Then to us, until we are reimbursed for the settlement made;
  - (iii) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- (b) Recoveries do not include any recovery:
  - (i) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
  - (ii) Of original securities after duplicates of them have been issued.

(14) If more than one insured is named in the Declarations, the first named insured will act for itself and for every other insured for the purposes of this insurance.

- x. Loss of Refrigeration - We will pay for loss or damage to your goods contained in the refrigeration units at the premises described in the Declarations caused by or resulting from:
    - (1) mechanical or electrical breakdown of the refrigeration units, their controls and related equipment which are owned, or used by you; or
    - (2) a power failure beyond your control which causes a change in temperature or humidity
- We will not pay for any loss or damage if you fail to use reasonable care to maintain all refrigeration units in proper operating condition.
- y. Off Premises Time Element

(1) We will pay for loss of Business Income or Extra Expense at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss, not on the described premises, from one of the following services:

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

(i) Pumping stations; and

(ii) Water mains.

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

(i) Communication transmission lines, including optic fiber transmission lines;

(ii) Coaxial cables; and

(iii) Microwave radio relays, except satellites.

It does not include overhead transmission lines.

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

(i) Utility generating plants;

(ii) Switching stations;

(iii) Substations;

(iv) Transformers; and

(v) Transmission lines.

It does not include overhead transmission lines.

(2) We will only pay for loss you sustain after the first 12 hours following the direct physical loss or damage to the off-premises property to which this endorsement applies.

z. Fine Arts

We will pay for loss or damage to your fine arts and fine arts owned by others but in your care, custody or control at covered locations. We cover such property against direct physical loss or damage from a

Covered Cause of Loss applying to your business personal property at the location.

Fine arts means property that is rare or of artistic or historic value.

The most we will pay for loss or damage in any one **occurrence** is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fine Arts.

If there is other insurance covering the same loss or damage provided by this Additional Coverage, whether covered by this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance. But we will not pay more than the applicable Limit of Insurance.

aa.. Foundations

If the Declarations show you have Building Coverage, we will pay for loss to:

(1) foundations of covered buildings, structures, machinery and boilers, and

(2) foundations of equipment and machinery, whether above or below ground.

Item A.2., Property Not Covered, part i. is deleted. The Policy Deductible applies to this extension of coverage.

V. Section I Property Coverage, A, 5 Additional Coverages, of Property/Liability Policy AB 9000 12 93, is amended as follows:

d. Fire Department Service Charge

The most we will pay any one person under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fire Department Service Charge

o. Cost of Inventory, Appraisal or Adjustment Expense

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Cost of Inventory, Appraisal or Adjustment Expense.

p. Cost of Expediting

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Expediting Expense.

r. Money and Securities

Our limit of liability is increased to \$25,000 maximum whether inside the premises or outside the premises.

VI. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following:

a. Newly Acquired Buildings

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Buildings

d. Business Personal Property at Newly Acquired Premises

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Property whether the loss occurs to Buildings or Business Personal Property or both.

e. Personal Effects

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

h. Money Order and Counterfeit Money

Our limit of liability for this coverage extension is increased to \$25,000.

i. Depositor's Forgery

Our limit of liability for this coverage extension is increased to \$25,000.

VII. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following additional coverages:

k. Contaminated Food

- (1) If a Board of Health orders your premises closed; or
- (2) either you or any government body makes an announcement warning the public of a health hazard because of either the discovery or the suspicion that contaminated food has been served to your patrons at a location described in the Declarations.
- (3) We will pay:
  - (a) your cost to clean your equipment per local Board of Health requirements;
  - (b) your cost to replace consumable goods declared contaminated by the local Board of Health;

- (c) the cost of necessary medical tests and vaccines for infected employees;
- (d) your actual expenses to reimburse patrons for reasonable doctor's care, medical tests and hospitalization, made necessary by their actual or suspected consumption of contaminated food at a covered location;
- (e) the actual loss of Business Income at the affected location(s) described in the Declarations;
- (f) paid leave for all employees until the site has been cleared by the local Board of Health for reopening and
- (g) extra advertising cost to restore your reputation.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Contaminated Food.

l. Temporary Properties

We will pay for direct physical loss or damage to personal property, such as bleachers, pavilions, platforms or awnings, which you erect for temporary use during the course of your business operations. However, we will only pay for such loss or damage if it results from a Covered Cause of Loss, and the property damaged is at a covered location.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Temporary Properties.

