

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
Company Tracking Number: CCIM-07-6016-AR  
TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
Product Name: CCIM-07-6016-AR  
Project Name/Number: /

## Filing at a Glance

Company: The Cincinnati Insurance Company

Product Name: CCIM-07-6016-AR

TOI: 09.0 Inland Marine

Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations

Filing Type: Form

SERFF Tr Num: CNNA-125313860 State: Arkansas

SERFF Status: Closed

Co Tr Num: CCIM-07-6016-AR

Co Status:

Author: Sharon Grubbs

Date Submitted: 10/04/2007

State Tr Num: AR-PC-07-026339

State Status:

Reviewer(s): Betty Montesi,  
Llyweyia Rawlins, Brittany Yielding

Disposition Date: 10/15/2007

Disposition Status: Approved

Effective Date Requested (New): 05/01/2008

Effective Date Requested (Renewal):

Effective Date (New): 05/01/2008

Effective Date (Renewal):

## General Information

Project Name:

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 10/15/2007

State Status Changed: 10/05/2007

Corresponding Filing Tracking Number:

Filing Description:

At this time, we wish to file form(s) per the attached memorandum.

Status of Filing in Domicile: Pending

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Final copies are attached for your review.

Filing fees will be sent through the Electronic Filing Fee System as a (EFT) filing.

Please be advised that we work on a 90-days-in-advance schedule. As a result, we would appreciate your approval by February 1, 2008, for the software to be mailed to our agents on March 1, 2008, for the effective date of May 1, 2008.

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
 Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
 Company Tracking Number: CCIM-07-6016-AR  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: CCIM-07-6016-AR  
 Project Name/Number: /

Your approval is respectfully requested for use on policies effective on or after May 1, 2008.

## Company and Contact

### Filing Contact Information

Sharon Grubbs, Senior Filings Analyst sharon\_grubbs@cinfin.com  
 6200 S. Gilmore Road (513) 870-2091 [Phone]  
 Fairfield, OH 45014 ()-[FAX]

### Filing Company Information

The Cincinnati Insurance Company CoCode: 10677 State of Domicile: Ohio  
 6200 S. Gilmore Road Group Code: 244 Company Type:  
 Fairfield, OH 45014 Group Name: State ID Number:  
 (513) 870-2000 ext. [Phone] FEIN Number: 31-0542366  
 -----

## Filing Fees

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

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Cincinnati Insurance Company	\$50.00	10/04/2007	15955587

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
 Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
 Company Tracking Number: CCIM-07-6016-AR  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: CCIM-07-6016-AR  
 Project Name/Number: /

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	10/15/2007	10/15/2007

### 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	10/09/2007	10/09/2007	Sharon Grubbs	10/12/2007	10/12/2007

*SERFF Tracking Number:*      *CNNA-125313860*                      *State:*                      *Arkansas*  
*Filing Company:*              *The Cincinnati Insurance Company*              *State Tracking Number:*      *AR-PC-07-026339*  
*Company Tracking Number:*      *CCIM-07-6016-AR*  
*TOI:*                      *09.0 Inland Marine*                      *Sub-TOI:*                      *09.0000 Inland Marine Sub-TOI Combinations*  
*Product Name:*              *CCIM-07-6016-AR*  
*Project Name/Number:*      /

## **Disposition**

Disposition Date: 10/15/2007

Effective Date (New): 05/01/2008

Effective Date (Renewal):

Status: Approved

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
 Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
 Company Tracking Number: CCIM-07-6016-AR  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: CCIM-07-6016-AR  
 Project Name/Number: /

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	PROPERTY AND CASUALTY TRANSMITTAL	Approved	Yes
Supporting Document (revised)	FORM FILING SCHEDULE	Approved	Yes
Supporting Document	FORM FILING SCHEDULE	Approved	Yes
Supporting Document	MEMORANDUM	Approved	Yes
Form	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM	Approved	Yes
Form	SIGNS COVERAGE PART DECLARATIONS	Approved	Yes
Form	SIGNS COVERAGE PART ENDORSEMENT	Approved	Yes

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
Company Tracking Number: CCIM-07-6016-AR  
TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
Product Name: CCIM-07-6016-AR  
Project Name/Number: /

## Objection Letter

Objection Letter Status Pending Industry Response  
Objection Letter Date 10/09/2007  
Submitted Date 10/09/2007  
Respond By Date 10/24/2007

Dear Sharon Grubbs,

The appraisal clause(s) found in this filing should be amended to comply with Ark. Code Ann.  $\text{Æ}23- 79-203$  and Arkansas Bulletin No. 19-89. The clause(s) must specifically state it is non-binding and voluntary.

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,  $\text{Æ}$ within the time allowed by law. $\text{Æ}$

Please feel free to contact me if you have questions.

Llyweyia Rawlins  
Certified Rate and Form Analyst  
Property and Casualty Division  
501-371-2809 Fax 501-371-2748  
Email: Llyweyia.rawlins@arkansas.gov

Sincerely,  
Llyweyia Rawlins

## Response Letter

Response Letter Status Submitted to State  
Response Letter Date 10/12/2007  
Submitted Date 10/12/2007

Dear Llyweyia Rawlins,

**Comments:**

### Response 1

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
Company Tracking Number: CCIM-07-6016-AR  
TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
Product Name: CCIM-07-6016-AR  
Project Name/Number: /

Comments: The attached form MA 4006 AR 05 06 complies with your regulations. This form has been filed and approved with the Department effective 05/01/06, under our filing number CCIM-05-6008-AR.

