



West Bend Insurance Company
1900 S. 18th Ave. | West Bend, WI 53095

Renewal

Commercial Lines Policy Declaration

Customer Number: 1000362936
Policy Number: B058937 04

Policy Period: 05/01/2026 to 05/01/2027
at 12:01 AM Standard Time at Your Mailing Address Shown Below

Named Insured and Address:

Ridgeview Condominium
W170S7579 Gregory Dr
Unit G
Muskego, WI 53150

Agency Name and Address:

R & R INSURANCE SERVICES INC
For Service or Inquiry Call
Customer Care at 1-866-926-4244

88603

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

Coverage Part	Premium
Businessowners Coverage	\$6,535.00
Total Premium:	\$6,535.00
Total Including Taxes, Fees and Surcharges:	\$6,535.00

This is not a bill. A billing invoice will be sent separately.

See attached schedule for forms applicable to all coverage parts.



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Named Insured Schedule

Ridgeview Condominium



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Location Schedule

Loc	Address	City	County	State	Zip
1	W170S7579 Gregory Dr	Muskego	Waukesha	WI	53150



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Forms Schedule

Number	Edition	Description
WB214	0326	MEMBERSHIP AND VOTING NOTICE
BP0523	0115	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
WB660	0824	TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US
IL0985	1220	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
WB241	0524	WEST BEND INSURANCE COMPANY NAME CHANGE ENDORSEMENT

MEMBERSHIP AND VOTING NOTICE

MEMBERSHIP AND VOTING NOTICE

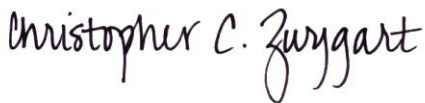
The named insured is notified that by virtue of this policy, the named insured is a member of West Bend Mutual Holding Company of West Bend, Wisconsin. Members are entitled to one vote either in person or by proxy at all meetings of the members of said Company. No member may cast more than one vote, regardless of the number of policies or the amount of insurance any member may carry.

ANNUAL MEETING

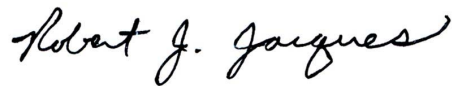
The Annual Meeting of the members is held on the second Tuesday of March, at 8:30 a.m. (CST) at the Home Office located at 1900 S. 18th Avenue, West Bend, Wisconsin. Phone: 800-236-5010.

PARTICIPATION WITHOUT CONTINGENT LIABILITY

The named insured is a member of the Company and shall participate, to the extent and upon the conditions fixed and determined by the Board of Directors in accordance with the provisions of law, in the distribution of dividends so fixed and determined. No Contingent Liability: This policy is nonassessable.



Christopher C. Zwygart
Secretary



Robert J. Jacques
President

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**TWO OR MORE COVERAGE FORMS OR POLICIES
ISSUED BY US**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE FORM
NOT-FOR-PROFIT ORGANIZATION DIRECTORS, OFFICERS AND TRUSTEES LIABILITY INSURANCE
COVERAGE FORM
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE FORM

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "claim", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE – PART I	
Terrorism Premium (Certified Acts)	\$
This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies): If you have previously rejected coverage under this policy for Certified Acts of Terrorism under the Terrorism Risk Insurance Act, Coverage will remain excluded unless you request coverage within 30 days of the policy effective date.	
Additional information, if any, concerning the terrorism premium:	
SCHEDULE – PART II	
Federal share of terrorism losses	80 %
(Refer to Paragraph B . in this endorsement.)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

POLICY NUMBER: B058937

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WEST BEND INSURANCE COMPANY NAME CHANGE ENDORSEMENT

This endorsement is made part of and should be kept with your policy.

West Bend Mutual Insurance Company changed its name to West Bend Insurance Company, therefore, any reference to West Bend Mutual Insurance Company shall be considered a reference to West Bend Insurance Company.

This endorsement does not affect or void any cancellation, non-renewal or reinstatement notice sent for any other reason or effective date.

All other terms of the policy remain unchanged.



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Businessowners Coverage Declaration

Customer Number: 1000362936
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at 12:01 AM Standard Time at Your Mailing Address Shown Below

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Agency Name and Address:

R & R INSURANCE SERVICES INC
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Form of Business: Association

Businessowners Liability Limits of Insurance

General Aggregate Limit (other than Products/Completed Operations)	\$4,000,000
Products/Completed Operations Aggregate Limit	\$6,000,000
Each Occurrence Limit	\$2,000,000
Personal and Advertising Injury Limit	\$2,000,000
Medical Expense Limit, Any One Person	\$1,000
Damage to Premises Rented to You Limit	\$300,000

Refer to the attached schedules and forms for other limits, premiums and coverage provided by this policy.

Total Premium: \$6,535

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Description of Location or Premises Schedule

Loc	Bldg	Building and Occupancy Description	Construction	Protection Class
1	1	Building #1 Condominiums - Residential - 1 to 12 Units	Frame	03
1	2	Building #2 Condominiums - Residential - 1 to 12 Units	Frame	03

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Coverage Schedule

Loc	Bldg	Type	Limit of Insurance	Premium
1	1	Building	\$2,556,000	\$4,320
		Replacement Cost		
		Deductible – \$1,000		
		Wind/Hail Deductible – 1%		
		Automatic Increase – 8%		
		Wind/Hail – Cosmetic Damage Roof and Exterior Surfacing Excluded		
		Businessowners Liability		\$742
Loc	Bldg	Type	Limit of Insurance	Premium
1	2	Building	\$158,500	\$503
		Replacement Cost		
		Deductible – \$1,000		
		Wind/Hail Deductible – 1%		
		Automatic Increase – 8%		
		Wind/Hail – Cosmetic Damage Roof and Exterior Surfacing Excluded		
		Businessowners Liability		\$46
Loc	Bldg	Type	Limit of Insurance	Premium
1		Money and Securities		
		Inside the Premises	\$10,000	\$53



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Outside the Premises

\$5,000

Included

Deductible – \$500



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Schedule of Coverages Applicable To All Locations

Type	Limit of Insurance	Premium
Business Income and Extra Expense – No Waiting Period	Actual Loss Sustained, Not To Exceed 12 Consecutive Months	Included
Extended Business Income – Number of Days: 90		Included
Employee Dishonesty Deductible – \$500	\$5,000	Included
Forgery or Alteration Deductible – \$500	\$5,000	Included

See attached Forms Schedule for forms and endorsements applicable to this coverage.



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Schedule of Endorsements Applicable to All Locations

Description	Form Number	Premium
Equipment Breakdown	WB80	\$279
Property Additional Coverages and Coverage Extensions Endorsement – Essential	WB2905	\$450
Plus Pak – Businessowners Liability	WB2109SM	\$50
Voluntary Property Damage	WB1166	\$0
Water Backup and Sump Overflow	BP0453Y	\$50

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Schedule of Miscellaneous Premiums

Description	Form Number	Premium
Terrorism Risk Insurance Act (Property)	See Forms Schedule	\$39
Terrorism Risk Insurance Act (Property – Fire Only)	See Forms Schedule	\$16
Terrorism Risk Insurance Act (Liability)	See Forms Schedule	\$3

See attached Forms Schedule for forms and endorsements applicable to this coverage.



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Businessowners Forms Schedule

Number	Edition	Description
BP0003	0713	BUSINESSOWNERS COVERAGE FORM
BP0312A	0110	WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLES
BP0412	0106	LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT
BP0417	0110	EMPLOYMENT-RELATED PRACTICES EXCLUSION
BP1560	0221	CYBER INCIDENT EXCLUSION
BP0439	0702	ABUSE OR MOLESTATION EXCLUSION
BP0441	0713	BUSINESS INCOME CHANGES - TIME PERIOD
BP0453Y	0713	WATER BACK-UP AND SUMP OVERFLOW
BP0454	0106	NEWLY ACQUIRED ORGANIZATIONS
BP0483	0110	REMOVAL OF INSURANCE-TO-VALUE PROVISION
BP0497	0106	WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US
BP0577	0106	FUNGI OR BACTERIA EXCLUSION (LIABILITY)
BP0707	0106	BUSINESS LIABILITY COVERAGE - AMENDMENT OF LIABILITY AND MEDICAL EXPENSES LIMITS OF INSURANCE
BP1007	0702	EXCLUSION - YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS - WITH EXCEPTION FOR BODILY INJURY ON YOUR PREMISES
BP1410	0110	BRANDS AND LABELS



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Businessowners Forms Schedule

Number	Edition	Description
BP1481Y	0713	LIMITATIONS ON COVERAGE FOR ROOF AND EXTERIOR SURFACING
BP1504	1223	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION
BP1511	1216	EXCLUSION - UNMANNED AIRCRAFT
BP1591	1223	EXCLUSION - PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)
BP1701	0713	CONDOMINIUM ASSOCIATION COVERAGE
BP1803	1223	CYBER INCIDENT LIABILITY EXCLUSION
WB1166	1124	VOLUNTARY PROPERTY DAMAGE COVERAGE
WB1460Z	1124	AMENDMENT - WHO IS AN INSURED
WB1718	1124	AMENDMENT-LIQUOR LIABILITY EXCLUSION
WB1958A	1124	EXCLUSION - LEAD LIABILITY
WB2077	1124	SPECIAL BUSINESSOWNERS AMENDMENT
WB2109SM	1124	PLUS PAK - BUSINESSOWNERS LIABILITY
WB3133BP	1124	EXCLUSION - FIREARMS OR WEAPONS
WB80	0525	EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT
WB2905	0524	PROPERTY ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS ENDORSEMENT

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Businessowners Forms Schedule

Number	Edition	Description
WB1392BP	1124	EXCLUSION – BIOMETRIC IDENTIFIERS OR BIOMETRIC DATA
WB3118BP	1124	EXCLUSION - ASSAULT OR BATTERY
WB1468BP	1124	EXCLUSION - ASBESTOS OR ASBESTOS PRODUCTS
WB39BP	0225	EXCLUSION - HUMAN TRAFFICKING
BP0127	1118	WISCONSIN CHANGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Windstorm Or Hail Deductible Percentage - Enter Percentage
1	1 %
	%
	%
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The following provisions apply to **Section I – Property**:

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

With respect to Covered Property at a premises identified in the Schedule, no other deductible applies to Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

WINDSTORM OR HAIL DEDUCTIBLE CALCULATION

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage. This Deductible is calculated separately for, and applies separately to:

1. Each building that sustains loss or damage;
2. The personal property at each building at which there is loss or damage to personal property;
3. Personal property in the open.

If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.

We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible. We will then pay the amount of loss or damage in excess of the Deductible, up to the applicable Limit(s) of Insurance.

