

SERFF Tracking Number: PHLX-125832815 State: Arkansas
Filing Company: Philadelphia Indemnity Insurance Company State Tracking Number: #? \$50
Company Tracking Number: ML AR0036802F01
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1003 Commercial Package
Portion Only
Product Name: UltimateCover
Project Name/Number: UltimateCover/ML AR0036802F01

Filing at a Glance

Company: Philadelphia Indemnity Insurance Company

Product Name: UltimateCover SERFF Tr Num: PHLX-125832815 State: Arkansas
TOI: 05.1 Commercial Multi-Peril - Non-Liability SERFF Status: Closed State Tr Num: #? \$50
Portion Only

Sub-TOI: 05.1003 Commercial Package Co Tr Num: ML AR0036802F01 State Status: Fees verified
Filing Type: Form Co Status: Reviewer(s): Betty Montesi,
Llyweyia Rawlins

Author: SPI PhiladelphiaIndemnity Disposition Date: 09/26/2008
Date Submitted: 09/25/2008 Disposition Status: Approved

Effective Date Requested (New): 10/25/2008 Effective Date (New): 10/25/2008
Effective Date Requested (Renewal): Effective Date (Renewal):
10/25/2008

State Filing Description:

General Information

Project Name: UltimateCover
Project Number: ML AR0036802F01
Reference Organization:
Reference Title:
Filing Status Changed: 09/26/2008
State Status Changed: 09/26/2008
Corresponding Filing Tracking Number:
Filing Description:

Status of Filing in Domicile:
Domicile Status Comments:
Reference Number:
Advisory Org. Circular:
Deemer Date:

The Philadelphia Indemnity Insurance Company files for your review, and where required approval, endorsements that will be made available under our previously approved Ultimate Cover program for risks with museums or cultural institutions exposures.

The enclosed endorsements modify our Ultimate Cover Property Coverage Form and/or Causes of Loss form. This

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coverage will be available on a package or monoline basis.

A corresponding rule page describing forms usage is being filed under separate cover.

The attached endorsements are new and do not replace any existing forms.

Also enclosed is a Forms Explanatory Memorandum that provides additional details about this filing including a listing of all included forms and which forms are optional and which are mandatory for insureds that elect this coverage.

We would like to implement this filing on the earlier of October 25, 2008 or the first date possible after receiving your Department's approval.

Our domiciliary state of Pennsylvania approved this filing, effective November 15, 2008.

Company and Contact

Filing Contact Information

Gary Corbi, Senior Compliance Analyst

One Bala Plaza (610) 617-5980 [Phone]

Bala Cynwyd, PA 19004 (866) 374-1070[FAX]

Filing Company Information

Philadelphia Indemnity Insurance Company

CoCode: 18058

State of Domicile: Pennsylvania

One Bala Plaza

Group Code: 677

Company Type:

Suite 100

Bala Cynwyd, PA 19004

Group Name: Philadelphia

State ID Number:

Insurance Companies

(610) 617-7900 ext. [Phone]

FEIN Number: 231738402

Filing Fees

SERFF Tracking Number: PHLX-125832815 State: Arkansas
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Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Philadelphia Indemnity Insurance Company	\$0.00	09/25/2008	

CHECK NUMBER	CHECK AMOUNT	CHECK DATE
44050	\$50.00	09/23/2008

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	09/26/2008	09/26/2008

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Explanatory Memo - Museums-CW	Approved	Yes
Form	Elite Property Enhancement: Museums and Cultural Institutions	Approved	Yes
Form	Museums and Cultural Institutions Flexible Limit of Insurance Coverage	Approved	Yes
Form	Museums and Cultural Institutions Building Restoration	Approved	Yes

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Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Elite Property Enhancement: Museums and Cultural Institutions	PI-ULT-124	(05/08)	Endorsement/Amendment/Conditions		0.00	PI-ULT-124.PDF
Approved	Museums and Cultural Institutions Flexible Limit of Insurance Coverage	PI-ULT-125	(05/08)	Endorsement/Amendment/Conditions		0.00	PI-ULT-125.PDF
Approved	Museums and Cultural Institutions Building Restoration	PI-ULT-126	(05/08)	Endorsement/Amendment/Conditions		0.00	PI-ULT-126.PDF

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ELITE PROPERTY ENHANCEMENT:
MUSEUMS AND CULTURAL INSTITUTIONS**

This endorsement modifies insurance provided under the following:

**PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM****I. Schedule of Coverages and Limits**

The following is a summary of increased Limits of Insurance, additional coverages and/or coverage extensions provided by this endorsement. This endorsement is subject to the provisions of your policy.