**Changed Items:**

**Supporting Document Schedule Item Changes**

Satisfied -Name: FORM FILING SCHEDULE

Comment: The attached form MA 4006 AR 05 06 complies with your regulations. This form has been filed and approved with the Department effective 05/01/06, under our filing number CCIM-05-6008-AR.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

Sincerely,  
Sharon Grubbs

SERFF Tracking Number: CNNA-125313860 State: Arkansas  
 Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
 Company Tracking Number: CCIM-07-6016-AR  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: CCIM-07-6016-AR  
 Project Name/Number: /

## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM	MA 123	08 07	Policy/Cove rage Form	Replaced Form #:0.00 MA 123 09 05 Previous Filing #: CCIM-05-6008- AR		MA123 08-07.pdf
Approved	SIGNS COVERAGE PART DECLARATIONS	MA 507	06 07	Declaration s/Schedule	Replaced Form #:0.00 MA 507 08 06 Previous Filing #: CCIM-07-6005- AR		MA507 06-07.pdf
Approved	SIGNS COVERAGE PART ENDORSEMENT	MA 507E	06 07	Endorseme nt/Amendm ent/Condi tions	Replaced Form #:0.00 MA 507E 08 06 Previous Filing #: CCIM-07-6005- AR		MA507E 06-07.pdf

# ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM (EDP) - TABLE OF CONTENTS

Coverage Part Provision:	Begins on Page:
<b>Preamble</b> .....	3
<b>Section I - Coverages:</b> .....	3
<b>Coverage A - Electronic Data Processing Property:</b> .....	3
1. Insuring Agreement.....	3
2. Covered Property .....	3
3. Property Not Covered .....	3
4. Covered Causes of Loss .....	3
5. Coverage Extensions:.....	3
a. Debris Removal .....	3
b. Duplicate and Backup Electronic Media and Records .....	4
c. Off Premises .....	4
d. Pollutant Clean Up and Removal.....	4
e. Preservation of Property.....	4
f. Recharge or Refill of a Fire Protection Device .....	5
g. Third Party Host.....	5
h. Newly Acquired Property.....	5
<b>Coverage B - Business Income and Extra Expense:</b> .....	5
1. Insuring Agreement.....	5
2. Covered Property .....	5
3. Property Not Covered .....	5
4. Covered Causes of Loss .....	5
5. Additional Coverage:.....	5
Extended Business Income.....	5
<b>Coverage C - Additional Coverages:</b> .....	5
1. Denial of Service .....	6
2. Loss Establishment Expenses .....	6
3. Malicious Code.....	6
4. Unauthorized Use .....	6
<b>Section II - Exclusions</b> .....	6
<b>Section III - Limits of Insurance and Deductibles:</b> .....	8
1. Limits of Insurance: .....	8
2. Deductibles: .....	8
a. Coverage A.....	8
b. Coverage B.....	8
c. Coverage C.....	8
<b>Section IV - Additional Conditions:</b> .....	8
1. Coverage A - Electronic Data Processing Property - Conditions:.....	8
Valuation .....	9
2. Coverage B - Business Income and Extra Expense - Conditions: .....	9
a. Appraisal.....	9
b. Loss Determination .....	9
c. Resumption of Operations.....	10
3. Common Conditions:.....	10
a. Duties in the Event of Loss .....	10
b. Blanket Insurance .....	11
c. Joint Insured.....	11
d. Legal Action Against Us.....	11

# ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM (EDP) - TABLE OF CONTENTS

e.	Loss Payee .....	11
f.	Multi-Year Policies .....	11
g.	Non-Accumulation of Limits of Insurance .....	12
h.	Other Insurance .....	12
i.	Protective Safeguards .....	12
j.	Recoveries .....	12
k.	Transfer of Your Rights of Recovery Against Others to Us .....	12
<b>Section V - Definitions:</b> .....		12
1.	"Actual cash value" .....	12
2.	"Business income" .....	13
3.	"Computer system" .....	13
4.	"Coverage term" .....	13
5.	"Coverage territory" .....	13
6.	"Denial of service" .....	13
7.	"Electronic media and records" .....	13
8.	"Electronic securities" .....	13
9.	"Evidences of debt" .....	13
10.	"Extra expense" .....	13
11.	"Hardware" .....	13
12.	"Loss" .....	13
13.	"Loss establishment expenses" .....	14
14.	"Malicious code" .....	14
15.	"Mechanical breakdown" .....	14
16.	"Money" .....	14
17.	"Occurrence" .....	14
18.	"Operations" .....	14
19.	"Other property" .....	14
20.	"Period of restoration" .....	14
21.	"Pollutants" .....	14
22.	"Premises" .....	14
23.	"Production equipment" .....	14
24.	"Securities" .....	14
25.	"Service agreement" .....	14
26.	"Specified causes of loss" .....	14
27.	"Sudden and accidental" .....	15
28.	"Suspension" .....	15
29.	"Telecommunications equipment" .....	15
30.	"Temporarily" .....	15
31.	"Unauthorized use" .....	15
32.	"Valuable papers and records" .....	15

# ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V - Definitions**.

## Section I - Coverages

### Coverage A - Electronic Data Processing Property

#### 1. Insuring Agreement

We will pay for "loss" to Covered Property resulting from a Covered Cause of Loss.

#### 2. Covered Property

Covered Property, as used in Coverage A of this Coverage Part, means the following type of property:

- a. Your "hardware";
- b. Climate control equipment, and other electrical equipment, used exclusively with your "hardware";
- c. Your "electronic media and records";
- d. Your "telecommunications equipment";
- e. Your programming documentation and instruction manuals; and
- f. Similar property of others in your care, custody or control,

While located:

- a. On your "premises" or within one thousand (1,000) feet thereof (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**); and
- b. In the "coverage territory" (except as may be provided in the **Section I - Coverages, Coverage A - Electronic Data Processing Property, 5. Coverage Extensions**).