This Coverage Extension does not apply to loss or damage caused directly or indirectly by flood or earth movement.

m. Sign and Glass Coverage

If you occupy a location that you do not own, we cover the signs and glass that you use in your business at a covered location. Sign and glass coverage includes:

- (1) Lettering and ornamentation;
- (2) Signs or glass that are on the exterior of the insured premises; and
- (3) Signs or glass that are on the exterior of the insured premises, but which is interior to an enclosed structure.

We will cover such signs and glass for direct physical loss or damage from any covered cause of loss applying to your Business Personal Property.

We will not pay for loss of or damage to any sign or glass at any location at which you are required by lease or other contract to insure the Business Real Property, except where such lease or other contract specifically requires you to insure the exterior signs at the location.

The most we will pay for loss or damage in any one **occurrence** under this Additional Coverage, regardless of the number of signs or panes of glass lost or damaged, is the Limit of Insurance shown in the Schedule that applies to Sign and Glass Coverage.

This Additional Coverage shall apply only as excess insurance over any insurance provided by or for the building owner, whether or not any proceeds under any such policy are collectible.

n. Broadened Premises Coverage

The within 100 feet of the described premises limit stated in Paragraph A.1.b. **Business Personal Property** is deleted and replaced by within 1000 feet of the described premises.

VIII. Section I Property Coverage, B, Exclusions, item f(5), is amended by deleting the following:

- (4) Water that backs up from a sewer or drain: or
- (5) Water under the ground surface pressing on, flowing or seeping through;
  - (a) Foundations, walls, floor, or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows, or other openings.

IX. Section II Liability Coverage, Coverage D – Medical Payments, item 2.a of Property/Liability Policy AB 9000 12 93, is deleted and replaced in its entirety by the following:

- a. We will pay medical expenses as described below for **bodily injury** caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent;
  - (3) Because of your operations; provided that:
    - (a) The accident takes place in the coverage territory and during the policy period;
    - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
    - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

X. Section II Liability Coverage, Part H, Exclusions – Medical Payments, item 2(f), of Property/Liability Policy AB 9000 12 93, is deleted.

XI. Section II Liability Coverage, part K, General Conditions, is amended to include:

6. Other Insurance

Unless otherwise stated, if there is other insurance covering the same loss or damage under this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from the other insurance, whether collectible or not. But we will not pay more than our applicable Limit of Insurance.

SERFF Tracking Number: FFDC-125801024 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARAB0508  
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners  
 Liability  
 Product Name: American Business Coverage Quick Serve Restaurant  
 Project Name/Number: American Business Coverage Quick Serve Restaurant/NWAB0508

## Superseded Attachments

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

Original Date:	Schedule	Document Name	Replaced Date	Attach Document
No original date	Form	American Business Coverage Quick Service Restaurant Extension Endorsement	09/04/2008	AB 9355 quick serve restaurant final 08-15-08.pdf

**American Business Coverage Quick Service Restaurant Extension Endorsement  
AB 93 55 04 08**

**This endorsement modifies insurance provided under the following:  
American Business Coverage AB 9000**

**Schedule of Coverages subject to the \$250,000 Blanket Limit of Insurance**

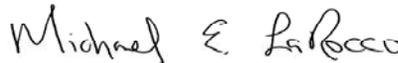
<b>Coverage Description</b>	<b>Sub-Limits of Insurance</b>	<b>Additional Limits</b>
Accounts Receivable*		
Broadened Premise Coverage	Included	
Business Personal Property at Newly Acquired Premises*		
Business Personal Property - Off Premises*		
Communicable Disease Extra Expense	\$25,000	
Computer Equipment, Media, Data and Programs*		
Consequential Loss		
Contaminated Food	\$25,000	
Costs		
Time Element		
Contract Penalty		
Cost of Expediting*	\$25,000	
Cost of Inventory, Appraisal or Adjustment*	\$25,000	
Depositors Forgery*	\$25,000	
Employee Dishonesty	\$25,000	
Extended Medical Payments	Included	
Extended Period of Indemnity	24 months	
Fine Arts	\$25,000	
Fire Department Service Charge*	\$25,000	
Fire Protection Devices*	\$25,000	
Foundations	Included	
Income Support Properties*	\$100,000	
Loss of Refrigeration		
Money and Securities	\$25,000	
Money Orders and Counterfeit Money*	\$25,000	
Newly Acquired Buildings	\$250,000	
Off Premises Time Element		
Outdoor Property: Trees, Shrubs, Plants and Lawns		
Personal Effects	\$5,000	
Property of Others*		
Realty Tax Increased Assessment	\$25,000	
Sign and Glass Coverage	\$25,000	
(Where Insured Doesn't Own The Building)		
Temporary Properties	\$25,000	
Valuable Papers and Records*		
Water Damage *	\$15,000	