Coverage Applicable	Limit of Insurance	Page #
Additional Coverages		
Airline Tickets	\$2,000	2
Automated External Defibrillators (AEDs)	\$5,000	2
Claim Expenses	\$25,000	2
Computer Fraud	\$5,000	2
Contract Penalty Clause	\$50,000	3
Earthquake Sprinkler Leakage	\$10,000	3
Historical Research Costs	\$25,000	3
Lease Cancellation Moving Expenses	\$2,500	3
Pollutant Clean up and Removal	\$50,000	3
Coverage Extensions		
Business Income and Extra Expense	\$100,000	3
Civil Authority	Included in BI/EE Limit	4
Contingent Business Property	Included in BI/EE Limit	4
Websites	\$50,000	4
Emergency Vacating Expense	\$15,000	5
Excavations and Landscaping	\$50,000	6
Garages	\$5,000	6
Lost Key Replacement	\$5,000	6
Ordinance or Law – Demolition Cost	\$300,000	6
Ordinance or Law – Increased Cost of Construction	\$300,000	6
Personal Property of Others	\$25,000	6
Reward Reimbursement	\$5,000	7
Spoilage	\$25,000	7
Utility Services – Direct Damage	\$25,000	7
Limitations		
Furs	\$5,000	8
Precious Metals	\$5,000	8

II. Conditions**A. Applicability of Coverage**

Coverage provided in forms attached to your policy is amended by this endorsement where

applicable.

B. Limits of Insurance

1. When coverage is provided by this form and another coverage form attached to this policy, the greater Limits of Insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy.
2. Limits of Insurance identified in this endorsement are not excess of, or in addition to, Limits of Insurance provided by the **PROPERTY COVERAGE FORM** or the **CAUSES OF LOSS FORM** unless otherwise stated.
3. Coverage is considered to be on an occurrence basis (not on a per location basis) unless otherwise stated.

C. Applicability of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage enhancement.

D. Requirement for Covered Causes of Loss

Except where a specific Covered Cause of Loss is identified in this coverage enhancement, coverage for the “**losses**” described herein are applicable only for Covered Causes of Loss as designated in the **CAUSES OF LOSS FORM** attached to the policy.

III. Additional Coverages

The following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 4. Additional Coverages**:

A. Airline Tickets

We will pay up to \$2,000 in any one occurrence to cover the theft of airline tickets for your business trip, while they are in transit within the coverage territory.

B. Automated External Defibrillators

Automated external defibrillators (AEDs) are considered covered property.

The most we will pay for “**loss**” or damage under this coverage is limited to \$5,000 per occurrence, which is in addition to the Business Personal Property Limit stated in the Declarations.

C. Claim Expenses

Section **A. Coverage, 4. Additional Coverages, o. Claim Expenses** is amended as follows:

The most we will pay under this additional coverage is increased to \$25,000. This limit is in addition to the applicable Limits of Insurance stated in the Declarations.

D. Computer Fraud

We will pay up to \$5,000 in any one occurrence for direct physical “**loss**” to “**money**,” “**securities**,” and other property having intrinsic value resulting directly from “**computer fraud**.”

E. Contract Penalty Clause

Section **A. Coverage, 4. Additional Coverages, n. Contract Penalty Clause** is amended as follows:

The most we will pay for penalties for all contracts in any one occurrence is increased to \$50,000.

F. Earthquake Sprinkler Leakage

We will pay up to \$10,000 for damages resulting from sprinkler leakage which is caused by earth movement.

G. Historical Research Costs

If the **“building”** or specific building features suffer a **“loss”** or are damaged by a covered cause of loss, we will pay for research costs to consult with experts, such as Local Register, National Register, or National Landmark Register of Historic Places to determine the original material or design of the **“building”** or specific building features.

The most we will pay in any one occurrence is \$25,000. This limit is in addition to the Building Limit of Insurance stated in the Declarations.