#### 3. Property Not Covered

Covered Property does not include:

- a. "Electronic media and records" that cannot be replaced with similar property of like kind and quality.
- b. Property that you have rented or leased to another person or organization and is not at your "premises".
- c. Contraband or property in the course of illegal transit or trade.
- d. "Production equipment".
- e. Copyrights, patents, trademarks, trade secrets or other intellectual property.
- f. Personally identifiable information of persons or entities other than you or your employees.
- g. Property held as samples or for sale.
- h. Records of accounts receivable.
- i. Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- j. "Electronic securities", "evidences of debt", "money" and "securities".
- k. "Valuable papers and records".

#### 4. Covered Causes of Loss

Covered Causes of Loss, with respect to Coverage A, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

#### 5. Coverage Extensions

Unless stated otherwise, the Limits of Insurance referenced in the following Coverage Extensions are in addition to, and not included within, **Section III - Limits of Insurance and Deductibles, 1. Limits of Insurance** for Coverage A.

##### a. Debris Removal

- (1) We will pay your expense to remove the debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within one hundred-eighty (180) days of the date of direct "loss".

(2) The most we will pay under this Coverage Extension is twenty-five (25) percent (%) of:

- (a) The amount we pay for the direct "loss" to Covered Property; plus
- (b) The deductible in this Coverage Part applicable to that "loss".

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage A. However, if:

- (a) The sum of direct "loss" and debris removal expense exceeds the Limit of Insurance for Coverage A; or
- (b) The debris removal expense exceeds the amount payable under the twenty-five (25) percent (%) limitation in this Coverage Extension;

we will pay up to the additional Limit of Insurance for Debris Removal stated in the Declarations for each "premises" in any one "occurrence".

(3) This Coverage Extension does not apply to costs to:

- (a) Extract "pollutants" from land or water; or
- (b) Remove, restore or replace polluted land or water.

**b. Duplicate and Backup Electronic Media and Records**

We will pay up to the Limit of Insurance for Duplicate and Backup Electronic Media and Records stated in the Declarations in any one "occurrence" for "loss" to "electronic media and records" due to a Covered Cause of Loss while such property is stored away from your "premises" other than "temporarily".

This Coverage Extension does not apply to "loss" insured under the Third Party Host Coverage Extension.

**c. Off Premises**

We will pay up to the Limit of Insurance for Off Premises stated in the Declarations in any one "occurrence" for "loss" to Covered Property due to a Covered Cause of Loss while such property is away from your "premises":

- (1) "Temporarily" in transit;

(2) "Temporarily" in storage; or

(3) In the custody of your employee for the purpose of conducting your business.

This is not an additional Limit of Insurance. It is included within the Coverage A Limit of Insurance.

This Coverage Extension applies to Covered Property whether or not it is located within the "coverage territory".

If the Limit of Insurance stated in the Declarations is other than the \$50,000 maximum stated, then the Limit of Insurance that applies to all "loss" in any one "occurrence" is the greater of the limit stated or the twenty percent (20%) of the Coverage A Limit of Insurance limitation.

**d. Pollutant Clean Up and Removal**

(1) We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants":

- (a) Is from Covered Property;
- (b) Is caused by a Covered Cause of Loss; and
- (c) Occurs during the policy period.

The expenses will be paid only if they are reported to us in writing within one hundred eighty (180) days of the date on which the Covered Cause of Loss occurs.

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

(3) The most we will pay under this Coverage Extension for each "premises" for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term" is the Limit of Insurance stated in the Declarations for Pollutant Clean Up and Removal.

**e. Preservation of Property**

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

- (1) While it is being moved or while "temporarily" stored at a location other than a "premises"; and
- (2) Only if the "loss" occurs within thirty (30) days after the property is first moved.

This Coverage Extension is included within the Limit of Insurance shown in the Declarations for Coverage **A**.

**f. Recharge or Refill of a Fire Protection Device**

We will pay for your expense to recharge or refill any fire protective devices that are designed specifically to protect Covered Property when these devices have been discharged in a "loss" insured by Coverage **A** of this Coverage Part or have been accidentally discharged. The most we will pay in any one "loss" or "sudden and accidental" discharge is the Limit of Insurance for Recharge or Refill of a Fire Protection Device stated in the Declarations.

**g. Third Party Host**

We will pay up to the Limit of Insurance for Third Party Host stated in the Declarations in any one "occurrence" for "loss" to:

Your "electronic media and records" away from your "premises" due to a Covered Cause of Loss, but only while such "electronic media and records" are hosted in the "hardware" of a third party information technology provider, with whom you have directly contracted for such service.

This is not an additional Limit of Insurance. It is included within the Coverage **A** Limit of Insurance.

This Coverage Extension:

- (1) Applies to "electronic media and records" whether or not they are located within the "coverage territory"; and
- (2) Does not apply to "loss" insured under the Duplicate and Backup Electronic Media and Records Coverage Extension.

**h. Newly Acquired Property**

We will provide coverage as follows:

- (1) On newly acquired Covered Property up to the total limit shown on the Declarations Page for Total Covered Property whether located at a current location or newly acquired location,

but in no event shall we pay more than \$250,000 under this Coverage Extension for any one "loss".

You will report such newly acquired property, or Covered Property already insured by this policy which is moved to a newly acquired location, to us within 90 days from the date the Covered Property is acquired or moved, as the case may be, and pay any additional premium due. If you do not report such property or movement of property, coverage will cease automatically after the 90 days has elapsed. However, in no event shall coverage be extended beyond the expiration of this policy.

**Coverage B - Business Income and Extra Expense**

**1. Insuring Agreement**

We will pay your actual loss of "business income" as well as "extra expense" that results from the necessary "suspension" of your "operations" during the "period of restoration" due to "loss" to Covered Property resulting from a Covered Cause of Loss.

**2. Covered Property**

Covered Property, as used in Coverage **B** of this Coverage Part, is the same as that applicable to Coverage **A**.

**3. Property Not Covered**

Covered Property does not include Property Not Covered under Coverage **A**.