When property is covered under the Coverage Extension for Newly Acquired Or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at the time of loss. The applicable percentage for Newly Acquired Or Constructed Property is the highest percentage shown in the Schedule for any described premises.

EXAMPLE – APPLICATION OF DEDUCTIBLE

The amounts of loss to the damaged property are \$60,000 (building) and \$40,000 (personal property in building).

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property.

The Deductible is 2%.

BUILDING

Step (1): $\$80,000 \times 2\% = \$1,600$

Step (2): $\$60,000 - \$1,600 = \$58,400$

PERSONAL PROPERTY

Step (1): $\$64,000 \times 2\% = \$1,280$

Step (2): $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120 (\$58,400 + \$38,720). The portion of the total loss that is not covered due to the application of the Deductible is \$2,880 (\$1,600 + \$1,280).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES OR PROJECT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

A. Premises:
Only Locations Shown on the Declarations
B. Project:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to **Section II – Liability**:

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

A. The following exclusion is added to Paragraph B. Exclusions:

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

Cyber Incident

1. Unauthorized access to or use of any computer system (including "electronic data").
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including "electronic data") and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including "electronic data") or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

3. Computer Fraud And Funds Transfer Fraud Endorsement

The exclusion in Paragraph **A.** does not apply to the Computer Fraud And Funds Transfer Fraud endorsement when attached to your policy.

4. Electronic Commerce Endorsement

The exclusion in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

5. Information Security Protection Endorsement

The exclusion in Paragraph **A.** does not apply to the Information Security Protection Endorsement when attached to your policy.

C. Vandalism

The following is added to Vandalism:

Vandalism does not include a cyber incident as described in Paragraph **A.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK-UP AND SUMP OVERFLOW

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Policy Limit Of Insurance (Annual Aggregate Limitation Applies)	
\$ 10,000	
Separate Premises Option ☐ Yes ☒ No	
Premises Number	Limit Of Insurance (Annual Aggregate Limitation Applies)
	\$
	\$
	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. We will pay for direct physical loss or damage, not caused by your negligence, to Covered Property under **Section I – Property**, caused by or resulting from:

1. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or
2. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump or its related equipment.

B. With respect to the coverage provided under this endorsement, Exclusion **B.1.g. Water** in **Section I – Property** is replaced by the following exclusion:

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or

(c) Doors, windows or other openings; or

- (4)** Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **(1)** or **(3)**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(4)**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **(1)** through **(4)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

C. Business Income And Extra Expense

We will pay for business income loss and extra expense in accordance with the terms of the coverage applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in Paragraph **A**.

D. Limits Of Insurance

1. Policy Limit

The most we will pay, for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Policy Limit indicated in the Schedule. This limit does not apply separately to each location.

2. Premises Limit

If the Schedule indicates that the Separate Premises Option applies, then the most we will pay for the coverage provided under this endorsement for the total of all direct physical loss or damage and business income and/or extra expense occurring during the policy term is the Limit Of Insurance, as indicated for each premises. The Limit Of Insurance applies separately to each premises described in the Schedule.

E. Annual Aggregate Limitation

The most we will pay for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12-month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Limit Of Insurance or the Premises Limit of Insurance described in the Schedule.

With respect to an occurrence which begins in one policy year and continues or results in additional direct physical loss or damage, loss of business income, or extra expense you incur in a subsequent policy year(s), all direct physical loss or damage, loss of business income, or extra expense you incur is deemed to be sustained in the policy year in which the occurrence began.

F. Paragraph **D.** Deductibles applies.

G. For the purposes of this endorsement, the term drain includes a roof drain and related fixtures.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name Of Person Or Organization:
Any party with whom the insured agrees to waive subrogation in a written contract.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us** in **Section III – Common Policy Conditions** is amended by the addition of the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF AND EXTERIOR SURFACING

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
1	1	B
1	2	B
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

- A.** The following provision applies to **Section I – Property** with respect to the building(s) identified in the Schedule as being subject to this Paragraph **A.**

The following is added to Paragraph **E.5.d.(3)** of the **Loss Payment** Property Loss Condition:

(f) "Roof surfacing".

(g) "Exterior Surfacing".

- B.** The following provision applies to **Section I – Property** with respect to the building(s) identified in the Schedule as being subject to this Paragraph **B.**

We will not pay for cosmetic damage to "roof surfacing" or "exterior surfacing" caused by windstorm and/or hail. For the purpose of this endorsement, cosmetic damage means that the windstorm and/or hail caused marring, pitting or other superficial damage that altered the appearance of the "roof surfacing" or "exterior surfacing", but such damage does not prevent the "roof surfacing" or "exterior surfacing" from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, the following definitions apply:

1. "Roof surfacing" means the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes, but is not limited to, all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing, vents, ridges, and valleys.
2. "Exterior surfacing" means the material(s) used to surface the exterior of a building to protect against exposure to the elements including, but not limited to:
 - a. Siding, including soffits and fascia;
 - b. Doors, including overhead doors and door wraps;
 - c. Windows, including frames, casings, cladding, trim, weather stripping, screens, and all window accessories; and
 - d. Skylights.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFORMATION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to Paragraph 1. **Applicable To Business Liability Coverage** of **B. Exclusions** under **Section II – Liability**:

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Material Or Information

"Bodily Injury", "property damage" or "personal and advertising injury", arising out of any access to or disclosure of any person's or organization's confidential or personal material or information, including:

- a. Patents, trade secrets, processing methods, customer lists;
- b. Financial information, credit card information;

- c. Health information, biometric information; or
- d. Any other type of nonpublic material or information.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal material or information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

☐	Bodily Injury And Property Damage: Paragraph A. in this endorsement does not apply if an "X" is shown in the box.
☐	Personal And Advertising Injury: Paragraph B. in this endorsement does not apply if an "X" is shown in the box.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Liability is amended as follows:

A. Exclusion **B.1.g.** is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
 - (i) Less than 51 feet long; and
 - (ii) Not being used to carry persons or property for a charge;
- (c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
 - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (ii) The operation of any of the following machinery or equipment:
 - i. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - ii. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

B. The following is added to Exclusion B.1.p. Personal And Advertising Injury:

This insurance does not apply to:

p. Personal And Advertising Injury

"Personal and advertising injury":

Arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- (1) The use of another's advertising idea in your "advertisement"; or
- (2) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to Paragraph F. Liability And Medical Expenses Definitions:

"Unmanned aircraft" means an aircraft that is not:

- 1. Designed;
- 2. Manufactured; or
- 3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

- A.** The following is added to Paragraph **B. Exclusions:**

This insurance does not apply to:

Perfluoroalkyl And Polyfluoroalkyl Substances

- a.** "Bodily injury" or "property damage" which would not have occurred, or "personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption, consumption, discharge, dispersal, seepage, migration, release or escape of, contact with, exposure to, existence of, or presence of, any "perfluoroalkyl or polyfluoroalkyl substances".
- b.** Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "perfluoroalkyl or polyfluoroalkyl substances", by any insured or by any other person or entity.

- B.** The following is added to Paragraph **F. Liability And Medical Expenses Definitions:**

"Perfluoroalkyl or polyfluoroalkyl substances" means any:

- 1.** Chemical or substance that contains one or more alkyl carbons on which hydrogen atoms have been partially or completely replaced by fluorine atoms, including but not limited to:
 - a.** Polymer, oligomer, monomer or nonpolymer chemicals and their homologues, isomers, telomers, salts, derivatives, precursor chemicals, degradation products or by-products;
 - b.** Perfluoroalkyl acids (PFAA), such as perfluorooctanoic acid (PFOA) and its salts, or perfluorooctane sulfonic acid (PFOS) and its salts;
 - c.** Perfluoropolyethers (PFPE);
 - d.** Fluorotelomer-based substances; or
 - e.** Side-chain fluorinated polymers; or
- 2.** Good or product, including containers, materials, parts or equipment furnished in connection with such goods or products, that consists of or contains any chemical or substance described in Paragraph **B.1.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section II – Liability is amended as follows:

- A.** The following exclusion is added to Paragraph 1. **Applicable To Business Liability Coverage** under **B. Exclusions**:

This insurance does not apply to:

Cyber Incident

"Bodily injury", "property damage", or "personal and advertising injury" arising out of a "cyber incident".

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other similar cost or expense incurred by you or others arising out of a "cyber incident".

- B.** For the purposes of this endorsement, the following is added to Paragraph **F. Liability And Medical Expenses Definitions**:

"Cyber incident" means any:

1. Unauthorized access to or use of any computer system.

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

VOLUNTARY PROPERTY DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

COVERAGE	LIMITS OF LIABILITY		DEDUCTIBLE	
Property Damage	\$ 2,500	Each Occurrence	\$ 250	Each Claim
	\$ 2,500	Aggregate		

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

Unless specifically modified or deleted, all exclusions listed in **Section II - Liability, Paragraph B. Exclusions** of the Businessowners Coverage Form apply to the coverage provided by this endorsement.

For the purpose of the coverage provided by this endorsement, **Section II - Liability** is amended as follows:

1. The following is added to Paragraph A.

Coverages:

Insuring Agreement

We will pay, at the request of the insured, for "property damage" to property of others in the insured's care, custody or control. The "property damage" must be caused by an "occurrence" and result from operations which take place away from any premises the insured rents, owns or occupies and which are a part of your business. That business must be afforded coverage under the policy to which this endorsement is attached.

However, we shall have no duty whatsoever to defend claims and/or "suits" for which the only coverage provided is under this endorsement.

2. Exclusion

Paragraph B.1.m. Damage To Your Work is replaced by the following:

m. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

3. Limits of Insurance

a. The Limits of Insurance shown in the Schedule above and the rules below fix the most we will pay regardless of the number of:

- (1) Insureds;
- (2) Claims made or "suits" brought; or

(3) Persons or organizations making claims or bringing "suits".

b. The Aggregate Limit is the most we will pay for the sum of all damages under this endorsement;

c. Subject to b. above, the Each Occurrence Limit is the most we will pay because of all "property damage" arising out of any one "occurrence".

The limits of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

4. Deductible

We will not pay for loss or damage for any claim until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Liability.

The terms of this insurance apply irrespective of the application of the deductible amount.

We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

5. Conditions

a. Additional Duties In The Event Of An Occurrence, Claim or Suit.