**\*Refer to AB 9000 for coverage provisions of all applicable additional coverages or coverage extensions**

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

**I. Schedule of Coverages Subject to the Blanket Limit of Insurance**

**A. \$250,000 Blanket limit of Insurance**

A \$250,000 combined **Blanket Limit of Insurance** applies in each occurrence to all coverages described in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above. You may elect to apportion the \$250,000 **Blanket Limit of Insurance** to a single coverage or between any combination of coverages for loss in each occurrence. However, regardless of how the **Blanket Limit of Insurance** is apportioned or the number of locations involved the most we will pay in any single occurrence is \$250,000.

This **Blanket Limit of Insurance** does not apply to any other coverages provided by Property/Liability Policy AB 9000 12 93.

**B. Specified Sub-Limits**

For all coverages with specified sub-limits in the **Schedule of Coverages subject to the Blanket Limit of Insurance** shown above, the most we will pay in any single occurrence is the specified sub-limit for the scheduled coverage item. Any specified sub-limits are included within the **Blanket Limit of Insurance** and do not increase the \$250,000 **Blanket Limit of Insurance**.

**C. Additional Limits of Insurance**

Additional Limits of Insurance may be purchased for each of the coverages listed above. If purchased, these Additional Limits of Insurance will be designated in the **Schedule of Coverages subject to the Blanket Limit of Insurance**, and will apply in addition to whatever amount you have otherwise apportioned to that coverage under the **Blanket Limit of Insurance**.

The limits stated in this endorsement replace any other limits for all coverages in the **Schedule of Coverage** subject to the \$250,000 Blanket Limit of Insurance.

**II. Section I Property Coverages, A.5. Additional Coverages, item g, of Property/Liability Policy – AB 90 00 12 93, is deleted in its entirety and is replaced by the following:**

**g. Business Income**

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your **operations** during the **period of restoration**. We will also pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property is actually repaired, rebuilt or replaced and operations are resumed; and
- (2) Ends on the earlier of:

- (a) The date you could restore operations with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
- (b) 365 consecutive days after the date determined in (1) above.

But we will not pay for any loss of Business Income beyond 24 consecutive months after the date of direct physical loss or damage.

The suspension must be caused by direct physical loss of or damage to property at the described premises, including personal property in the open (or in a vehicle) within 1000 feet, caused by or resulting from any Covered Causes of Loss.

**Business Income** means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

**Business Income Extension**

Your Business Income coverage is extended to apply to property at any location you acquire other than fairs or exhibitions. The most we will pay for loss under this Extension is \$10,000. This additional coverage is not subject to the Limits of Insurance.

**Business Income Exclusions**

We will not pay for:

- (1) Any increase of Business Income loss caused by or resulting from:
  - (a) Delay in rebuilding, repairing or replacing the property or resuming **operations**, due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
  - (b) Suspension, lapse or cancellation of any license lease or contract. But, if the suspension, lapse or cancellation is directly caused by the suspension of **operations**, we will cover such loss that affects your Business Income during the **period of restoration**.
- (2) Any other consequential loss.

**III. Section I Property Coverages, A.5. Additional Coverages, item h, of Property/Liability Policy – AB 90 00 12 93, is amended to include:**

Communicable Disease Extra Expense:

- a. We will pay for the actual expense you incur due to a communicable disease event occurring at your premises. The extra expense must be a result of a communicable disease event that has taken place at a covered location.
- b. We will not pay for any loss under this Additional Coverage which is caused directly or indirectly by any the following:
  - (1) Fines or penalties of any kind;
  - (2) Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
  - (3) The cost of replacing actual or suspected contaminated property from the insured location, or any other location;
  - (4) Any loss otherwise excluded by an applicable exclusion to this policy.
- c. Communicable Disease means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.
- d. Communicable Disease Event means that an official Public Health Authority has ordered that your premises be evacuated and disinfected due to the outbreak of a Communicable Disease at the covered location.
- e. For purposes of the Additional Coverage, Extra Expense is limited to:
  - (1) The actual expense you incur to evacuate the covered premises due to a Communicable Disease Event; and
  - (2) The actual expense you incur to disinfect the covered premises of the Communicable Disease; and
  - (3) The actual expense you incur to test the covered premises to confirm disinfection of the Communicable Disease.
- f. This Additional Coverage does not create any Business Income coverage under any coverage for which provides coverage for Business Income.
- g. All other provisions of this policy apply to this Additional Coverage.
- h. The most we will pay under this Additional Coverage in any once occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for Communicable Disease Extra Expense.