H. Lease Cancellation Moving Expenses

We will reimburse you for any moving expenses necessitated by your need to relocate due to the cancellation of the lease at your premises listed in the Declarations. The lease cancellation must occur as a result of a Covered Cause of Loss.

The limit for this coverage will be \$2,500 for all insureds combined. No deductible applies to this coverage.

I. Pollutant Clean Up and Removal

Section **A. Coverage, 4. Additional Coverages, f. Pollutant Clean Up and Removal** is amended as follows:

The Limit of Insurance for this additional coverage for each described premises is increased to \$50,000 for the sum of all covered expenses arising out of a Covered Cause of Loss occurring during each separate 12 month period of this policy.

IV. Coverage Extensions

With the exception of Item **J. Utility Services – Direct Damage** below, the following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 5. Coverage Extensions**:

A. Business Income and Extra Expense

1. Coverage is extended to include the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when your covered **“building”** or Business Personal Property listed in the Declarations is damaged by a Covered Cause of Loss.

We pay any Extra Expense you incur:

- a. To continue your normal **“operations”** at the described premises; or
- b. To continue your normal **“operations”** at replacement premises or temporary locations; including:

- (1) Relocation expenses; and
 - (2) The costs to equip or operate the replacement premises or temporary locations; or
- c. To minimize the suspension of your normal **“operations”** if you cannot continue them.

2. Civil Authority

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur that is caused by action of civil authority that prohibits access to the described premises due to direct physical **“loss”** of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to 3 consecutive weeks after coverage begins. The coverage for Extra Expense will begin immediately after the time of that action and will end:

- a. 3 consecutive weeks after the time of that action; or
- b. When your Business Income coverage ends; whichever comes first.

3. Contingent Business Property

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when Contingent Business Property is damaged by a Covered Cause of Loss. We will reduce the amount of your Business Income **“loss,”** other than Extra Expense to the extent you can resume **“operations,”** in whole or in part, by using any other available:

- a. Source of materials; or
- b. Outlet for your products.

The most we will pay under these sections **A.1., 2. and 3.** combined is \$100,000 for any one occurrence.

4. Websites

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur due to the necessary interruption of business **“operations”** caused by or resulting from direct physical **“loss”** to your website operation at the premises of a vendor acting as your service provider.

Such interruption must be caused by or result from a Covered Cause of Loss.

This coverage applies only if you have a back-up of your web page stored at a location other than the site of the website vendor and to the extent that Business Income is permanently lost.

The coverage for Business Income will begin 12 hours immediately after the **“loss”** and will apply for a period of up to 7 days after the **“loss.”** The coverage for Extra Expense will begin immediately after the **“loss”** and will end:

- a. 7 days after the **“loss”**; or
- b. When your Business Income coverage ends; whichever comes first.

The most we will pay under this extension is \$50,000 in any one occurrence. This limit is in addition to the Business Income and Extra Expense limit provided above.

5. The following, when used in this section, are defined as follows:
- a. Business Income means net income (net profit or loss before income taxes) that would have been earned or incurred during the period of restoration and continuing normal operating expenses including payroll.
 - b. Extra Expense means necessary expenses you incur during the period of restoration that you would not have incurred if there had been no direct physical **“loss”** or damage to property caused by or resulting from a Covered Cause of Loss.
 - c. Contingent Business Property means property operated by others on whom you depend to:
 - (1) Deliver materials or services to you or to others for your account (Contributing Locations);
 - (2) Accept your products or services (Recipient Locations);
 - (3) Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 - (4) Attract customers to your business (Leader Locations).
 - d. Period of restoration means the period of time that:
 - (1) Begins with the date of physical **“loss”** or damage caused by or resulting from any Covered Cause of Loss; and
 - (2) Ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

Period of restoration does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **“pollutants.”**

The expiration date of this policy will not cut short the period of restoration.

B. Emergency Vacating Expense

1. The coverage provided by this policy is extended to apply to the reasonable expenses that you incur in the **“emergency”** vacating of the premises of your facility described in the Declarations, provided that vacating is necessary due to an **“emergency”** situation resulting from a Covered Cause of Loss.
2. We will not pay for any expenses under this extension arising out of:
 - a. A strike, bomb threat or false fire alarm, unless vacating is ordered by a civil authority;
 - b. A planned vacating drill; or

- c. The vacating of one or more individuals that is solely due to their individual medical condition.
3. The most we will pay in any one occurrence for the evacuation of residents, regardless of the number of residents evacuated, is \$15,000. The deductible for emergency vacating expenses is \$1,000 per occurrence.