In the event of loss, at our request you shall replace the property or furnish the labor and materials necessary for repairs at your actual cost, excluding any profit or overhead charges. Any property so paid for or replaced shall become our property. Payment under this endorsement shall not constitute an admission of liability of the insured or, except for this endorsement, us.

b. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, then the insurance provided by this endorsement is excess. We will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1)** The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2)** The total of all deductible and self-insured amounts under all that other insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT – WHO IS AN INSURED

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

State(s)
Wisconsin
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following provisions apply to the state(s) indicated in the Schedule:

With respect to your “employees”, paragraph **2.a.(1)** of **Section II – C. Who Is An Insured** of the Businessowners Coverage Form is amended as follows:

- (1) “Bodily injury” or “personal injury” (or “personal and advertising injury” if defined as such in your policy):
- a. To you, or your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company); or to your “volunteer workers” while performing duties related to the conduct of your business.

- b. For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraph (1)(a) above; or
- c. Arising out of his or her providing or failing to provide professional health care services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT – LIQUOR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Paragraph **1.c. Exclusions of Section II – Liability** is replaced by the following:

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1)** Causing or contributing to the intoxication of any person;
- (2)** The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3)** Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims allege negligence or other wrongdoing in:

- (a)** The supervision, hiring, employment, training or monitoring of others by an insured; or

- (b)** Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1)**, **(2)** or **(3)** above.

This exclusion applies only if you:

- (1)** Manufacture, sell or distribute alcoholic beverages; or
- (2)** Serve or furnish alcoholic beverages for a charge whether or not such activity:
 - (a)** Requires a license;
 - (b)** Is for the purpose of financial gain or livelihood; or

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LEAD LIABILITY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This insurance does not apply to:

- 1.** actual or alleged "bodily injury" arising out of the ingestion, inhalation, or absorption of lead in any form;
- 2.** actual or alleged "property damage", "personal and advertising injury" arising out of any form of lead;
- 3.** any loss, cost, or expense arising out of any request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to or assess the effects of lead; or
- 4.** any loss, cost or expense arising out of any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of lead

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS AMENDMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

A. Paragraph A.5. Additional Coverages is amended as follows:

1. Paragraph 5.f.(1) Business Income is replaced by the following:

f. Business Income

(1) Business Income

- (a)** We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your “operations” during the “period of restoration”. The suspension must be caused by direct physical loss of or damage to property at the described premises. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises mean:

- (i)** The portion of the building which you rent, lease or occupy;
- (ii)** The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss or damage to personal property in the open or personal property in a vehicle); and
- (iii)** Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

- (b)** We will only pay for loss of Business Income that you sustain during the “period of restoration” and that occurs within 12 consecutive months after the date of direct physical loss or damage.

(c) Business Income means the:

- (i)** Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of 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; and
- (ii)** Continuing normal operating expenses incurred, including payroll.

2. The following is added to Paragraph A.5. – Additional Coverages:

Removal Permit

If Covered Property is removed to a new location that has been added by a policy change to this policy, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of the policy change; after that, this insurance does not apply at the previous location.

B. Paragraph **A.6. Coverage Extensions** is amended as follows:

1. Paragraph **6.e.(3) Valuable Papers And Records** is replaced by the following:

(3) The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at the described premises is \$25,000, plus the Limit Of Insurance for "valuable papers and records" shown in the Declarations.

For "valuable papers and records" not at the described premises, the most we will pay is \$5,000.

2. Paragraph **6.f.(2) Accounts Receivable** is replaced by the following:

(2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, plus the Limit Of Insurance for accounts receivable shown in the Declarations.

For accounts receivable not at the described premises, the most we will pay is \$5,000.

C. Paragraph **C.4. Building Limit – Automatic Increase** is replaced by the following:

4. **Automatic Increase**

a. The Limit of Insurance for property to which this Coverage applied will automatically increase by the annual percentage shown in the Declarations.

b. The amount of increase will be:

(1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, by

(2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), by

(3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

Example:

If: The applicable Limit of Insurance is	\$ 100,000
The annual percentage increase is	8%
The number of days since the beginning of the policy year (or last policy change) is	146
The amount of increase is	
$\$100,000 \times .08 \times 146 \div 365 =$	\$ 3,200

D. Paragraph **D. Deductibles** is amended as follows:

1. The following is added to Paragraph **D.1.**

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

E. Paragraph **G. Optional Coverages** is amended as follows:

1. The following is added to Paragraph **G.2.c.(2) – Money And Securities:**

However, our limit of liability for any one occurrence is the Limit of Insurance shown in the Declarations for "Money" and "Securities" Outside the Premises for the premises from which the messenger or armored motor vehicle initially operates regardless of the number of other premises served.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PLUS PAK – BUSINESSOWNERS LIABILITY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Unless specifically modified or deleted, all exclusions listed in **Section II – Liability**, Paragraph **B. Exclusions** of the BUSINESSOWNERS COVERAGE FORM apply to the coverage provided by this endorsement.

For the purposes of the coverage provided by this endorsement, **Section II – Liability** is amended as follows:

A. STOP GAP LIABILITY

The following is added to Paragraph **B.1.e. Employer's Liability**:

This exclusion does not apply to "bodily injury" to an "employee" of the insured arising out of and in the course of employment by the insured, provided such "employee" is reported and declared under the Workers' Compensation Fund of the State(s) of North Dakota, Ohio, Washington, or Wyoming, whichever is applicable as respects such injured "employee".

The insurance provided by this coverage extension does not apply to:

1. Punitive or exemplary damage because of "bodily injury" to an "employee" employed in violation of law;
2. "Bodily injury" to an "employee" while employed in violation of law with your actual knowledge or the actual knowledge of any of your executive officers;
3. Damages arising out of the discharge of, coercion of, or discrimination against any "employee" in violation of law.

B. COVERAGE EXTENSION – SUPPLEMENTARY PAYMENTS

Paragraph **A.1.f.(1)(b)** and **A.1.f.(1)(d)** are replaced by the following:

- (b) Up to \$1,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.
- (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$300 a day because of time off from work.

C. KNOWLEDGE OF OCCURRENCE, CLAIM OR SUIT

The following is added to Paragraph **A.1. Business Liability**:

- g. Knowledge that "bodily injury" or "property damage" has occurred or knowledge of a claim or suit by an agent or employee of any insured shall not in itself constitute knowledge of the insured unless your partners, executive officers, directors, managers, members or a person, who has been designated by them to receive reports of occurrences, offenses, claims or suits shall have received such notice from the agent or employee.

D. The following is added to Paragraph C. Who Is An Insured:

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
 - a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Paragraph **A.1. Business Liability** does not apply to:
 - (1) "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
4. Any person(s) or organization(s) whom you are required to add as an additional insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" that takes place after you cease to be a tenant in the premises leased to you.
2. Structural alterations, new construction, or demolition operations performed by or for the person(s) or organizations(s) who leases the premises to you.

With respect to the insurance afforded to these additional insureds, the following is added to Paragraph **D. Liability And Medical Expenses Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits Of Insurance shown in the Declarations;
- whichever is less.

This coverage shall not increase the applicable Limits Of Insurance shown in the Declarations.

E. The following is added to Paragraph E. Liability and Medical Expenses General Conditions:

5. Unintentional Failure to Disclose Hazards –

Based on our dependence upon your representation as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject liability coverage under this policy based solely on such failure.

- 6. Liberalization –** If we adopt any revision that would broaden the coverage under this endorsement without additional premium, the broadened coverage will apply as of the day the revision is effective in your state.

F. Paragraph F. 3. Liability and Medical Expenses Definitions is deleted and replaced by:

"Bodily Injury" means bodily injury, sickness, or disease sustained by a person. This includes mental anguish or death resulting from bodily injury, sickness or disease.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FIREARMS OR WEAPONS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. The following exclusion is added to Paragraph B. Exclusions of Section II – Liability:

Firearms or Weapons

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the ownership, distribution, use, misuse, handling, maintenance, possession, control or discharge of "firearms" or "weapons" by any insured or any other person or entity, regardless of the circumstances or location.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing including, but not limited to, the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury", "property damage", or the "personal and advertising injury" involved the ownership, distribution, use, misuse, handling, maintenance, possession, control or discharge of "firearms" or "weapons" by any insured or any other person or entity, regardless of the circumstances or location.

B. The following definitions are added to Paragraph F. Liability And Medical Expenses Definitions of Section II – Liability

1. "Firearms" mean pistols, rifles, guns, or other devices capable of expelling or propelling one or more projectiles by the action of an explosive, combustible propellant, or compressed air. "Firearms" includes anything included in any state or federal statute that defines "firearms".
2. "Weapons" mean any instrument(s) that can be or is utilized in an offensive or defensive nature and includes, but is not limited to, batons, bows, crossbows, arrows, knives, mace, stun guns, or swords. "Weapons" includes anything included in any state or federal statute that defines "weapons".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT (INCLUDING ELECTRONIC CIRCUITRY IMPAIRMENT)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

EQUIPMENT BREAKDOWN COVERAGE SCHEDULE

Coverage	Limit
Spoilage and Consequential Damage Limit	\$50,000
Refrigerant Contamination – Coverage Options (check one)	
	☒ Included in Spoilage and Consequential Damage Limit
	☐ \$
Deductibles	
Combined, All Coverages	\$
Direct Coverages	\$ (*other conditions, if required, will be shown below)
Indirect Coverages	\$
	or hours (*other conditions, if required, will be shown below)
	or Times Average Daily Value
Spoilage and Consequential Damage	\$
	or % of loss, \$ minimum
Other Conditions	

PART I – EQUIPMENT BREAKDOWN COVERAGE

A. The following is added to Paragraph A.3. Covered Causes of Loss in Section I – Property:

Additional Coverage – Equipment Breakdown

Additional Coverage Equipment Breakdown as described and limited below. Without an "accident" or "electronic circuitry impairment", there is no Equipment Breakdown Coverage.

1. We will pay for direct physical damage to Covered Property that is the direct result of an "accident" or "electronic circuitry impairment". We will consider "electronic circuitry impairment" to be physical damage to "covered equipment".
2. The following coverages also apply to the direct result of an "accident" or "electronic circuitry impairment", unless otherwise shown in the "schedule". These coverages do not provide additional amounts of insurance.

a. Business Income and Extra Expense

- (1) Any insurance provided under the policy to which this Equipment Breakdown Coverage endorsement is attached for Business Income or Extra Expense is extended to the coverage provided by this endorsement. However, if a deductible is shown in the "schedule", then with respect to this endorsement only, the "period of restoration" will begin immediately after the "accident" or "electronic circuitry impairment" and the deductible shown in the "schedule" will apply.
- (2) The most we will pay under this Business Income and Extra Expense coverage is the applicable limit for Business Income and Extra Expense.

b. Data Restoration

- (1) We will pay for your reasonable and necessary cost to research, replace and restore lost "data".
- (2) The most we will pay under this Data Restoration coverage is \$25,000. This amount includes the actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered.

c. Expediting Expenses

- (1) With respect to your damaged Covered Property, we will pay the reasonable and necessary extra cost to:
 - (a) Make temporary repairs; and

- (b) Expedite permanent repairs or replacement.