**4. Covered Causes of Loss**

Covered Causes of Loss, with respect to Coverage **B**, means risks of direct "loss" to Covered Property except those causes of "loss" listed in **Section II - Exclusions**.

**5. Additional Coverage**

This Additional Coverage does not provide additional Limits of Insurance.

**Extended Business Income**

If the necessary "suspension" of your "operations" produces a "business income" loss payable under this Coverage Part, we will pay for the actual loss of "business income" you incur during the period that:

- a. Begins on the date Covered Property is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:

- (1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or
- (2) Sixty (60) consecutive days after the date determined in **5.a.** above.

However, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where your "premises" are located.

### Coverage C - Additional Coverages

The Limits of Insurance provided in the following Additional Coverages are included within and are not in addition to the Limits of Insurance applicable to Coverages **A** or **B**, unless stated otherwise therein.

#### 1. Denial of Service

We will pay up to the Limit of Insurance stated in the Declarations for Denial of Service for loss of "business income" or "extra expense" under Coverage **B** caused by a "denial of service".

#### 2. Loss Establishment Expenses

Subsequent to the detection of a potential "loss" insured under Coverage **A** or **B**, we will pay up to the Limit of Insurance stated in the Declarations for "loss establishment expenses" incurred within ninety (90) days of the detection of the "loss" or potential "loss".

This Limit of Insurance is in addition to the Limits of Insurance for Coverages **A** and **B**.

#### 3. Malicious Code

We will pay up to the Limit of Insurance stated in the Declarations for Malicious Code for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from the introduction of a "malicious code" to your "electronic media and records" or "hardware" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;

- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

#### 4. Unauthorized Use

We will pay up to the Limit of Insurance stated in the Declarations for Unauthorized Use for all "loss", loss of "business income" or "extra expense" under Coverages **A** and **B** arising from "unauthorized use" by any person or organization other than:

- (1) You;
- (2) Your partners;
- (3) Your directors;
- (4) Your officers;
- (5) Your trustees;
- (6) Your members, if you are a limited liability company; or
- (7) A person or organization, other than your employees, to whom you have entrusted Covered Property.

### Section II - Exclusions

#### Coverage A - Electronic Data Processing Property and Coverage B - Business Income and Extra Expense - Exclusions

The following exclusions apply to Coverages **A** and **B**, unless stated otherwise herein:

1. We will not pay for a "loss", loss of "business income" or "extra expense" caused directly or indirectly by any of the following. Such "loss", loss of "business income" or "extra expense" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss", loss of "business income" or "extra expense":

##### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Part.

##### b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or

- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause.
  - c. **Satellite Communications**  
The disruption or failure of any satellite communication system, or any part thereof.
  - d. **War and Military Action**
    - (1) War, including undeclared or civil war;
    - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
    - (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.
  - e. **Utility Interruption**  
The intentional suspension of any utility service by you or the utility provider.
  - f. **Tidal Wave or Tsunami**  
Tidal wave or tsunami, even if attributable to an earthquake or volcanic eruption.
2. We will not pay for "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following:
- a. Delay or loss of market, except as may be provided under Coverage B.
  - b. Dishonest or criminal acts by you, any of your partners, directors, trustees, officers, members or managers (if you are a limited liability company) or anyone entrusted with the property, except employees, whether or not acting alone or in collusion with others or whether or not occurring during the hours of employment. But this exclusion does not apply to a carrier for hire.
  - c. Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".
- d. Interruption, disruption, or slow down in normal network service or function due to activity on the network or network server.  
This exclusion does not apply to "denial of service".
  - e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - f. Unauthorized instructions to transfer property to any person or to any place.
  - g. Bookkeeping, accounting or billing errors or omissions.
  - h. Any processing or work upon Covered Property. But if "loss" by fire results, we will pay for that resulting "loss", loss of "business income" or "extra expense".
  - i. "Denial of service", "malicious code" or "unauthorized use".  
However, this exclusion shall not apply to the extent that insurance coverage is provided under **Section I - Coverages, Coverage C - Additional Coverages**.
3. We will not pay for a "loss", loss of "business income" or "extra expense" caused by or resulting from any of the following. But if "loss", loss of "business income" or "extra expense" caused by a Covered Cause of Loss results, we will pay for that resulting "loss", loss of "business income" or "extra expense":
- a. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - b. Wear and tear, hidden or latent defect, gradual deterioration, or depreciation.
  - c. The failure of "hardware" or "electronic media and records" to function as designed or anticipated to function by you or any other person or organization providing, designing or recommending said "hardware" or "electronic media and records" to you.  
However, this exclusion will not apply if the failure of "hardware" or "electronic media and records" to function is caused by:
    - (1) A Covered Cause of Loss emanating from a source external to the "hardware" or "electronic media and records"; or
    - (2) The "sudden and accidental" "mechanical breakdown" of "hardware".

4. Insurance provided by Coverages A and B does not apply to:

a. Payment of costs, fees, or other expenses you incur in establishing either the existence or the amount of "loss", loss of "business income" or "extra expense", except as provided for under **Section I - Coverages, Coverage C - Additional Coverages, 2. Loss Establishment Expenses.**

b. "Loss", loss of "business income" or "extra expense", or any part thereof, the proof of which as to its existence or amount is dependent solely upon:

- (1) An inventory computation;
- (2) A profit and loss computation; or
- (3) An audit of records.

5. Insurance provided by Coverage A does not apply to loss of "business income" or "extra expense".

### Section III - Limits of Insurance and Deductibles

#### 1. Limits of Insurance

a. The most we will pay for any one "occurrence" is the applicable Limits of Insurance for Coverages A and B and **Coverage C - Additional Coverages, 2. Loss Establishment Expenses** stated in the Declarations or any endorsement amendatory thereof.

b. With respect to **Section I - Coverages, Coverage C - Additional Coverages:**

(1) Under **Coverage C - Additional Coverages, 2. Loss Establishment Expenses**, we will not pay more than the lesser of:

- (a) The Limit of Insurance stated in the Declarations for Loss Establishment Expenses; or
- (b) The actual cost of the "loss" insured under Coverages A or B in "Loss establishment expenses".