C. Excavations and Landscaping

Section **A. Coverage, 5. Coverage Extensions, f. Excavations and Landscaping** is amended as follows:

The most we will pay under this coverage extension in any one occurrence is \$50,000.

D. Garages

“**Building**” coverage is extended to apply to any garage or storage shed located at the premises described in the Declarations.

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

E. Lost Key Replacement

Section **A. Coverage, 5. Coverage Extensions, k. Lost Key Replacement** is amended as follows:

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

F. Ordinance or Law

Section **A. Coverage, 5. Coverage Extensions, j. Ordinance or Law** is amended as follows:

1. The Limit of Insurance for demolition costs is increased to \$300,000 in any one occurrence.
2. The Limit of Insurance for increased cost of construction is increased to \$300,000 in any one occurrence.

G. Personal Property of Others

We will pay for personal property of others that is in your care, custody, or control, and located in or on the “**building**” described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

The most we will pay for “**loss**” or damage under this extension is \$25,000 at each described premises.

Our payment for “**loss**” of or damage to personal property of others will only be for the account of the owner of the property.

H. Reward Reimbursement

We will pay a reward for information that leads to a criminal conviction in connection with “**loss**” or damage to covered property by a Covered Cause of Loss; provided that the reward is pre-approved by us.

The most we will pay for this additional coverage is \$5,000 regardless of the number of persons involved who provide information. No deductible shall apply to this coverage.

This extension does not include arson reward, as arson reward is included in Section 4. **Additional Coverages** in the **PROPERTY COVERAGE FORM**.

I. Spoilage

1. We will pay for direct physical “**loss**” or damage to your perishable business personal property, and perishable personal property of others while at or within 1000 feet of the described premises caused by spoilage due to changes in temperature or humidity resulting from:
 - a. Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or
 - b. Mechanical breakdown or failure of heating, cooling or humidity control equipment or apparatus at the described premises.
2. Coverage does not apply to:
 - a. The disconnection of any heating, cooling or humidity control equipment or apparatus from the source of power.
 - b. The deactivation of electrical power or current caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
 - c. The inability of an electric utility company or other power source to provide sufficient power due to:
 - (1) Lack of fuel; or
 - (2) Governmental order.
 - d. The inability of a power source at the described premises to provide sufficient power due to insufficient generating capacity to meet demand.
3. The most we will pay for “**loss**” or damage in any one occurrence is \$25,000.

J. Utility Services – Direct Damage

Section E. **Additional Coverage Extensions, 2. Utility Services – Direct Damage** in the **CAUSES OF LOSS FORM** is amended as follows:

The most we will pay under this coverage extension for the sum of all occurrences at all premises during each separate 12 month period of this policy is increased to \$25,000.

V. Limitations

- A. Section C. **Limitations** in the **CAUSES OF LOSS FORM** is amended as follows:
 2. a. The limit for furs, fur garments and garments trimmed with fur is increased to \$5,000.
 - b. The limit for jewelry, watches, watch movements, jewels, pearls, precious and semi-

precious stones, bullion, gold, silver, platinum and other precious alloys or metals is increased to \$5,000. This Limit of Insurance does not apply to jewelry and watches worth \$100 or less per item.

VI. Definitions

- A. “Computer Fraud”** means any act of stealing property following and directly related to 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.
- B. “Emergency”** means imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to occupants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MUSEUMS AND CULTURAL INSTITUTIONS
FLEXIBLE LIMIT OF INSURANCE COVERAGE**

This endorsement modifies insurance provided under the following:

**PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM**

Schedule of Flexible Limit Coverages: \$300,000 per occurrence at each location

The following is a summary of increased Flexible Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of your policy.

Coverage Applicable	Page #
Coverage	
Leasehold Interest	1
Non-Owned Trailers	2
Outdoor Trees, Shrubs or Plants	2
Pair and Set - Undamaged Business Personal Property	2
Personal Property of Employees	3
Public Safety Services Charge	3
Research and Development Property	3
Undamaged Tenants Improvements and Betterments - Leasehold Interest	3
Electronic Data Processing Equipment	3
Fine Arts	4

A. Coverage

The following coverage is added to **A. Coverage**:

6. Flexible Limit of Insurance Coverage

A flexible limit of insurance applies to the following coverages for direct physical “**loss**” that results from any Covered Cause of Loss at a location shown in the Declarations.