- (2) The most we will pay under this Expediting Expenses coverage is \$25,000.

d. Future Loss Avoidance

- (1) This coverage only applies if you have received payment under this Equipment Breakdown Coverage for an "accident" or "electronic circuitry impairment" that occurred on the premises of a covered location.
- (2) We will pay your costs to purchase and install protective equipment at the location of the loss as follows:
 - (a) Electrical surge protection or single phase protective equipment; or
 - (b) Other protective equipment if we agree that such equipment would reasonably reduce the likelihood of a future "accident" or "electronic circuitry impairment" similar to the one for which you have received payment from us. We will not unreasonably withhold such agreement.
- (3) As used in this coverage, protective equipment means a permanently installed physical device with the principal function of safeguarding one or more pieces of "covered equipment" from physical damage.
- (4) We must receive your invoices for any purchase and installation costs no later than 180 days after the date you receive the payment for the loss from us.
- (5) With respect to any "one equipment breakdown", the most we will pay is the lesser of the following:
 - (a) 10% of our Eligible Payment to you prior to any payment under this Future Loss Avoidance coverage; or
 - (b) \$10,000.
- (6) As used in this coverage, Eligible Payment means our total payment to you not including the following:
 - (a) Any deductible or coinsurance amount; or
 - (b) Any payment made after this policy has been cancelled or non-renewed.

e. Green

- (1) With respect to Covered Property, we will pay your additional cost to:

- (a) Repair damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program", if repair is the least expensive option;
 - (b) Replace damaged property using equipment, materials and service firms required or recommended by a "recognized environmental standards program", if replacement is the least expensive option;
 - (c) Dispose of damaged property or equipment, if practicable, through a recycling process; and
 - (d) Flush out reconstructed space with up to 100% outside air using new filtration media.
- (2) With respect to any building that is Covered Property and was, at the time of the "accident" or "electronic circuitry impairment" certified by a "recognized environmental standards program", we will pay your additional cost:
- (a) To prevent a lapse of such certification;
 - (b) To reinstate the certification or replace it with an equivalent certification;
 - (c) For an engineer authorized by a "recognized environmental standards program" to oversee the repair or replacement of the damaged Covered Property; and
 - (d) For a Professional Engineer to commission or recommission your damaged mechanical, electrical, or electronic building systems.
- (3) As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage in the absence of this Green coverage.
- (4) This Green coverage is subject to the following provisions:
- (a) This coverage applies in addition to any coverage that may apply under the Environmental, Safety and Efficiency Improvements condition of this endorsement or any other applicable coverage.
 - (b) This coverage only applies to Covered Property that must be repaired or replaced as a direct result of an "accident" or "electronic circuitry impairment".

(c) This coverage does not apply to any Covered Property to which "actual cash value" applies.

- (5) The most we will pay under this Green coverage is \$25,000. This amount includes the actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered.

f. Hazardous Substances

- (1) We will pay your additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "hazardous substance" been involved.
- (2) This coverage does not apply to testing, clean up or disposal of land, water or any other property that is not Covered Property.
- (3) This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in Refrigerant Contamination, 2.n.(2) below.
- (4) The most we will pay under this Hazardous Substances coverage is \$25,000. This amount includes the actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered.

g. Mobile Robots

- (1) We will pay for physical damage to Covered Property from an "accident" or "electronic circuitry impairment" when the "covered equipment" is a "mobile robot".
- (2) The most we will pay under this Mobile Robots coverage is \$50,000. This amount includes Spoilage and Consequential Damage, Data Restoration, and the actual loss of Business Income you sustain necessary Extra Expense you incur, if shown as covered.

h. Mold

- (1) We will pay for the additional cost to repair or replace Covered Property because of contamination by mold, fungus, mildew or yeast, including any spores or toxins created or produced by or emanating from such mold, fungus, mildew or yeast, resulting from an "accident" or "electronic circuitry impairment". This includes the additional costs to clean up or dispose of such property. This does not include "spoilage and consequential damage" of personal property that is "perishable goods" to the extent that such "spoilage and consequential damage" is covered under Spoilage and Consequential Damage coverage
- (2) As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no mold, fungus, mildew, yeast, spores or toxins been involved.
- (3) We will also pay the cost of testing performed after repair or replacement of the damaged Covered Property is completed only to the extent that there is a reason to believe there is the presence of mold, fungus, mildew, yeast, spores or toxins.
- (4) This coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.
- (5) As described in **C.1.b.** below, the most we will pay under this Mold coverage is \$15,000. This amount includes the actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered.

i. Off Premises Equipment Breakdown

- (1) We will pay for physical damage to portable "covered equipment" that, at the time of the "accident" or "electronic circuitry impairment", is not at a covered location.
- (2) We will also pay for your reasonable and necessary cost to research, replace and restore lost "data" contained within portable "covered equipment" as described in (1) above. This amount may not exceed the limit applicable to Data Restoration coverage.

- (3) With respect to this Off Premises Equipment Breakdown coverage only, the "accident" or "electronic circuitry impairment" may occur anywhere in the world except within any country on which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.
- (4) The most we will pay under this Off Premises Equipment Breakdown coverage is the Property Off Premises limit shown in your policy. Our payment under this coverage includes:
 - (a) The actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered; and
 - (b) Data Restoration as described in (2) above.

j. Public Relations

- (1) This coverage only applies if you have sustained an actual loss of Business Income covered under this endorsement.
- (2) We will pay for your reasonable costs for professional services to create and disseminate communications, when the need for such communications arises directly from the interruption of your business. This communication must be directed to one or more of the following:
 - (a) The media;
 - (b) The public; or
 - (c) Your customers, clients or members.
- (3) Such costs must be incurred during the "period of restoration" or up to 30 days after the "period of restoration" has ended.
- (4) The most we will pay under this Public Relations coverage is \$25,000.

k. Resultant Damage to Animals

- (1) Any insurance provided under the policy to which this Equipment Breakdown Coverage endorsement is attached for "animals" is extended to the coverage provided by this endorsement.
- (2) The most we will pay under this Resultant Damage to Animals coverage is \$25,000. This amount includes the actual loss of Business Income and necessary Extra Expense you incur, if shown as covered.

I. Resultant Loss from a Cyber Event

Coverage is extended to an "accident" or "electronic circuitry impairment" caused by or resulting from a "cyber event" that causes direct physical damage to "covered equipment" at a covered location.

m. Service Interruption

(1) Any insurance provided for Business Income, Extra Expense, Data Restoration or Spoilage and Consequential Damage is extended to apply to your loss, damage or expense caused by a failure or disruption of service. The failure or disruption of service must be caused by an "accident" or "electronic circuitry impairment" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, "cloud or outsourced computing services", wide area networks, data transmission, elevator services or Equipment as a Service. The equipment must meet the definition of "covered equipment" except that it is not Covered Property. As used in this coverage, Equipment as a Service means any service that you pay for on a usage basis when the service is provided to you by equipment that is located on your premises that is neither owned, leased or operated by you.

(2) "Cloud or outsourced computing services" must be provided by a professional provider with whom you have a contract. With respect to this Service Interruption coverage only, the "accident" or "electronic circuitry impairment" to the equipment of a provider of "cloud or outsourced computing services" may occur anywhere in the world except within any country on which the United States has imposed sanctions, embargoes or similar restrictions on the provision of insurance.

(3) With respect to the Data Restoration portion of this Service Interruption coverage, coverage will also apply to "data" stored in the equipment of a provider of "cloud or outsourced computing services".

(4) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident" or "electronic circuitry impairment". If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.

(5) The most we will pay in any "one equipment breakdown" under this Service Interruption coverage is the applicable limit for Business Income, Extra Expense, Data Restoration or Spoilage and Consequential Damage.

n. Spoilage and Consequential Damage

(1) We will pay for physical damage to "perishable goods" due to "spoilage and consequential damage".

(2) Refrigerant Contamination

We will also pay for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia. If a separate limit is indicated for Refrigerant Contamination, this amount is part of, and not in addition to, your Spoilage and Consequential Damage limit.

(3) We will also pay any necessary expenses you incur to reduce the amount of loss under this Spoilage and Consequential Damage coverage. However, we will not pay more than the amount that would otherwise have been payable under this Spoilage and Consequential Damage coverage.

(4) The most we will pay under this Spoilage and Consequential Damage coverage is \$50,000, unless otherwise shown in the "schedule".

B. The following is added to Paragraph B. Exclusions

All exclusions in the Businessowners Coverage Form apply except as modified below and to the extent that coverage is specifically provided by this endorsement. Exclusions listed in this endorsement apply regardless of cause.

If any cyber incident exclusion is made a part of this policy, such exclusion will not apply to the extent coverage is provided in **A.2.i** Resultant Loss from a Cyber Event.

1. With respect to coverage under this endorsement, the following exclusions are modified:

a. The next to the last paragraph in Exclusion **B.1.h.** is deleted and replaced with the following:

However, if an excluded loss or damage, as described in Paragraph **(1)** above results in an "accident" or "electronic circuitry impairment", we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

b. The last paragraph of Exclusion **B.2.i.** is deleted and replaced with the following:

But if an excluded cause of loss that is listed in **2.i.(1)** through **(7)** results in an "accident" or "electronic circuitry impairment", we will pay for the resulting loss, damage or expense caused by that "accident" or "electronic circuitry impairment".

2. With respect to coverage under this endorsement, the following exclusions are added to **B.2.m** and **B.2.n**:

a. We will not pay for loss, damage or expense caused by any of the following causes of loss, whether directly or indirectly. This exclusion applies even if the excluded cause of loss was the result of an "accident" or "electronic circuitry impairment":

- (1)** Fire, including smoke from a fire.
- (2)** Explosion of gas or unconsumed fuel within the furnace of any boiler or fired vessel or within the passages from that furnace to the atmosphere.
- (3)** Any other explosion, except as specifically covered under this endorsement.
- (4)** Any earth movement. This includes, but is not limited to, earthquake, earth sinking, landslide, sinkhole collapse, subsidence, tsunami or volcanic action.
- (5)** Flood; surface water, waves, tides, tidal waves, overflow of any body of water, storm surge, or their spray, all whether driven by wind or not; mudslide or mudflow; or water that discharges, backs up or overflows from a sewer or drain or sump.

However, if electrical "covered equipment" requires drying out because of the above, we will pay for the amount you actually expend to dry out such equipment, subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies. We will not pay more than the "actual cash value" of the affected electrical "covered equipment". We will not pay to replace such equipment or for any other direct or indirect loss, damage, or expense.