(2) In the event that a single "occurrence" involves one or more of the following:

- (a) "Denial of service";
- (b) "Malicious code"; or
- (c) "Unauthorized use",

the most we will pay in total is the single highest Limit of Insurance ap-

plicable to the Additional Coverages applicable to the "loss".

(3) The most we will pay for all "loss" in any "coverage term" for each Additional Coverage is three times the Limit of Insurance stated for each in the Declarations.

#### 2. Deductibles

##### a. Coverage A

We will not pay for "loss" in any one "occurrence" until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Deductible section of the Declarations for Coverage A. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

(1) The Basic Deductible shown on the Declarations applies to "loss" from all Covered Causes of Loss except those referenced in (2) below.

(2) The Specified Losses Deductible shown on the Declarations applies to "loss" caused by "sudden and accidental" "mechanical breakdown" or artificially generated electrical disturbance.

##### b. Coverage B

We will not pay your actual loss of "business income" or "extra expense" arising from any one "loss" until and unless the necessary "suspension" of your "operations" has exceeded the Deductible in hours stated in the Declarations for Coverage B. We will then pay the amount of your actual loss of "business income" or "extra expense" in excess of the Deductible, up to the Limit of Insurance.

##### c. Coverage C

We will not pay for "loss", loss of "business income", "extra expenses" or "loss establishment expenses" under **Section I - Coverages, Coverage C - Additional Coverages** unless and until an insured "loss", loss of "business income" or "extra expenses" under Coverage A or B exceeds their deductible.

### Section IV - Additional Conditions

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

#### 1. Coverage A - Electronic Data Processing Property - Conditions

The following Condition applies to Coverage A only:

**Valuation**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, F. Valuation** is replaced by the following with respect to Covered Property under Coverage A:

- a. Valuation of Covered Property under Coverage A, other than that described in Paragraph b, below:

If you repair or replace this property with due diligence following "loss", the property will be valued at the full cost of repair or replacement. However, the most we will pay is the least of the following:

- (1) The cost of replacing that property with property of similar or greater quality and function, provided the cost is no greater than the original purchase price of the property plus twenty (20) percent (%);
- (2) The amount you actually and necessarily spend to repair or replace the property; or
- (3) The Limit of Insurance applicable to the property.

If you do not repair or replace this property with due diligence following "loss", the most we will pay will be the least of the following:

- (a) The "actual cash value" of the property;
- (b) The "actual cash value" of repairs with material of like kind and quality; or
- (c) The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in "money".

In the event of "loss", the value of property will be determined as of the date of "loss".

- b. Valuation of "electronic media and records":
  - (1) We will not pay for more than the actual reproduction costs of covered "electronic media and records".
  - (2) But we will not pay the cost to duplicate research or operations that were developed away from your "premises" that led to the develop-

ment of your "electronic media and records" or that led to the development of any proprietary or confidential information or intellectual property.

- (3) If you do not replace or reproduce the "electronic media and records", the most we will pay is the cost of blank "electronic media and records".

The most we will pay is the Limit of Insurance shown on the Declarations.

**2. Coverage B - Business Income and Extra Expense - Conditions**

The following Conditions apply to Coverage B only:

**a. Appraisal**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, B. Appraisal** is replaced by the following:

If you and we disagree on the amount of Net Income and operating expense or the amount of loss, either may make a written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**b. Loss Determination**

- (1) The amount of "business income" loss will be determined based on:
  - (a) The Net Income of the business before the Covered Cause of Loss occurred;
  - (b) The likely Net Income of the business if no Covered Cause of Loss had occurred, but not including any Net Income that likely would have resulted from an increase in the volume of

business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

(c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the Covered Cause of Loss; and

(d) Other relevant sources of information, including:

- 1) Your financial records and accounting procedures;
- 2) Bills, invoices and other vouchers; and
- 3) Deeds, liens or contracts.

(2) The amount of "extra expense" will be determined based on:

(a) All necessary and reasonable expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no Covered Cause of Loss had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- 2) Any "extra expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(b) All necessary and reasonable expenses that reduce the "business income" loss that otherwise would have been incurred.

### c. Resumption of Operations

(1) We will reduce the amount of your:

(a) "Business income" loss other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise

or stock) at the "premises" or elsewhere.

(b) "Extra expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".

(2) If you do not resume "operations" or do not resume "operations" as quickly as possible, we will pay based on the length of time it should have taken with due diligence to resume operations as quickly as possible.

### 3. Common Conditions

The following Conditions apply to all Coverages provided under this Coverage Part:

#### a. Duties in the Event of Loss

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, C. Duties in the Event of Loss** is replaced by the following:

(1) In the event of:

- (a) "Loss" to Covered Property; or
- (b) Loss of, or loss from damage to Covered Property, or a situation that may result in loss of, or loss from damage to Covered Property,

You must see that the following are done:

- 1) Notify the police if a law may have been broken.
- 2) Notify us as soon as possible. Include a description of any property involved.
- 3) As soon as possible, give us a description of how, when and where the loss occurred.
- 4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside in the best possible order for examination.

- 5) As often as may be reasonably required, permit us to:
    - a) Inspect the property proving the loss;
    - b) Examine your books, records, "electronic media and records" and "hardware";
    - c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
    - d) Make copies from your books, records, "electronic media and records" and "hardware".
  - 6) Send us signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - 7) Cooperate with us in the investigation or settlement of the claim.
  - 8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
  - 9) Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our prior written consent.
  - 10) Promptly send us any legal papers or notices received concerning the loss.
- (2) We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

**b. Blanket Insurance**

If blanket insurance is indicated () in the Declarations, the Limit of Insurance for that Coverage applies to all "premises" within the "coverage territory".