The amount we will pay for “**loss**” is shown below in **B. Flexible Limit of Insurance**.

a. Leasehold Interest

We will pay for “**loss**” you incur directly resulting from the cancellation of your written lease for:

- (1) “**Bonus Payment**”;
- (2) “**Prepaid Rent**”;
- (3) “**Sublease Profit**”; or
- (4) “**Tenants' Lease Interest.**”

Cancellation of the lease must be:

- (1) By the lessor;
- (2) By a valid condition of your lease; and
- (3) Due to direct physical “**loss**” to the “**building.**”

b. Non – Owned Trailers

- (1) We will pay for direct physical “**loss**” to trailers that you do not own, provided that:
 - (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at a location shown in the Declarations; and
 - (c) You have a contractual responsibility to pay for “**loss**” to the trailer.
- (2) We will not pay for any direct physical “**loss**” that occurs:
 - (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion; or
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

c. Outdoor Trees, Shrubs or Plants

We will pay for direct physical “**loss**” to your “**outdoor trees, shrubs or plants,**” including debris removal expenses, caused by or resulting from any of the following Causes of Loss:

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

This coverage does not apply to “**stock**” of trees, shrubs and plants.

The Flexible Limit of Insurance shown below in **B. Flexible Limit of Insurance** is in addition to the limit provided in Item **f. (2) Excavations and Landscaping** of Section **A. 5. Coverage Extensions** in the **PROPERTY COVERAGE FORM**.

d. Pair and Set – Undamaged Business Personal Property

We will pay for consequential “**loss**” to undamaged **Business Personal Property** that is part of:

- (1) Your product; or

(2) Any product in your care, custody or control,

which has become unmarketable as a complete product, because of direct physical **"loss"** to your **Business Personal Property** which is part of the same product.

e. Personal Property of Employees

We will pay for direct physical **"loss"** to **"Personal Property of Employees."**

We will also pay for direct physical **"loss"** to **"Personal Property of Employees"** while such property is away from your premises for the purpose of performing duties relating to the conduct of your business.

The most we will pay for any **"loss"** is \$2,500 for any one employee, subject to the Flexible Limit of Insurance shown below in **B. Flexible Limit of Insurance**.

f. Public Safety Services Charge

We will pay the charges you assume under any contract or agreement, or are required to pay by local ordinance, that are in effect at the time of the direct physical **"loss,"** if a fire department or other municipal agency charged with preserving public safety is called to save or protect the **"building"** or your **Business Personal Property** from direct physical **"loss."**

The Flexible Limit of Insurance shown below in **B. Flexible Limit of Insurance** for a fire department service charge is in addition to the limit provided in Item **c. Fire Department Service Charge** of Section **A. 4. Additional Coverages** of the **PROPERTY COVERAGE FORM**.

g. Research and Development Property

We will pay for direct physical **"loss"** to **"Research and Development Property"** and the necessary and reasonable additional cost you incur to repair or replace such property.

h. Undamaged Tenants Improvements and Betterments – Leasehold Interest

We will pay for the value of undamaged **"tenant's improvements and betterments"** when your lease is cancelled:

(1) By the lessor; and

(2) By a valid condition of your lease,

due to direct physical **"loss"** to the **"building"** or your **Business Personal Property**.

i. Electronic Data Processing Equipment

We will pay for direct physical **"loss"** to covered electronic data processing **"hardware," "data"** and **"media."**

"Data" and **"media"** include pre-packaged software and any instructional manuals for that software.

This coverage is in addition to any coverage provided elsewhere in the policy.

j. Fine Arts

We will pay for direct physical **“loss”** to your **“fine arts.”**

The Flexible Limit of Insurance shown below in **B. Flexible Limit of Insurance** is in addition to the limit provided in Item 3. of Section **C. Limits of Insurance** in the **PROPERTY COVERAGE FORM**.