- (6)** Vandalism, meaning a malicious act that causes damage or destruction. However, this exclusion does not apply to a "cyber event" to the extent coverage is provided in **A.2.1** Resultant Loss from a Cyber Event coverage.
 - (7)** Any "cyber event", except as specifically provided in **A.2.1** Resultant Loss from a Cyber Event coverage.
 - (8)** Your failure to use all reasonable means to protect Covered Property from damage following an "accident" or "electronic circuitry impairment".
 - (9)** Freeze caused by cold weather, except as specifically provided under **A.2.n**. Spoilage and Consequential Damage coverage.
 - (10)** Discharge of molten material from equipment, including the heat from such discharged material.
- b. We will not pay for loss, damage or expense caused directly or indirectly by any condition or event listed in **(1)** through **(5)** below, without regard to whether such condition or event is normal and expected or unusual and unexpected. However, if a condition or event that is listed in **(1)** through **(5)** below results in an "accident" or "electronic circuitry impairment" and no other exclusion applies, we will pay only for the loss, damage or expense that is a direct result of and solely attributable to the "accident" or "electronic circuitry impairment".
- (1)** Any defect, error, or shortcoming in design or installation;
 - (2)** Any undercapacity, underperformance, failure to perform as expected or failure to perform as designed;
 - (3)** Any defect, programming error, programming limitation, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind;

- (4) Contamination by a "hazardous substance";
- (5) Any condition, including, but not limited to, misalignment, miscalibration or tripping off-line which can be corrected by:
 - (a) Resetting, tightening, adjusting or cleaning;
 - (b) Normal maintenance, including but not limited to replacing expendable parts, recharging batteries or cleaning;
 - (c) Rebooting, reloading or updating software or firmware; or
 - (d) Providing necessary power or supply.
- c. We will not pay for an "accident" or "electronic circuitry impairment" caused by or resulting from any of the following causes of loss:
 - (1) Lightning.
 - (2) Windstorm or hail. However, this exclusion does not apply when:
 - (a) "Covered equipment" located within a structure or building suffers an "accident" or "electronic circuitry impairment" that results from wind-blown dust, rain, sand or snow; and
 - (b) The structure or building did not first sustain wind or hail damage to its roof or walls through which the dust, rain, sand, or snow entered.
 - (3) Collision or any physical contact caused by or involving a "vehicle" or "mobile robot".
 - (4) Smoke, riot or civil commotion; sprinkler leakage or elevator collision.
 - (5) Weight of snow, ice or sleet.
 - (6) Collapse.
 - (7) Falling objects. However, this exclusion does not apply to:
 - (a) Property located outside the walls of a structure or building; or
 - (b) Loss or damage to property located within a structure or building, unless a falling object first damages the roof or exterior wall of the structure or building.
 - (8) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.
 - (9) Any means, whether or not successful, intended to extinguish a fire. This includes, but is not limited to, the spraying of water.
- d. With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for:
 - (1) Loss caused by your failure to use due diligence and dispatch and any and all reasonable means to resume business; or
 - (2) Any increase in loss resulting from an agreement between you and your customer, supplier or contractor.
- e. Except as specifically provided under **A.2.h.** Mold coverage we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment": Any mold, fungus, mildew or yeast, including any spores or toxins created or produced by or emanating from such mold, fungus, mildew or yeast. This includes but is not limited to, costs arising from clean-up, remediation, containment, removal, or abatement of such mold, fungus, mildew, yeast, spores or toxins. However, this exclusion does not apply to "spoilage and consequential damage" of personal property that is "perishable goods", to the extent that such spoilage and consequential damage" is covered under Spoilage and Consequential Damage coverage.
- f. Except as specifically provided under **A.2.b.** Data Restoration, or **A.2.k.** Resultant Damage to Animals, we will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident" or "electronic circuitry impairment":
 - (1) Physical loss or damage to "animals";
 - (2) Loss, interruption or compromise of any research, test or study involving "animals"; or
 - (3) Loss of income or extra expense resulting from (1) or (2) above.
- g. We will not pay for loss or damage to any of the following, whether or not caused by an "accident" or "electronic circuitry impairment":
 - (1) Catalysts or molecular sieves;

- (2) Artifacts, fossils, relics, or any rare items of cultural, historical or scientific interest; or
- (3) Biological samples or materials, including, but not limited to, organs, tissues or blood.
- h. We will not pay for "spoilage and consequential damage" to any "perishable goods" with respect to Off Premises Equipment Breakdown coverage.
- i. With respect to Off Premises Equipment Breakdown and Service Interruption coverage provided by this endorsement, and any Dependent Properties or Civil Authority coverages provided by the policy, we will not pay for any direct or indirect loss, damage or expense caused by or resulting from a "cyber event".
- j. Exclusions 2.c.(1) through (7) above do not apply if:
 - (1) The excluded cause of loss occurs away from any covered location and causes an electrical surge or other electrical disturbance;
 - (2) Such surge or disturbance is transmitted through utility service transmission lines to the covered location and results in an "accident" or "electronic circuitry impairment"; and
 - (3) The loss, damage or expense caused by such surge or disturbance is not covered elsewhere under this policy.

C. Equipment Breakdown Limits and Deductibles

1. Equipment Breakdown Limits of Insurance

Any payment made under this Equipment Breakdown Coverage will not be increased if multiple insureds are shown in the Declarations or if you are comprised of more than one legal entity.

- a. The most we will pay for loss, damage or expense arising from any "one equipment breakdown" is the applicable Limit of Insurance in the Declarations, unless otherwise shown in the "schedule". Coverage provided under this endorsement does not provide an additional amount of insurance.

- b. Loss arising from any "one equipment breakdown" may continue to be present or recur in a later policy period. This includes, but is not limited to, loss arising from mold, fungus, mildew, or yeast as covered under Mold coverage. In such a case, the most we will pay for all loss, damage or expense arising out of any "one equipment breakdown" is the coverage limit at the time of the "accident" or "electronic circuitry impairment".
- c. If two or more coverage limits apply to the same loss or portion of a loss, we will pay only the smallest of the applicable limits for that loss or portion of that loss.

2. Equipment Breakdown Deductibles

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in the "schedule". If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision D. Deductibles is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the Schedule indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one equipment breakdown".
- (2) We will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the "schedule". We will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "covered equipment" and more than one type of "covered equipment" is involved in any "one equipment breakdown", only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the "schedule".
- (2) Unless more specifically indicated in the "schedule":

- (a) Direct Coverages Deductibles apply to all loss, damage or expense covered by this Equipment Breakdown Coverage with the exception of Business Income and Extra Expense loss, regardless of where such Business Income and Extra Expense coverage is provided in this Equipment Breakdown Coverage; and
- (b) Indirect Coverages Deductibles apply to Business Income and Extra Expense loss, regardless of where such coverage is provided in this Equipment Breakdown Coverage.

c. Application of Deductibles

(1) Dollar Deductibles

We will not pay for loss, damage or expense resulting from any "one equipment breakdown" until the amount of loss, damage or expense exceeds the applicable deductible shown in the "schedule". We will then pay the amount of loss, damage or expense in excess of the applicable deductible or deductibles, up to the applicable Limit of Insurance.

(2) Time Deductible

If a time deductible is shown in the "schedule" we will not be liable for any loss occurring during the specified number of hours or days immediately following the "accident" or "electronic circuitry impairment". If a time deductible is expressed in days, each day will mean twenty-four consecutive hours.

(3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the Business Income (as defined in any Business Income coverage that is part of this policy) that would have been earned during the period of interruption of business had no "accident" or "electronic circuitry impairment" occurred, divided by the number of working days in that period. No reduction will be made for the Business Income not being earned, or in the number of working days, because of the "accident" or "electronic circuitry impairment" or any other scheduled or unscheduled shutdowns during the period of interruption.

The ADV applies to the Business Income value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the "period of restoration". The number indicated in the "schedule" will be multiplied by the ADV as determined above. The result will be used as the applicable deductible.

(4) Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, we will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible) insured under the coverage that is applicable. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

(5) Horsepower Deductibles

If a deductible is expressed as a function of horsepower, the indicated amount per horsepower will be multiplied by the horsepower rating of the applicable "covered equipment". The resulting amount will apply as a Dollar Deductible. If the resulting amount is less than the indicated Minimum Deductible, the Minimum Deductible will be the applicable deductible. If the "covered equipment" is an air conditioning or refrigeration system, the indicated amount per horsepower will be multiplied by the horsepower rating of the system's largest motor or compressor. If systems or components are rated in tonnage of cooling capacity, each ton of rated capacity will be converted to horsepower in accordance with the following chart:

Horsepower Equivalent Per One Ton of Rated Cooling Capacity	
Centrifugal Compressor System	0.7hp
Hermetic Scroll Compressor System	1.0hp
Reciprocating Compressor System	1.5hp
Screw Compressor System	1.5hp
All Other Systems	4.7hp

D. Equipment Breakdown Conditions

1. The following conditions are in addition to the Conditions in the Businessowners Coverage Form.

a. Jurisdictional Inspections

If any property that is "covered equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

b. Suspension

Any of our representatives may immediately suspend the insurance against loss from an "accident" or "electronic circuitry impairment" to any "covered equipment" that is found to be in a dangerous condition or exposed to a dangerous condition. They may do this by mailing or delivering a written notice of suspension to:

- (1) Your address most recently known to us; or

- (2) The address where the applicable "covered equipment" is located.

The only way we may reinstate insurance is by issuing an endorsement for that "covered equipment". We will refund the premium applicable to the suspended "covered equipment", prorated for the period of suspension. However, the suspension will be effective immediately even if we have not yet offered or made a refund.

2. With respect to this endorsement only, the Loss Payment Condition **5.d.** in the Businessowners Coverage Form is deleted and replaced with the following:

- d. We will determine the value of Covered Property as follows:

- (1) Except as specified otherwise, our payment for damaged Covered Property will be the least expensive of:

- (a) The cost to repair the damaged property;
- (b) The cost to replace the damaged property on the same site; or
- (c) The amount you actually spend that is necessary to replace or repair the damaged property.

- (2) The amount of our payment will be based on the most cost-effective means to replace the function, capacity and remaining useful life of the damaged property. This may include the use of generic, used or reconditioned parts, equipment or property. This will not include costs to research or correct defects, errors or shortcomings in the design or installation of the Covered Property.

- (3) Except as described in (4) below, you must pay the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.