**IV. Additional Coverage**

The following Section is added to Section I, Property Coverage A of Property/Liability Policy AB 90 00 12 93:

u. Consequential Loss

We will pay the reduction in value of the remaining parts of your stock when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of your stock at the described premises and the remaining parts cannot be used in conjunction with other stock.

v. Contract Penalty

We will pay the contractual penalties you are required to pay to your customers as a result of any clause in your written contracts with such customers imposing such penalties for failure to timely deliver your product according to the contract terms. The failure to timely deliver must result solely from direct physical loss or damage by a Covered Cause of Loss.

w. Employee Dishonesty Coverage

- (1) We will pay for direct physical loss of covered property resulting from dishonest or fraudulent acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) while they work for you and for 30 days after they leave your employment.

We will pay for loss of or damage to money, securities and other property resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the premises or banking premises to a person (other than a messenger) outside those premises or to a place outside those premises.

We will pay for loss of funds resulting directly from a fraudulent instruction directing a financial institution to transfer pay or deliver funds from your transfer account.

The property covered is:

- (a) Money;
- (b) Securities; and
- (c) Other property that is tangible and has an intrinsic value which you own, hold, or for which you are legally liable.

- (2) An employee is a natural person who is subject to your direction and control. Independent contractors or agents or representatives of the same general character are not employees.

If you are a non-profit organization, employee does include any non-compensated natural person, other than a fund solicitor, while performing services for you that are usual to the duties of an employee.

- (3) The dishonest or fraudulent act(s) must be committed within the Coverage period and with the manifest intent to:
  - (a) Cause you to sustain loss or damage; and also
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotional awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (i) Any employee; or
    - (ii) Any other person or organization.
- (4) We will pay only for covered loss discovered within 90 days after the end of the Coverage period or cancellation date of this insurance.
- (5) We will not pay for loss, or any part of any loss:
  - (a) The proof of which is dependent upon either:
    - (i) An inventory computation; or
    - (ii) A profit and loss computation.
  - (b) Resulting from any act of any employee after the time that you, or any of your partners or officers have discovered or have knowledge of any dishonest act by that employee committed by that employee before or after being hired by you.
  - (c) Which is an indirect result of any dishonest or fraudulent act including loss:
    - (i) Which relates to your inability to earn income.
    - (ii) Which is a penalty, or interest payment.
    - (iii) Which is an expense related to any legal action.
- (6) If you have made a timely discovery and timely claim on more than one policy we or any affiliate has issued to you or any affiliate of yours, the most we will pay is the largest limit payable on any one policy.

An occurrence, means all loss caused by any employee or in which that person is involved, whether all loss involved one or more acts of

dishonesty even when more than one employee is involved.

All loss caused by an unidentifiable employee(s) is one occurrence unless there is proof that no one employee could have been involved in all of the loss. Involved means to have had an effect on.

- (7) If you (or any predecessor in interest) sustained loss during the period of any prior insurance that you could have recovered under that insurance except the time within which to discover loss had expired: we will, as part of, not in addition to the Limit of Insurance of this Coverage, pay for it under this Coverage, provided:
  - (a) This Coverage became effective at the time of cancellation or termination of the prior insurance; and
  - (b) The loss would have been covered by this Coverage had it been in effect when the acts were committed.
  - (c) An amount being paid as a part of the Limit of Insurance is limited to the lesser of the amount recoverable under:
    - (i) This Coverage as of its effective date; or
    - (ii) The prior insurance had it remained in effect.
- (8) ERISA PLANS as a named insured under Employee Dishonesty Coverage have the following provisions without increasing the Limit of Insurance for Employee Dishonesty Coverage. These provisions are in compliance with certain provisions of the Retirement Income Security Act (ERISA).
  - (a) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for the Employee Dishonesty Coverage Form that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.
  - (b) If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that Insured for loss sustained by any Plan will be held by that Insured for the use and benefit of the Plan(s) sustaining the loss.
  - (c) If two or more Plans are insured under this insurance, any payment we make for loss:
    - (i) Sustained by two or more Plans; or