B. Flexible Limit of Insurance

1. A \$300,000 Flexible Limit of Insurance for each occurrence applies separately at each covered location shown in the Declarations. The Flexible Limit of Insurance applies in excess of the applicable property deductible shown in the Declarations.
2. At the time of **“loss,”** you may apportion this Flexible Limit of Insurance between coverages provided by this endorsement as you choose, but only up to the \$300,000 Flexible Limit of Insurance.
3. The Flexible Limit of Insurance shown in this endorsement is not excess of, or in addition to, the Limits of Insurance provided by the **PROPERTY COVERAGE FORM** or the **CAUSES OF LOSS FORM**, unless otherwise stated.

C. Conditions

1. Personal Property of Employees

“Personal Property of Employees” will be valued on the same basis as your **Business Personal Property**.

2. Research and Development Property

If lost or damaged **“Research and Development Property”**:

- a. Cannot be repaired, replaced, or reproduced; or
- b. Is not replaced or reproduced, no payment will be made under this insurance.

3. Research and Development Property of Others

“Research and Development Property” not owned by you is valued on the same basis as your **“Research and Development Property,”** but we will not pay more than the amount for which you are contractually liable.

4. Applicability of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this endorsement.

D. Definitions

1. **“Bonus Payment”** means that portion of any cash bonus you paid based on the percentage of your lease remaining at the time of direct physical **“loss.”**

“Bonus Payment” does not mean rent, securities or cash bonuses refunded to you, even if you prepaid the rent or security.

2. **“Mobile Communication Property”** means cellular telephones, laptop computers, pagers, personal digital assistants, mobile hand held global positioning systems and other hand held communication devices.

“Mobile Communication Property” does not mean: personal property, electronic **“data”** processing equipment, electronic **“data,”** communication property, contractors’ equipment, or mobile equipment.

3. **“Outdoor Trees, Shrubs, Plants or Lawns”** means outdoor trees, shrubs, plants or lawns you own on the premises shown in the Declarations.

“Outdoor Trees, Shrubs, Plants or Lawns” does not mean:

- a. **“Outdoor trees, shrubs, plants or lawns”** that you hold for sale; or
- b. Growing crops.

4. **“Personal Property of Employees”** means personal property owned or leased by your employees and in your care, custody or control.

“Personal Property of Employees” does not mean:

- a. **“Building,”** land, water or air, either inside or outside of a structure, retaining walls, growing crops, **“outdoor trees, shrubs, plants or lawns”**;
- b. Vehicles or machines required to be licensed for use on public roads, trailers, or contractors’ equipment;
- c. Self-propelled watercraft, or any other watercraft which is over 50 feet in length, in water;
- d. Aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground;
- e. Electronic **“data”**;
- f. **“Money”** or **“securities”**;
- g. Personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan, after delivery to customers;
- h. Import shipments prior to either discharge from aircraft or oceangoing vessel or termination of the risk assumed by cargo insurance, or export shipments after either being loaded on aircraft or oceangoing vessel or having come under the protection of cargo insurance;
- i. Animals;
- j. Any personal property which is in or below underground mines or mine shafts; or
- k. **“Mobile communication property.”**

5. **“Prepaid Rent”** means that portion of any prepaid rent you paid based on the percentage of your lease remaining at the time of direct physical **“loss.”**

“Prepaid Rent” does not mean the customary rent due at the beginning of any rental period.

6. **“Prototypes”** means a first or original model of a new type of design.
7. **“Research and Development Operations”** means your business activities occurring at your premises, which are directly related to the development of new products or enhancement of existing products.
8. **“Research and Development Property”** means:
 - a. Written, printed or inscribed documents, plans, records or formulas;
 - b. Processes or cultures and resulting products, samples or other materials produced by such processes or cultures; and
 - c. **“Prototypes,”**

If produced and directly associated with your **“research and development operations.”**

“Research and Development Property” does not mean:

- a. Animals;
 - b. **“Money”** or **“securities”**;
 - c. Property held for sale or held for delivery after sale;
 - d. Goods you have manufactured which are in their completed state and ready for sale;
 - e. **“Mobile communication property”**; or
 - f. **“Data.”**
9. **“Sublease Profit”** means the net profit you earn through subleasing the **“building”** or portion of the **“building”** that you rent for the unexpired term of the canceled lease or sublease, whichever would expire first. This amount is discounted based on the prime rate of interest at the time of direct **“loss”** for the unexpired term of the canceled lease or sublease.
 10. **“Tenants’ Improvements and Betterments”** means fixtures, alterations, installations or additions:
 - a. You make a part of a **“building”** you occupy but do not own; and
 - b. You acquire or make at your expense but cannot legally remove.