(4) Environmental, Safety and Efficiency Improvements

If "covered equipment" or its component part(s) requires replacement due to an "accident" or "electronic circuitry impairment", we will pay your additional cost to replace with equipment that we agree is better for the environment, safer for people or more energy or water efficient than the equipment being replaced subject to **D. Equipment Breakdown Conditions 2**. However, we will not pay to increase the size or capacity of the equipment and we will not pay more than 150% of what the cost would have been to replace with like kind and quality. This provision does not apply to any property to which "actual cash value" applies and does not increase any of the applicable limits.

(5) Consequential Loss to Undamaged Stock

Our payment for damaged Covered Property will include compensation for undamaged stock that loses market value or requires additional expense because of the damage to the Covered Property.

(6) The following property will be valued on an "actual cash value" basis:

- (a)** Any property that does not currently serve a useful or necessary function for you;
- (b)** Any Covered Property that you do not repair or replace within 24 months after the date of the "accident" or "electronic circuitry impairment"; and
- (c)** Any Covered Property for which "actual cash value" coverage is specified in the "schedule".

(7) If any one of the following conditions is met, property held for sale by you will be valued at the sales price as if no loss or damage had occurred, less any discounts and expenses that otherwise would have applied:

- (a)** The property was manufactured by you;
- (b)** The sales price of the property is less than the replacement cost of the property; or
- (c)** You are unable to replace the property before its anticipated sale.

(8) Except as specifically provided for under Data Restoration coverage, "data" and "media" will be valued on the following basis:

- (a)** For mass-produced and commercially available software, at the replacement cost.
- (b)** For all other "data" and "media", at the cost of blank "media" for reproducing the records. We will not pay for "data" representing financial records based on the face value of such records.

E. Equipment Breakdown Definitions

The following definitions are added with respect to this endorsement only:

1. "Accident" means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:

- a.** Mechanical breakdown, including physical damage caused by centrifugal force. As used in this definition, Mechanical Breakdown means an occurrence involving one or more moving parts of machinery that causes such machinery to operate improperly or to cease operating
- b.** Artificially generated electrical current, including electrical arcing, that damages electrical devices, appliances or wires,
- c.** Explosion, other than combustion explosion of steam boilers, steam engines, steam piping or steam turbines.
- d.** Sudden physical damage not otherwise excluded occurring inside:
 - (1)** Steam boilers, steam engines, steam piping or steam turbines; or
 - (2)** Hot water boilers or other equipment used to heat water
- e.** Bursting, cracking or splitting. However, this does not include any bursting, cracking or splitting associated with an explosion, unless such explosion is an "accident" as defined in (3) above.

2. "Actual cash value" means the replacement cost for parts, equipment or other property less Depreciation; However, the "actual cash value" will not be less than 25% of the actual replacement cost.

As used in this definition, Depreciation means the ratio of the age of the property at the time of loss to its expected useful life.

Depreciation will not be applied to labor or other costs necessary to complete the repair or replacement.

3. "Animal" means any creature of the kingdom Animalia. This includes, but is not limited to amphibians, birds, fish, insects, mammals, reptiles, and worms.
4. "Boilers and vessels" means:
 - a. Boilers;
 - b. Piping, valves or fittings that:
 - (1) Convey steam; or
 - (2) Are part of a closed loop system connected to a boiler,
 - (3) Condensate tanks; and
 - (4) Fired or unfired vessels which, during normal usage, operate under vacuum or pressure, other than the weight of contents.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

5. "Building Utilities" means "covered equipment" permanently mounted on or in a building and used to provide any of the following services with the building: heating ventilating, air conditioning, electrical power, hot water, elevator, or escalator services, central vacuum, natural gas service or communications.

"Building utilities" does not include personal property or equipment used in manufacturing or processing. This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

6. "Buried vessels or piping"
 - a. "Buried vessels or piping" means any piping, valve, fitting, or vessel that is buried or encased in the earth, concrete or other material, whether above or below grade, or in an enclosure which does not allow access for inspection and repair. Such equipment will be considered "buried vessels or piping" if any substantial portion is buried or encased, whether or not the entire piece of equipment is buried or encased and whether or not the equipment is connected to other equipment that is not buried or encased.
 - b. None of the following are "buried vessels or piping":
 - (1) Any piping, valve, fitting, or vessel within a building. However, such equipment will not be considered within a building if it is partly or entirely beneath the building's foundation.

- (2) Any piping, valve, fitting, or vessel within a tunnel through which people can pass and that connects two or more buildings,
 - (3) Any piping, valve or fitting that is part of a closed loop geothermal system.
 - (4) A pressure vessel used as the cylinder of a hydraulic elevator.
7. "Cloud or outsourced computing services" means professional, on-demand, self-service data storage or data processing services provided through the Internet or over telecommunications lines. This includes services known as IaaS (infrastructure as a service), PaaS (platform as a service), SaaS (software as a service), and NaaS (network as a service). This includes business models known as public clouds, community clouds and hybrid clouds. "Cloud or outsourced computing services" include private clouds if such services are owned and operated by a third party.
8. "Covered equipment"
 - a. Unless otherwise shown in the "schedule", "covered equipment" means Covered Property:
 - (1) That generates, transmits or utilizes energy; or
 - (2) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

"Covered equipment" may utilize conventional design and technology or new or newly commercialized design and technology.
 - b. Except as specifically provided for under **A.2.m** Service Interruption and **A.2.n.** (part of Spoilage and Consequential Damage coverage), such equipment must be owned or leased by you, or operated under your control.
 - c. None of the following is "covered equipment":
 - (1) Structures, including, but not limited to, the structural portions of buildings, towers or scaffolding.
 - (2) Foundations.
 - (3) Cabinets, compartments, conduits or ductwork.
 - (4) Insulating or refractory materials or glass linings.
 - (5) Dies, patterns or forms.
 - (6) "Buried vessels or piping".
 - (7) Waste, drainage or sewer piping.

- (8) Piping, valves or fittings forming a part of a sprinkler or fire suppression system.
- (9) Piping, valves or fittings used to convey water. However, the following is "covered equipment":
 - (a) Piping, valves or fittings that are part of a closed loop connected to a boiler or refrigeration or air conditioning system; and
 - (b) Valve actuators.
- (10) "Vehicles" or equipment mounted on a "vehicle".
- (11) Satellites, spacecraft or any equipment mounted on a satellite or spacecraft.
- (12) Draglines, excavation or construction equipment.
- (13) Equipment manufactured by you for sale.
- (14) Equipment of others that you modify, maintain or test as a professional service.
- (15) "Data".
- 9. "Cyber event" means a hostile, illegal or transgressive act committed through electronic systems. This includes, but is not limited to, hacking, a denial of service attack or the deployment of malware. However, this does not include any such act committed as an act of war, whether or not officially declared.
- 10. "Data" means information or instructions stored in digital code capable of being processed by machinery.
- 11. "Electrical distribution equipment"
 - a. "Electrical distribution equipment" means the following "covered equipment" when used to distribute electricity to connected equipment:
 - (1) Electrical wires, cables, busbars and busways;
 - (2) Electrical connectors, breakers, fuses, switches and motor control centers;
 - (3) Electrical usage monitors and power quality devices; and
 - (4) Electrical transformers.
 - b. None of the following is "electrical distribution equipment": equipment that is part of or within a machine or apparatus, if such machine or apparatus is serving a function other than the distribution of electricity.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

- 12. "Electrical distribution equipment other than transformers"
 - a. "Electrical distribution equipment other than transformers" means the following "covered equipment" when used to distribute electricity to connected equipment"
 - (1) Electrical wires, cables and busbars;
 - (2) Electrical connectors, breakers, fuses, switches and motor control centers; and
 - (3) Electrical usage monitors and power quality devices.
 - b. None of the following is "electrical distribution equipment other than transformers":
 - (1) Equipment that is part of or within a machine or apparatus, if such machine or apparatus is serving a function other than the distribution of electricity; or
 - (2) Electrical transformers.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

- 13. "Electrical generating equipment"
 - a. "Electrical generating equipment" means equipment which converts any other form of energy into electricity. This includes, but is not limited to, the following:
 - (1) Boilers used primarily to provide steam for one or more turbine-generator units;
 - (2) Turbine-generators (including steam, gas, water or wind turbines);
 - (3) Engine-generators;
 - (4) Fuel cells or other alternative electrical generating equipment;
 - (5) Electrical transformers, switchgear and power lines used to convey the generated electricity; and
 - (6) Associated equipment necessary for the operation of any of the equipment listed in (a) through (e) above.
 - b. None of the following is "Electrical generating equipment":
 - (1) Elevator or hoist motors that generate electricity when releasing cable; or
 - (2) Equipment intended to generate electricity solely on an emergency, back-up basis

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

14. "Electronic circuitry impairment"

- a. "Electronic circuitry impairment" means a fortuitous event involving "Electronic Circuitry" within "covered equipment" that causes the "covered equipment" to suddenly lose its ability to function as it had been functioning immediately before such event. This definition is subject to the conditions specified in (2) and (3) below.
- b. We will determine that the reasonable and appropriate remedy to restore such "covered equipment's" ability to function is the replacement of one or more "electronic circuitry" components of the "covered equipment".
- c. None of the following is an "electronic circuitry impairment":
 - (1) Any condition caused by or related to:
 - (a) Incompatibility of the "covered equipment" with any software or equipment installed, introduced or networked within the prior 30 days; or
 - (b) Insufficient size, capability or capacity of the "covered equipment".
 - (2) Exposure to adverse environmental conditions, including but not limited to change in temperature or humidity, unless such conditions result in an observable loss of functionality. Loss of warranty will not be considered an observable loss of functionality.
- d. As used in this definition, Electronic Circuitry means microelectronic components, including, but not limited to, circuit boards, integrated circuits, computer chips and disk drives.

15. "Excavation costs"

- a. "Excavation costs" means the additional cost to repair or replace Covered Property because of the need to dig a hole, trench or tunnel. This includes the costs to dig and refill the hole, trench or tunnel. This also includes the costs to repair damage to roads, walkways, landscaping or other property caused by such excavation.
- b. "Excavation costs" include the actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

- 16. "Hazardous substance"** means any substance that is dangerous or harmful to health or has been declared by a governmental agency to be dangerous or harmful to health.

- 17. "Media"** means material on which "data" is recorded, such as flash drives, hard disks, magnetic tapes, optical disks or solid state drives.

- 18. "Medical equipment"** means the following equipment when used for any medical specialty, including veterinary services:

- a. "Medical imaging equipment";
- b. Laboratory or therapeutic equipment; and
- c. Any other equipment used to:
 - (1) Cure, diagnose, mitigate, monitor, prevent or treat disease; or
 - (2) Affect the structure or appearance of the body.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

- 19. "Medical imaging equipment"** means scanning or imaging equipment used to diagnose or monitor disease or other conditions. This includes, but is not limited to, CT, MRI, PET, ultrasound and x-ray devices. This includes such equipment used for all medical specialties, including veterinary services.