- (ii) Of commingled funds or other property of two or more Plans that arises out of the occurrence,

is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

- (d) The deductible provisions of the Employee Dishonesty Coverage Form does not apply to loss sustained by any Plan subject to ERISA which is insured under this insurance.
- (9) Recoveries, less the cost of obtaining them, made prior to settlement of loss under this Employee Dishonesty coverage, are to be credited to the loss.
- (10) Your duties in the event of a loss include:
- (a) After you discover a loss or a situation that may result in a loss under this Coverage, you must:
    - (i) Notify us as soon as possible with an outline of the facts as known to you.
    - (ii) Do nothing after loss to impair your rights of recovery against any person or organization.
    - (iii) Give us a detailed, sworn proof of loss within 90 days of our request, or 120 days after you discover a loss if we have not made a written request for a proof of loss.
    - (iv) Produce for our examination all pertinent records.
    - (v) Cooperate with us in the investigation of your claim.
    - (vi) Submit to examination under oath at our request and give us a signed statement of your answers.
  - (b) You must transfer to us all your rights of recovery against any person or organization for any loss you sustain and for which we have paid or settled. You must do everything necessary to secure those rights for us.
- (11) We will pay up to \$1,000 to cover the costs you incur to investigate in order to prepare your proof of loss. This coverage does not increase your

coverage limit and it is payable only if you have a covered claim.

- (12) You may not bring any legal action against us involving loss under this endorsement:
- (a) Unless there has been full compliance with all of the terms of this insurance; and
  - (b) Unless the action is brought within two years after the date on which you discover the loss.

This insurance provides no rights or benefits to any other person or organization.

- (13) Distribution of recovery:
- (a) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
    - (i) To you, until you are reimbursed for that loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
    - (ii) Then to us, until we are reimbursed for the settlement made;
    - (iii) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
  - (b) Recoveries do not include any recovery:
    - (i) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
    - (ii) Of original securities after duplicates of them have been issued.

- (14) If more than one insured is named in the Declarations, the first named insured will act for itself and for every other insured for the purposes of this insurance.

- x. Loss of Refrigeration - We will pay for loss or damage to your goods contained in the refrigeration units at the premises described in the Declarations caused by or resulting from:
- (1) mechanical or electrical breakdown of the refrigeration units, their controls and related equipment which are owned, or used by you; or
  - (2) a power failure beyond your control which causes a change in temperature or humidity

We will not pay for any loss or damage if you fail to use reasonable care to maintain all refrigeration units in proper operating condition.

y. Off Premises Time Element

(1) We will pay for loss of Business Income or Extra Expense at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss, not on the described premises, from one of the following services:

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

- (i) Pumping stations; and
- (ii) Water mains.

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

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays, except satellites.

It does not include overhead transmission lines.

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

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines.

It does not include overhead transmission lines.

(2) We will only pay for loss you sustain after the first 12 hours following the direct physical loss or damage to the off-premises property to which this endorsement applies.

z. Fine Arts

We will pay for loss or damage to your fine arts and fine arts owned by others but in your care, custody or control at covered locations. We cover such property against direct physical loss or damage from a Covered Cause of Loss applying to your business personal property at the location.

Fine arts means property that is rare or of artistic or historic value.

The most we will pay for loss or damage in any one **occurrence** is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fine Arts.

If there is other insurance covering the same loss or damage provided by this Additional Coverage, whether covered by this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance. But we will not pay more than the applicable Limit of Insurance.

aa. Foundations

If the Declarations show you have Building Coverage, we will pay for loss to:

- (1) foundations of covered buildings, structures, machinery and boilers, and
- (2) foundations of equipment and machinery, whether above or below ground.

Item A.2., Property Not Covered, part i. is deleted. The Policy Deductible applies to this extension of coverage.

V. Section I Property Coverage, A, 5 Additional Coverages, of Property/Liability Policy AB 9000 12 93, is amended as follows:

d. Fire Department Service Charge

The most we will pay any one person under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Fire Department Service Charge

o. Cost of Inventory, Appraisal or Adjustment Expense

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Cost of Inventory, Appraisal or Adjustment Expense.

p. Cost of Expediting

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Expediting Expense.

r. Money and Securities

Our limit of liability is increased to \$25,000 maximum whether inside the premises or outside the premises.