**c. Joint Insured**

- (1) If more than one Insured is named in the Declarations, the first Named In-

sured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered under this policy, then the next Named Insured will become the first Named Insured.

- (2) If any Insured or partner, officer, or member or manager (applicable to limited liability companies) of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An employee of any Insured is considered to be an employee of every Insured.
- (4) If this insurance or any of its coverages is cancelled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

**d. Legal Action Against Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, GENERAL CONDITIONS, B. Legal Action Against Us** is replaced by the following:

No one may bring legal action against us under this Coverage Part unless:

- (1) There has been full compliance with all the terms of this Coverage Part;
- (2) At least ninety (90) days has passed since you filed proof of loss with us; and
- (3) Brought within two (2) years from the date you discover the loss in question.

**e. Loss Payee**

For Covered Property in which both you and a Loss Payee listed in the Declarations have an insurable interest, we will:

- (1) Adjust "losses" with you; and
- (2) Pay any claim for insured "loss" jointly to you and the Loss Payee, as interests may appear.

**f. Multi-Year Policies**

If this Coverage Part is issued for more than one annual policy period, the premium may be adjusted at the inception of each following "coverage term" based on our rates in effect at that time.

**g. Non-Accumulation of Limits of Insurance**

Regardless of the number of "coverage terms" this insurance remains in force or the number of premiums paid, no Limit of Insurance accumulates from year to year or period to period.

**h. Other Insurance**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, F. Other Insurance** is replaced by the following:

- (1) If you have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
- (2) If there is other insurance covering the same loss or damage, other than that described in (1) above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
- (3) Irrespective of Paragraphs h.(1) or (2) above, this Coverage Part is always excess of a "service agreement". We will pay only the amount of insured "loss" that is not covered by the "service agreement" in the form of repairs or other compensation. But we will not pay more than the applicable Limit of Insurance.

**i. Protective Safeguards**

You must maintain the protective safeguards stated by you to be in effect at a "premises" when this coverage began.

If you fail to keep the protective safeguards:

- 1) In working condition at a "premises"; and
- 2) In operation when you are closed to business;

Coverage for which the protective safeguards apply is automatically suspended at that "premises" if you fail to notify us immediately. This suspension will last until the equipment or services are back in operation.

**j. Recoveries**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, I. Recoveries** is replaced by the following:

- (1) Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - (a) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance plus the Deductible Amount, if any;
  - (b) Then to us, until we are reimbursed for the settlement made;
  - (c) Then to you, until you are reimbursed for that part of loss equal to the Deductible Amount, if any.
- (2) You will pay us the amount of all recoveries you receive for a "loss" paid by us. But any recoveries in excess of the amount we have paid belong to you.
- (3) Recoveries do not include any recovery from insurance, suretyship, reinsurance, security or indemnity taken for our benefit.

**k. Transfer of Your Rights of Recovery Against Others to Us**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, K. Transfer of Rights of Recovery Against Others to Us** is replaced by the following:

You must transfer to us all of your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

**Section V - Definitions**

The following terms, when appearing in quotation marks, have the following meanings wherever used in this Coverage Part:

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "Business income" means the:
  - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred; and
  - b. Continuing normal operating expenses incurred, including payroll.
3. "Computer system" means a configuration of "hardware" and "electronic media and records", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform a particular function or functions.
4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
6. "Denial of service" means the malicious and intentional inundating of your "computer system" with messages, instructions, queries or requests that deplete resources enough to restrict, limit or prevent access for the purposes of nuisance, sabotage or malicious tampering which has the effect of:
  - a. Depleting system resources available through the Internet to authorized external users of your "computer system"; and
  - b. Impeding Internet access of authorized external users to your "computer system".
7. "Electronic media and records" means information, facts, instructions, concepts and programs converted and stored in a form usable in "hardware". It also includes the materials, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs, upon which such information, facts, instructions, concepts and programs are recorded and stored.
8. "Electronic securities" means any share, participation, or other interest in property of, or an enterprise of, the issuer or an obligation of the issuer which:
  - a. Is a type commonly dealt in upon securities exchanges or markets;
  - b. Is either one of a class or series or by its terms divisible into a class or series of shares, participations, interests, or obligations; and
    - (1) Is not represented by an instrument;
    - (2) Is part of a master or global certificate; or
    - (3) Represents a paper certificate that has been surrendered by a financial institution and which paper certificate has been combined into a master depository note and the paper certificates are immobilized and such security is shown as an electronic entry on the account of the transferor, pledgor, or pledgee on the books of a Central Depository.
9. "Evidences of debt" means instruments executed by your customer and held by you which in the regular course of business are treated as evidencing the customer's debt to you, including records of charges and accounts receivable.
10. "Extra expense" means the necessary and reasonable expenses you incur during the "period of restoration" that you would not have incurred if there had been no "loss" due to a Covered Cause of Loss to Covered Property.
11. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic media and records" for the purpose of producing desired results.  
However, "hardware" does not include "telecommunications equipment".
12. "Loss" means:

- a. "Sudden and accidental" physical loss or physical damage; and
  - b. With respect only to "denial of service", "malicious code" or "unauthorized use", also includes "sudden and accidental" damage, loss of use, loss of access or loss of functionality.
- 13.** "Loss establishment expenses" means actual and necessary expenses incurred at our request to assist you in establishing either the existence or the amount of loss insured under this Coverage Part.
- 14.** "Malicious code" means a computer code created for the purpose of destroying, corrupting or otherwise adversely affecting a "computer system".
- 15.** "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blow-out.
- 16.** "Money" means:
- a. Currency, coins, and bank notes in current use and having a face value;
  - b. Travelers checks, registered checks, and money orders held for sale to the public; and
  - c. Electronic cash equivalents.
- 17.** "Occurrence" means an act or event or a series of related acts or events that result in a Covered Cause of Loss.
- 18.** "Operations" means your business activities occurring at the "premises".
- 19.** "Other property" means any tangible property of value other than "money", "securities", "electronic securities", or "electronic media and records".
- However, "other property" does not include copyrights, patents, trademarks, trade secrets or other intellectual property.
- 20.** "Period of restoration" means that period of time that:
- a. Begins with the end of the time deductible for Coverage **B** referenced in the Declarations. Such deductible commences on the date and time of direct "loss" to Covered Property due to a Covered Cause of Loss; and
  - b. Ends on the earlier of:
    - (1) The date you could restore your "operations", with reasonable speed, to the condition that would have existed if no direct "loss" to Covered Property due to a Covered Cause of Loss had occurred; or
    - (2) As long as it would reasonably take to repair, rebuild or replace the damaged Covered Property.
- 21.** "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. You use, generate or produce the "pollutant".
- 22.** "Premises" means any building you lease, rent or own and while you occupy it in conducting your business.
- 23.** "Production equipment" means any machinery and related components, including any integrated or dedicated "computer system", which is used, or can be used, to produce or process other tangible property.
- 24.** "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or "other property" and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. "Evidences of debt" issued in connection with credit or charge cards not issued by you.
- 25.** "Service agreement" means a service plan or warranty, or other similar service or warranty agreement, even if it is characterized as insurance.
- 26.** "Specified causes of loss" means: Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
- a. Sinkhole collapse means the "sudden and accidental" sinking or collapse of

- land into underground empty spaces created by the action of water on limestone or dolomite. This cause of "loss" does not include:
- (1) The cost of filling sinkholes; or
  - (2) Sinking or collapse of land into manmade underground cavities.
- b. Falling objects does not include "loss" to:
- (1) Covered Property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means "sudden and accidental" discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.
27. "Sudden and accidental" means abrupt, immediate and brief as well as unintended and unexpected and without prior notice.
28. "Suspension" means the complete or partial cessation of your business activities.
29. "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic media and records" communications over telephone lines, data lines or air waves.
- However, "telecommunications equipment" does not include "hardware".
30. "Temporarily" means:
- a. Not permanently; and
  - b. For a period of 30 consecutive days or less.
31. "Unauthorized use" means:
- a. Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
  - b. Entry into or use of your "computer system" by a party:
    - (1) Not authorized by you to do so; or
    - (2) Authorized by you to do so, but who does so to use it in an unauthorized manner,

Which results in the distortion or corruption of your "computer system".
32. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

# THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

## SIGNS COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: _____		Effective Date: _____
Named Insured:		
Item Location (address)		
<b>COVERAGE PROVISIONS</b>		
Item	Lettering Location	<b>Limit of Insurance</b>
A.		\$ _____
		\$ _____
		\$ _____
B. All Covered Property at all locations		\$ _____
<b>DEDUCTIBLE</b>		
The Deductible amount is: <input type="checkbox"/> Full Coverage <input type="checkbox"/> 5%		
<b>COVERAGE PREMIUM:</b>		
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO SIGNS COVERAGE</b>		
<b>SPECIAL PROVISIONS (if any)</b>		

## QUICK REFERENCE

### COMMERCIAL INLAND MARINE COVERAGE PART

READ YOUR POLICY CAREFULLY

#### DECLARATIONS PAGE

Named Insured

Coverages and Limits of Insurance

#### COVERAGE FORM(S)

##### A. COVERAGE

1. Covered Property
2. Property Not Covered
3. Covered Causes of Loss
4. Additional Coverage - Collapse
5. Coverage Extensions (If Applicable)

##### B. EXCLUSIONS

- Earthquake (If Applicable)
- Governmental Action
- Nuclear Hazard
- War and Military Action
- Water (If Applicable)
- Other Exclusions

##### C. LIMITS OF INSURANCE

##### D. DEDUCTIBLE (IF APPLICABLE)

##### E. ADDITIONAL CONDITIONS

##### F. DEFINITIONS

#### ENDORSEMENTS (IF APPLICABLE)

#### COMMERCIAL INLAND MARINE CONDITIONS

##### LOSS CONDITIONS

- A. Abandonment
- B. Appraisal
- C. Duties in the Event of Loss
- D. Insurance Under Two or More Coverages
- E. Loss Payment
- F. Other Insurance
- G. Pair, Sets or Parts
- H. Privilege to Adjust With Owner
- I. Recoveries
- J. Reinstatement of Limit After Loss
- K. Transfer of Rights of Recovery Against Others to Us

##### GENERAL CONDITIONS

- A. Concealment, Misrepresentation or Fraud
- B. Legal Action Against Us
- C. Liberalization
- D. No Benefit to Bailee
- E. Policy Period
- F. Valuation

##### COMMON POLICY CONDITIONS

- A. Cancellation
- B. Changes
- C. Examination of Your Books and Records
- D. Inspections and Surveys
- E. Premiums
- F. Transfer of Your Rights and Duties Under this Policy

THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY.