This term does not appear elsewhere in this endorsement, but may appear in the "schedule".

20. "Mobile Robot"

- a. "Mobile robot" means "covered equipment" that is:
 - (1) Able to move about under its own power; and
 - (2) Used solely within a structure or building.
- b. "Mobile robot" does not mean any equipment that is
 - (1) Directed or steered by a human driver who is on or in such equipment;
 - (2) Used to transport people;
 - (3) Used in or under water or other liquid;
 - (4) Used within tanks or piping; or
 - (5) A drone or other airborne device.

21. "One equipment breakdown" means all "accidents" and "electronic circuitry impairment" occurring at the same time from the same event. If an "accident" or "electronic circuitry impairment" causes other "accidents" or "electronic circuitry impairments", all will be considered "one equipment breakdown".
22. "Perishable goods" means any Covered Property that is personal property, other than "animals", subject to deterioration or impairment as a result of a change in conditions, including but not limited to, temperature, humidity or pressure.
23. "Production machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "production machinery" does not mean any boiler, or fired or unfired pressure vessel.

This term does not appear elsewhere in this endorsement, but may appear in a "schedule".
24. "Recognized environmental standards program" means one of the following:
 - a. The United States Environmental Protection Agency ENERGY STAR® program;
 - b. The U.S. Green Building Council LEED® program;
 - c. The Green Building Initiative GREEN GLOBES® program; or
 - d. Any nationally or internationally recognized environmental standards program designed to achieve energy savings and related objectives of the type included in the programs listed above.
25. "Schedule" means the Equipment Breakdown Coverage Schedule.
26. "Spoilage and consequential damage" means any detrimental change in physical state. This includes, but is not limited to, thawing of frozen goods, warming of refrigerated goods, freezing of fresh goods, solidification of liquid or molten material and chemical reactions to material in process.
27. "Vehicle"

- a. "Vehicle" means, with respect to this endorsement only, any machine or apparatus that is used for transportation or is able to move about under its own power, even if it is solely used within a structure or building. "Vehicle" includes, but is not limited to, any car, truck, bus, trailer, train, aircraft, drone, watercraft, forklift, bulldozer, tractor or harvester.
- b. None of the following is a "vehicle":
 - (1) Any property at a covered location that, for at least 24 consecutive hours, has been stationary, installed and receiving electrical power from a power source that is external to such property. However, a battery-propelled machine or apparatus that requires periodic recharging is considered a "vehicle" and not subject to this exception.
 - (2) Any "mobile robot".

PART II – AlertASSIST™ EQUIPMENT ALERT RESPONSE COVERAGE

The following coverage is added, subject to the terms of this Equipment Breakdown Coverage endorsement and the terms of your policy.

A. AlertAssist™ Equipment Alert Response Coverage

1. Coverage under this AlertAssist™ Equipment Alert Response Coverage applies only if:
 - a. Your "covered equipment" triggers an "alert";
 - b. Within 30 days of first receiving the "alert", a "troubleshooting analysis" is performed on the "covered equipment"; and
 - c. Within 180 days of first receiving the "alert", you submit to us documentation of the "alert" and the "alert response costs" you have incurred as a direct result of the "alert".
2. If the conditions listed in 1. above have been met, we will pay 50% of your "alert response costs".
3. There is no coverage under this endorsement if the "alert" arose from an "accident" or "electronic circuitry impairment". In such case, coverage for the "accident" or "electronic circuitry impairment" will apply as normal under the Equipment Breakdown Coverage in PART I of this endorsement.

B. Additional Exclusions

We will not pay for any excluded loss, damage, or expense, even though any other cause or event concurrently or in any sequence contribute to the loss, damage or expense. Coverage under this AlertAssist™ Equipment Alert Response Coverage is subject to the exclusions in the policy and also the following additional exclusions:

1. Loss of Business Income, Extra Expense, "spoilage and consequential damage" or any other loss, damage or expense other than "alert response costs".
2. Labor costs of your employees.
3. Maintenance costs, except as specifically described in paragraph b. of the definition of "preemptive repairs".
4. Costs to troubleshoot, service or replace "covered equipment" that has not triggered an "alert", even if such equipment is similar to "covered equipment" that has triggered an "alert" or has been the subject of an advisory such as a recall, technical bulletin or manufacturer's recommendation.
5. Additional costs to increase the size, capability or capacity of the "covered equipment".

C. Limit Of Insurance

The most we will pay for all "alert response costs" arising from any "one alert" under this coverage is \$10,000. This limit is part of, and not in addition to, the Equipment Breakdown Limit.

The most we will pay for all "alert response costs" arising from all "alerts" under this coverage that occur during any one policy period is \$25,000.

D. Minimum Claim Amount

The minimum amount of loss for which a claim may be submitted under this endorsement is \$500. The Alert Response Minimum Claim applies with respect to the share of your "alert response costs" that would be covered in accordance with Section A. above.

E. Deductible

No deductible applies to this coverage.

F. Data

In the event of a potential covered loss event, you agree to provide us ready access to all available physical and electronic evidence relating to the potential covered loss event. This includes, but is not limited to, electronic records of the "alert" and readings from the "electronic machine health monitoring system" prior to and following the "alert".

G. Additional Definitions

1. "Alert"

a. "Alert" means an alarm, fault code, machine score or other signal generated by an "electronic machine health monitoring system" that indicates a sudden and unexpected increase in the risk that the monitored "covered equipment" will suffer a mechanical or electrical failure.

b. "Alert" does not mean any alarm, fault code, machine score or other signal:

- (1) Triggered in the course of normal and gradual equipment deterioration;
- (2) Based solely on the time or usage since previous maintenance; or
- (3) With respect to "covered equipment" that is being used in an application that it was not designed for.

2. "Alert Response Costs" means the reasonable and necessary costs for "troubleshooting analysis" and "preemptive repairs" incurred with respect to the "covered equipment" that triggered the "alert".

3. "Electronic Machine Health Monitoring System" means an electronic system that monitors "covered equipment" as follows:

- a. The system uses one or more sensors to collect data on one or more critical parameters of the equipment's operating condition, such as temperature, pressure or vibration;
- b. The system collects data from the sensors continuously or at intervals no longer than one hour;
- c. The system analyzes the data using logic, algorithms or machine learning to determine when to generate an "alert"; and
- d. The system was either;
 - (1) Installed by the manufacturer of the "covered equipment"; or
 - (2) Operational and in service monitoring the "covered equipment" for at least 45 days prior to the "alert".
- e. "Electronic machine health monitoring system" only means a system that directly monitors "covered equipment". It does not, for example, mean a system that monitors the temperature of an enclosure or the characteristics of finished products, even if such temperature or characteristics depend on the functioning of "covered equipment".

4. "One Alert" means all "alerts" generated with respect to the same piece of "covered equipment" until the "covered equipment" has been serviced and successfully returned to operation without triggering a subsequent "alert" for at least 14 days.
5. "Preemptive Repairs" means the following with respect to the "covered equipment" that triggered the "alert":
 - a. The cost to improve the condition of the "covered equipment" so that it can operate without triggering an "alert".
 - b. The cost to perform normal maintenance due within six months, if there is a cost or logistical advantage to having such work performed at the same time as the costs covered under a. above.

- c. Only if it is less than the cost of a. above, "preemptive repairs" means the reasonable and necessary costs for replacement equipment that will serve the same purpose as the "covered equipment".

6. "Troubleshooting Analysis" means the following when performed by an appropriately trained technician:

- a. Examination and assessment of the health of the "covered equipment";
 - b. Review of the "alert" and determination of the probable reason for the "alert"; and
 - c. Explanation of options regarding "preemptive repairs".

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PROPERTY ADDITIONAL COVERAGES AND
COVERAGE EXTENSIONS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE☒ **ESSENTIAL** ☐ **ELITE**

COVERAGE EXTENSIONS	LIMITS OF INSURANCE OR TERMS AND CONDITIONS CHANGE	
COVERAGE		
Accounts Receivable	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Building Material Theft – Non-owned Premises	\$ 5,000	Policy Limit
Ordinance Or Law – Building Or Tenant's Improvements And Betterments	Replacement Cost Valuation Required	
	The Lesser of \$ 100,000 or 20 % of the Limit of Insurance	Combined Demolition Cost & Increased Cost Of Construction
Electronic Data Processing Equipment and Software	\$ 25,000	At Each Premises
Fine Arts	\$ 25,000	At Each Premises
Increase In Rebuilding Expenses Following Disaster	15 %	Additional Expense Coverage/At Each Premises
Lock And Key Replacement	\$ 2,500	Any One Occurrence
Newly Acquired Or Constructed Property		
Building	\$ 1,000,000	At Each Building
Business Personal Property	\$ 500,000	At Each Building
Period Of Coverage	30	Days
Non-Owned Detached Trailers	\$ 5,000	Any One Occurrence
Outdoor Fences	Included	
Outdoor Property		
Maximum In Any One Occurrence	\$ 10,000	Any One Occurrence
Maximum Per Tree, Shrub Or Plant	\$ 1,000	Any One Occurrence
Outdoor Signs		
Attached	Included	
Detached	\$ 20,000	At Each Premises
Personal Property		
Off-premises	\$ 100,000	Up To 90 Days
In Transit	\$ Refer to this Endorsement	Policy Occurrence

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Personal Effects	\$ 50,000	At Each Premises
Personal Property Of Others	\$ 25,000	At Each Premises
Portable Tools	Actual Cash Value Coverage	
Maximum In Any One Occurrence	\$ 25,000	Any One Occurrence
Maximum To You Or Any Employee	\$ 5,000	Any One Occurrence
Premises Boundary		Distance Limitation Increased To 1,000 Feet
Property At Fairs Or On Exhibition	\$ 50,000	Any One Occurrence
Property In Custody Of Sales Representatives	\$ 25,000	Any One Occurrence
Rewards	\$ 50,000	Any One Occurrence
Spoilage	\$ 10,000	At Each Premises
Valuable Papers And Records (Other Than Electronic Data)	\$ 250,000	At Each Premises
	\$ 5,000	At Premises Not Described
Water Back Up; Sump Pump Overflow	\$ 5,000	Per Policy / Annual Aggregate
ADDITIONAL COVERAGES		
Business Crime		
Computer Fraud And Funds Transfer Fraud	\$ 5,000	Any One Occurrence
Employee Dishonesty	\$ 10,000	Any One Occurrence
Forgery Or Alteration	\$ 10,000	Any One Occurrence
Identity Theft Expense	\$ 50,000	Policy Period
Kidnap Expense	\$ 50,000	Policy Period
Money And Securities	\$ 5,000	Inside The Premises – Any One Occurrence
	\$ 5,000	Outside The Premises – Any One Occurrence
Money Orders And Counterfeit Money	\$ 5,000	Any One Occurrence
Business Income & Extra Expense		
Lost Lease Protection	\$ 5,000	Policy Period
Business Income From Dependent Properties	\$ 25,000	Any One Occurrence
Business Travel Accidental Death Benefit	\$ 50,000	Policy Period
Conference Cancellation	\$ 25,000	Policy Period
Debris Removal Additional Limit	\$ 50,000	At Each Location
Donation Assurance	\$ 50,000	Policy Period
Emergency Real Estate Consulting Fee	\$ 50,000	Policy Period
Fire Department Service Charge	\$ 250,000	At Each Premises
Fire Extinguisher System Recharge Expense	Included	
Fundraising Event Blackout	\$ 25,000	Policy Period
Image Restoration Counseling	\$ 50,000	Policy Period
Officers Or Directors Replacement Expenses	\$ 50,000	Policy Period
Peak Season	100 %	Not Applicable To Blanket
Political Unrest Coverage	\$ 50,000	Policy Period