“Tenants’ Improvements and Betterments” does not mean:

- a. Land, water or air, either inside or outside of a structure;
- b. Paved or concrete surfaces;
- c. Retaining walls;
- d. Foundations or supports below the surface of the lowest floor or basement;
- e. **“Outdoor trees, shrubs, plants or lawns”**; or

- f. Growing crops.

11. "Tenants' Lease Interest" means:

- a. The difference between the appraised rental value of the leased premises at the time of direct physical "**loss**" for the unexpired term of the lease and the actual rent due for the same period, discounted by the prime rate of interest at the time of direct physical "**loss**," for the unexpired term of the canceled lease; or
- b. The difference between the rent due for the unexpired term of the canceled lease and the rent due under the new lease for that same time period, not to exceed the difference between the actual rent due for the unexpired term of the canceled lease and the appraised rental value of the leased premises for that same period. This difference is discounted by the prime rate of interest at the time of direct physical "**loss**" for the unexpired term of the canceled lease.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**MUSEUMS AND CULTURAL INSTITUTIONS
BUILDING RESTORATION**

This endorsement modifies insurance provided under the following:

PROPERTY COVERAGE FORM**SCHEDULE**

Premises No.	Bldg. No.
-------------------------	----------------------

(If no entry appears above, information required to complete this **SCHEDULE** will be shown in the Declarations as applicable to this endorsement.)

The following is added to **E. Loss Conditions, 7. Valuation**:

A. Building Restoration

If the “**building**” or specific building features at the premises shown in the endorsement **SCHEDULE** suffers a “**loss**” or is damaged as a result of a covered cause of loss, we will restore the “**building**” to the same design, decorative style and dimensions that existed at the time of “**loss**,” using identical materials with respect to kind and quality. Additionally, we will pay for additional costs needed to comply with any law or ordinance, such as Historic Preservation Act or other regulation.

Substitution of materials and architectural features with those of like kind and quality will be used only if the identical materials and features cannot be reasonably obtained.

B. Exclusions

1. The following items do not apply to this endorsement:
 - a. **A. Coverage, 5. Coverage Extensions, a. Newly Acquired Property** and **b. New Construction**; and
 - b. **F. General Conditions, 1. Coinsurance.**

C. Limit of Insurance

1. The **Limit of Insurance** shown in the **Declarations** is the only limit applicable to the “**building**” or specific building features at the locations shown above.
2. Our payment under this endorsement will not exceed the following:
 - a. The **Limit of Insurance** shown in the **Declarations**, if you contract to restore the damaged “**building**” or specific building features within a reasonable period of time; or

- b.** Replacement cost, without deduction for depreciation, using modern materials and workmanship, if you do not contract to restore the damaged **“building”** or specific building features within a reasonable period of time.

SERFF Tracking Number: PHLX-125832815 State: Arkansas
Filing Company: Philadelphia Indemnity Insurance Company State Tracking Number: #? \$50
Company Tracking Number: ML AR0036802F01
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1003 Commercial Package
Portion Only
Product Name: UltimateCover
Project Name/Number: UltimateCover/ML AR0036802F01

Supporting Document Schedules

Satisfied -Name: Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 09/26/2008

Comments:

Attachments:

ARPCTD forms.PDF
ARFFS-1.PDF

Satisfied -Name: Explanatory Memo - Museums-CW **Review Status:** Approved 09/26/2008

Comments:

Attachment:

Explanatory Memo - Museums-CW.PDF

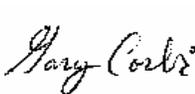
Property & Casualty Transmittal Document

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; 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					

3. Group Name	Group NAIC #			
Philadelphia Insurance Companies	0677			
4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Philadelphia Indemnity Insurance Company	PA	18058	231738402	

5. Company Tracking Number	UC ML AR0036802F01
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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
	Gary F. Corbi One Bala Plaza, Suite 100 Bala Cynwyd PA 19004	Product Development Specialist	610-617-5980	610-471-0946	
7.	Signature of authorized filer				
8.	Please print name of authorized filer		Gary F. Corbi		