VI. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following:

a. Newly Acquired Buildings

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Buildings

d. Business Personal Property at Newly Acquired Premises

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for Newly Acquired Property whether the loss occurs to Buildings or Business Personal Property or both.

e. Personal Effects

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

h. Money Order and Counterfeit Money

Our limit of liability for this coverage extension is increased to \$25,000.

i. Depositor's Forgery

Our limit of liability for this coverage extension is increased to \$25,000.

VII. Section I Property Coverage, A, 6 Coverage Extensions, of Property/Liability Policy AB 9000 12 93, is amended to include the following additional coverages:

k. Contaminated Food

- (1) If a Board of Health orders your premises closed; or
- (2) either you or any government body makes an announcement warning the public of a health hazard because of either the discovery or the suspicion that contaminated food has been served to your patrons at a location described in the Declarations.
- (3) We will pay:
  - (a) your cost to clean your equipment per local Board of Health requirements;

- (b) your cost to replace consumable goods declared contaminated by the local Board of Health;
- (c) the cost of necessary medical tests and vaccines for infected employees;
- (d) your actual expenses to reimburse patrons for reasonable doctor's care, medical tests and hospitalization, made necessary by their actual or suspected consumption of contaminated food at a covered location;
- (e) the actual loss of Business Income at the affected location(s) described in the Declarations;
- (f) paid leave for all employees until the site has been cleared by the local Board of Health for reopening and
- (g) extra advertising cost to restore your reputation.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Contaminated Food.

l. Temporary Properties

We will pay for direct physical loss or damage to personal property, such as bleachers, pavilions, platforms or awnings, which you erect for temporary use during the course of your business operations. However, we will only pay for such loss or damage if it results from a Covered Cause of Loss, and the property damaged is at a covered location.

Our limit of liability for this coverage is the limit of insurance shown in the schedule that applies to this endorsement for Temporary Properties.

This Coverage Extension does not apply to loss or damage caused directly or indirectly by flood or earth movement.

m. Sign and Glass Coverage

If you occupy a location that you do not own, we cover the signs and glass that you use in your business at a covered location. Sign and glass coverage includes:

- (1) Lettering and ornamentation;
- (2) Signs or glass that are on the exterior of the insured premises; and
- (3) Signs or glass that are on the exterior of the insured premises, but which is interior to an enclosed structure.

We will cover such signs and glass for direct physical loss or damage from any covered cause of loss applying to your Business Personal Property.

We will not pay for loss of or damage to any sign or glass at any location at which you are required by lease or other contract to insure the Business Real Property, except

where such lease or other contract specifically requires you to insure the exterior signs at the location.

The most we will pay for loss or damage in any one **occurrence** under this Additional Coverage, regardless of the number of signs or panes of glass lost or damaged, is the Limit of Insurance shown in the Schedule that applies to Sign and Glass Coverage.

This Additional Coverage shall apply only as excess insurance over any insurance provided by or for the building owner, whether or not any proceeds under any such policy are collectible.

n. Broadened Premises Coverage

The within 100 feet of the described premises limit stated in Paragraph A.1.b. **Business Personal Property** is deleted and replaced by within 1000 feet of the described premises.

VIII. Section I Property Coverage, B, Exclusions, item f(5), is amended by deleting the following:

- (4) Water that backs up from a sewer or drain: or
- (5) Water under the ground surface pressing on, flowing or seeping through;
  - (a) Foundations, walls, floor, or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows, or other openings.

IX. Section II Liability Coverage, Coverage D – Medical Payments, item 2.a of Property/Liability Policy AB 9000 12 93, is deleted and replaced in its entirety by the following:

- a. We will pay medical expenses as described below for **bodily injury** caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent;
  - (3) Because of your operations; provided that:
    - (a) The accident takes place in the coverage territory and during the policy period;
    - (b) The expenses are incurred and reported to us within three years of the date of the accident; and
    - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

X. Section II Liability Coverage, Part H, Exclusions – Medical Payments, item 2(f), of Property/Liability Policy AB 9000 12 93, is deleted.

XI. Section II Liability Coverage, part K, General Conditions, is amended to include:

6. Other Insurance

Unless otherwise stated, if there is other insurance covering the same loss or damage under this policy or any other policy, we will pay only for the amount of covered loss or damage in excess of the amount due from the other insurance, whether collectible or not. But we will not pay more than our applicable Limit of Insurance.