## SIGNS COVERAGE PART ENDORSEMENT

Attached to and forming part of POLICY NUMBER: _____ Effective Date: _____	
Named Insured _____	
<b>Item changed</b> <b>Reason for change</b>	
<b>Item</b> <b>Location (address)</b>	
<b>COVERAGE PROVISIONS</b>	
Item    Lettering Location	<b>Limit of Insurance</b>
A.	\$ _____
	\$ _____
	\$ _____
B. All Covered Property at all locations	\$ _____
<b>Deductible</b>	
The Deductible amount is: <input type="checkbox"/> Full Coverage <input type="checkbox"/> 5%	
<b>FORMS AND / OR ENDORSEMENTS APPLICABLE TO SIGNS COVERAGE</b>	
<b>SPECIAL PROVISIONS (if any)</b>	

Agency \_\_\_\_\_



SERFF Tracking Number: CNNA-125313860 State: Arkansas  
 Filing Company: The Cincinnati Insurance Company State Tracking Number: AR-PC-07-026339  
 Company Tracking Number: CCIM-07-6016-AR  
 TOI: 09.0 Inland Marine Sub-TOI: 09.0000 Inland Marine Sub-TOI Combinations  
 Product Name: CCIM-07-6016-AR  
 Project Name/Number: /

## Supporting Document Schedules

**Review Status:**  
**Bypassed -Name:** Uniform Transmittal Document-  
 Property & Casualty Approved 10/15/2007  
**Bypass Reason:** N/A  
**Comments:**

**Review Status:**  
**Satisfied -Name:** PROPERTY AND CASUALTY  
 TRANSMITTAL Approved 10/15/2007  
**Comments:**  
 PROPERTY AND CASUALTY TRANSMITTAL  
**Attachment:**  
 F777AR\_307.pdf

**Review Status:**  
**Satisfied -Name:** FORM FILING SCHEDULE Approved 10/15/2007  
**Comments:**  
 The attached form MA 4006 AR 05 06 complies with your regulations. This form has been filed and approved with the Department effective 05/01/06, under our filing number CCIM-05-6008-AR.  
**Attachments:**  
 F778AR\_307.pdf  
 MA4006AR 0506.pdf

**Review Status:**  
**Satisfied -Name:** MEMORANDUM Approved 10/15/2007  
**Comments:**  
 MEMORANDUM  
**Attachment:**  
 MEMOF.pdf



## Property & Casualty Transmittal Document—

<b>20. This filing transmittal is part of Company Tracking #</b>	CCIM-07-6016-AR
--	-----------------

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

See Memorandum

<b>22. 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]
---

**Check #:** EFT FILING  
**Amount:** \$50

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

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

## 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.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>CCIM-07-6016-AR</b>			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	<b>N/A</b>			
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	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM	MA 123 08 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 123 09 05	CCIM-05-6008-AR
02	SIGNS COVERAGE PART DECLARATIONS	MA 507 06 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 507 08 06	CCIM-07-6005-AR
03	SIGNS COVERAGE PART ENDORSEMENT	MA 507E 06 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 507E 08 06	CCIM-07-6005-AR
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		

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ARKANSAS CHANGES - ELECTRONIC DATA PROCESSING EQUIPMENT FORM**

This endorsement modifies insurance provided under the following:

### **ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM**

**A. Section IV - Additional Conditions, 2. Coverage B. - Business Income and Extra Expense - Conditions, a. Appraisal**, is deleted in its entirety and replaced by the following:

**a. Appraisal**

In the **COMMERCIAL INLAND MARINE CONDITIONS, LOSS CONDITIONS, B. Appraisal** is replaced by the following:

If you or we disagree on the amount of Net Income and operating expense or the amount of loss, either may make a written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be non-binding and voluntary.

Each will:

- (1) Pay its chosen appraiser; and
- (2) Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

**B. Section IV - Additional Conditions, 3. Common Conditions, d. Legal Action Against Us, (3)**, is deleted in its entirety and replaced by the following:

**d. Legal Action Against Us**

- (3) Brought within five (5) years from the date you discover the loss in question.

**ARKANSAS  
DIVISION EIGHT – INLAND MARINE  
FORMS MEMORANDUM**

<b>NEW FORM</b>	<b>OLD FORM</b>	<b>TITLE/DESCRIPTION OF CHANGE</b>
<b>MA 123 08 07</b>	<b>MA 123 09 05</b>	<b>ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM</b> Added reference to <b>Newly Acquired Property</b> under the <b>Table of Contents</b> and <b>Section I – Coverages</b> :, <b>Coverage A –Electronic Data Processing Property, 5. Coverage Extensions, h. in the coverage form.</b>
<b>MA 507 06 07</b>	<b>MA 507 08 06</b>	<b>SIGNS COVERAGE PART DECLARATIONS</b> Revised <b>DEDUCTIBLE</b> section to show options for full coverage or 5% deductible.
<b>MA 507E 06 07</b>	<b>MA 507E 08 06</b>	<b>SIGNS COVERAGE PART ENDORSEMENT</b> Revised <b>DEDUCTIBLE</b> section to show options for full coverage or 5% deductible.

<i>SERFF Tracking Number:</i>	<i>CNNA-125313860</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>The Cincinnati Insurance Company</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026339</i>
<i>Company Tracking Number:</i>	<i>CCIM-07-6016-AR</i>		
<i>TOI:</i>	<i>09.0 Inland Marine</i>	<i>Sub-TOI:</i>	<i>09.0000 Inland Marine Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>CCIM-07-6016-AR</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## 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.

<b>Original Date:</b>	<b>Schedule</b>	<b>Document Name</b>	<b>Replaced Date</b>	<b>Attach Document</b>
No original date	Supporting Document	FORM FILING SCHEDULE	10/04/2007	F778AR_307.pdf

## 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.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>	<b>CCIM-07-6016-AR</b>			
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)	<b>N/A</b>			
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement or Withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	ELECTRONIC DATA PROCESSING EQUIPMENT COVERAGE FORM	MA 123 08 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 123 09 05	CCIM-05-6008-AR
02	SIGNS COVERAGE PART DECLARATIONS	MA 507 06 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 507 08 06	CCIM-07-6005-AR
03	SIGNS COVERAGE PART ENDORSEMENT	MA 507E 06 07	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	MA 507E 08 06	CCIM-07-6005-AR
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		