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

9.	Type of Insurance (TOI)	05.1 CMP Non-Liability Portion Only
10.	Sub-Type of Insurance (Sub-TOI)	05.1003 Commercial Package
11.	State Specific Product code(s) (if applicable) [See State Specific Requirements]	N/A
12.	Company Program Title (Marketing Title)	Ultimate Cover
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: 10/25/2008 Renewal: 10/25/2008
15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	N/A
17.	Reference Organization # & Title	N/A
18.	Company's Date of Filing	September 25, 2008
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	UC ML AR0036802F01
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21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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The Philadelphia Indemnity Insurance Company files for your review, and where required approval, endorsements that will be available under our previously approved Ultimate Cover program for risks with museums or cultural institutions exposures.

The enclosed endorsements modify our Ultimate Cover Property Coverage Form and/or Causes of Loss form. This coverage will be available on a package or monoline basis.

The corresponding rule page describing forms usage is exempt from filing in your state.

The attached endorsements are new and do not replace any existing endorsements.

Also enclosed is a Forms Explanatory Memorandum that provides additional details about this filing including a listing of all forms included in this filing and which forms are optional and which are mandatory for insureds that elect this coverage.

There is no rate level effect from this filing.

We would like to implement this filing on the earlier of October 25, 2008 or the first date possible after receiving your Department's approval.

Our domiciliary state of Pennsylvania approved this filing, effective November 15, 2008.

22.	Filing Fees (Filer must provide check # and fee amount if applicable.) [If a state requires you to show how you calculated your filing fees, place that calculation below]			
<table style="width: 100%; border: none;"> <tr> <td style="padding: 5px;">Check #:</td> <td style="padding: 5px;">44050</td> </tr> <tr> <td style="padding: 5px;">Amount:</td> <td style="padding: 5px;">\$50.00</td> </tr> </table> <p style="text-align: center; margin-top: 20px;">Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</p>	Check #:	44050	Amount:	\$50.00
Check #:	44050			
Amount:	\$50.00			

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

FORM FILING SCHEDULE

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

1.	This filing transmittal is part of Company Tracking #	UC ML AR0036802F01
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2.	This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)	None
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3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or Withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	Elite Property Enhancement: Museums and Cultural Institutions Endorsement	PI-ULT-124 (05/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
02	Museums and Cultural Institutions Flexible Limit of Insurance Coverage Endorsement	PI-ULT-125 (05/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
03	Museums and Cultural Institutions Building Restoration Endorsement	PI-ULT-126 (05/08)	<input checked="" type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
11			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		

Philadelphia Indemnity Insurance Company
Forms Explanatory Memorandum
Ultimate Cover Product
Museums and Cultural Institutions

Philadelphia Indemnity Insurance Company is introducing independent Property endorsements that will be available for risks with museum or cultural institution exposures.

These endorsements will be used on a mono-line or package basis and will be used in conjunction with our approved Ultimate Cover forms and any approved Insurance Services Office forms filed on our behalf.

A copy of the endorsements and rule page are enclosed for your review. Below is an explanation of each endorsement.

1. Elite Property Enhancement: Museums and Cultural Institutions Endorsement PI-ULT-124 (05/08)

A mandatory endorsement that amends Property Coverage Form and Causes of Loss form by providing the enhanced coverages listed in the endorsement schedule with the applicable limits of insurance.

There is no premium charge for this endorsement.

2. Museums and Cultural Institutions Flexible Limit of Insurance Coverage Endorsement PI-ULT-125 (05/08)

A mandatory endorsement that amends Property Coverage Form and Causes of Loss form by providing an increased Flexible Limit of Insurance that an insured may apportion to any coverage or between any coverages listed on the endorsement.

There is no premium charge for this endorsement.

3. Museums and Cultural Institutions Building Restoration Endorsement PI-ULT-126 (05/08)

An optional endorsement that amends the Valuation condition in the Property Coverage Form to provide that we will restore in accordance with the terms of the endorsement any building specified in the endorsement that suffers a covered loss, up to the Limit of Insurance shown in the Property Coverage Part Declarations. The Coinsurance General Condition in the Property Coverage Form does not apply to coverage under this endorsement.

This endorsement may be applied to buildings over 75 years old.

If an insured elects this valuation endorsement, the applicable limit times the already approved Ultimate Cover Property rates will be used.