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Pollutant Cleanup And Removal	\$ 25,000	At Each Premises / Annual Aggregate
Temporary Meeting Space Rental	\$ 25,000	Policy Period
Terrorism Travel Reimbursement	\$ 50,000	Policy Period
Travel Delay Reimbursement	\$ 1,500	Per Policy Period / 72 Hour Waiting Period
Utility Services Failure – Off Premises	Excluding Overhead Lines	
Workplace Violence Counseling	\$ 50,000	Policy Period

This Limit Of Insurance or Term And Condition is in addition to any other insurance provided by this endorsement and is the most we will apply for loss or damage for the indicated Coverage.

The coverage provided by this endorsement is subject to **Section I – Property**, including the deductible provisions, except as otherwise provided within this endorsement.

Coverages provided by this endorsement are in excess of any other specific coverages that are provided in other Coverage Parts or other Policies provided by West Bend Mutual Insurance Company.

A. Coverage

Paragraph **A**. Coverage is amended as follows:

1. Paragraph **1.a.(6)(b) Covered Property**; Paragraph **1.b. Covered Property**; and Paragraph **6. Coverage Extensions**, the distance limitation of within 100 feet of the described premises is amended to read within 1,000 feet of the described premises.
2. Paragraph **4.b. Limitations** is deleted.

B. Additional Coverages

In addition to the Limits Of Insurance, of **Section I Property** you may extend the insurance provided by this policy to these Additional Coverages.

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to Paragraph **C. Limits Of Insurance**.

Unless otherwise indicated Paragraph **D. Deductibles** applies to these Additional Coverages.

1. Paragraph **5.a.(1)** through **(4) Debris Removal** is deleted and replaced by:
 - a. **Debris Removal**
 - (1) Subject to Paragraphs **(2)**, **(3)** and **(4)**, we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
 - (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;

- (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph **(4)** the following provisions apply:
 - (a) The most that we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to Paragraph **(3)(a)** above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for the removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.

(4) We will pay up to the additional amount indicated in the Schedule for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if Paragraphs (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Schedule.

2. Paragraph **5.c. Fire Department Service Charge** is deleted and replaced by:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule for service at each premises described in the Declarations, unless a different limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

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

(2) Required by local ordinance.

Paragraph **D. Deductibles** does not apply to this Additional Coverage.

3. Paragraph **5.h. Pollutant Clean-up And Removal** is deleted and replaced by:

h. Pollutant Clean-up And Removal

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

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

The most we will pay for each location under this Additional Coverage is the Limit of Insurance shown in the Schedule for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

4. Paragraph **5.i. Increased Cost Of Construction** is deleted.

5. Paragraph **5.m. Business Income From Dependent Properties** is deleted and replaced by:

m. Business Income From Dependent Properties

(1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property or secondary dependent property caused by or resulting from any Covered Cause of Loss.

However, this Additional Coverage does not apply when the only loss at the premises of a dependent property or secondary dependent property is loss or damage to "electronic data", including destruction or corruption of "electronic data". If the dependent property or secondary dependent property sustains loss or damage to "electronic data" and other property, coverage under this Additional Coverage will not continue once the other property is repaired, rebuilt or replaced.

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

- (2) 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.
- (3) 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 would have taken to resume "operations" as quickly as possible.
- (4) Dependent property means property owned by others whom you depend on to:
- (a) Deliver materials or services to you, or to others for your account. But services does not mean water supply services, wastewater removal services, communication supply services or power supply services;
 - (b) Accept your products or services;
 - (c) Manufacture your products for delivery to your customers under contract for sale; or
 - (d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (5) Secondary dependent property means an entity which is not owned or operated by a dependent property and which;
- (a) Delivers materials or services to a dependent property, which in turn are used by the dependent property in providing materials or services to you; or
 - (b) Accepts materials or services from a dependent property, which in turn accepts your materials or services.

A road, bridge, tunnel, waterway, airfield, pipelines or any other similar area or structure is not a secondary dependent property.

Any property which delivers any of the following services is not a secondary dependent property with respect to such services:

- (i) Water supply services;
- (ii) Wastewater removal services;
- (iii) Communication supply services; or
- (iv) Power supply services.

The secondary dependent property must be located in the coverage territory of this policy.

- (6) The coverage period for Business Income under this Additional Coverage:
- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property or secondary dependent property; and
 - (b) Ends on the date when the property at the premises of the dependent property or secondary dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- (7) The Business Income coverage period, as stated in Paragraph (6), does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (b) 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 reduce the Business Income coverage period.

- (8) The definition of Business Income contained in the Business Income Additional Coverage also applies to this Business Income From Dependent Properties Additional Coverage.

6. Paragraph **5.o. Fire Extinguisher Systems Recharge Expense** is deleted and replaced by:

o. Fire Extinguisher Systems Recharge Expense

(1) We will pay:

(a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

(b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

(2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.

Paragraph **D. Deductibles** does not apply to this Additional Coverage.

7. The following are added to Paragraph **A.5. Additional Coverages**:

Unless otherwise indicated, the Limits Of Insurance provided by these Additional Coverages are in addition to Paragraph **C. Limits Of Insurance**.

Unless otherwise indicated Paragraph **D. Deductibles** applies to these Additional Coverages.

s. Business Travel Accidental Death Benefit

We will pay a Business Travel Accidental Death Benefit for any expenses incurred by the named insured if a director or officer suffers an "injury" resulting in death or loss of limbs, sight, speech or hearing as described in Paragraph **2.** below, while traveling on a common carrier for business purposes during the policy period.

(1) There will be no coverage if the cause of the "injury" that resulted in loss was:

(a) an intentional act by the insured;

(b) an act of suicide or attempted suicide, whether or not the deceased was sane or insane at the time of the attempted suicide;

(c) an act of war;

(d) a disease process.

(2) For the purpose of this additional coverage, we will pay the Business Travel Accident Benefit amount if the "injury" resulted in:

(a) Physical damage to the body caused by violence, fracture, or an accident during the policy term that results in loss of life not later than 180 days after the policy expiration, the date of cancellation or the date of non-renewal;

(b) Accidental loss of limbs or multiple fingers;

(c) Total loss of sight, speech or hearing.

"Injury" means any physical change to the body caused by accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The Limit of Insurance provided by this Additional Coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

t. Conference Cancellation

We will reimburse the insured for any business-related expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend.

With respect to this coverage:

(1) The insured employee must have registered for the conference at least 30 days prior to the cancellation; and

(2) The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

u. Donation Assurance

We will reimburse you for "failed donation claim(s)".

(1) With respect to any "failed donation claim":

(a) The donor must never have been in bankruptcy, nor have filed for bankruptcy/reorganization prior to the time said pledge was made to the insured;

- (b) For non-cash donations, payment will be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
 - (c) In the case of unemployment incapacitation of a donor and as a condition of payment of the "failed donation claim";
 - (i) neither you nor the donor shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date and;
 - (ii) the donor shall be unemployed for at least 60 days prior to us making payment;
 - (d) No coverage shall be afforded for a written pledge of funds or other measurable tangible property to you dated prior to the policy period;
 - (e) A donation amount which is to be collected over more than a 12-month period shall be deemed a single donation.
2. "Failed donation claim" means written notice to the Insured during the Policy Period of:
- (a) the bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable tangible property to the Insured; or
 - (b) the unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable tangible property to the Insured.

The limit for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

v. Emergency Real Estate Consulting Fee

We will reimburse you for any realtor's fee or real estate consultant's fee you incur resulting from your need to relocate due to the "unforeseeable destruction" of your principal location as shown on the declarations.

"Unforeseeable destruction" means damage resulting from a "Certified Act of Terrorism", fire, crash or collapse which renders all of the Insured's primary location completely unusable.

The limit for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

w. Fundraising Event Blackout

We will reimburse the insured for fundraising event expenses that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least 30 days prior to the power outage.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

x. Image Restoration Counseling

We will reimburse you for expenses incurred for image restoration and counseling arising out of "improper acts" by any Insured. Covered expenses are limited to:

- (1) The costs of rehabilitation and counseling for the accused Insured provided the Insured is not ultimately found guilty of criminal conduct, said reimbursement to occur after acquittal of the Insured;
- (2) The costs, charged by a recruiter or expended on advertising, of replacing an officer as a result of improper acts"; and
- (3) Up to \$10,000 for the costs of restoring the Named Insured's reputation and consumer confidence through image consulting.

"Improper acts" means any actual or alleged act of:

- (1) Sexual abuse
- (2) Sexual intimacy
- (3) Sexual molestation; and/or
- (4) Sexual assault;

committed by an Insured against any natural person who is not an Insured. Such "improper acts" must have been committed by the Insured while in his or her capacity as an insured.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

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y. Lost Lease Protection

We will pay for Business Income and Extra Expense costs you incur for "lost lease interest" due to cancellation of lease contracts by your tenants. Cancellation must result from a direct physical loss by a Covered Cause of Loss to covered real property during the policy period.

"Lost lease interest" means:

The difference between the rent payments you were collecting prior to a covered loss and the total anticipated rental income including any tenant obligations you may be responsible for after the loss or damage has been repaired or rebuilt.

"Lost lease interest" does not include refunds or rebates for prepaid rent payments made on your behalf by tenants, or deposits of any kind made by tenants to a landlord or lessor of other premises.

Coverage begins with the date of direct physical loss and ends on the date when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

z. Officers Or Directors Replacement Expenses

We will pay "Officers Or Directors Replacement Expenses" if the executive officer or director suffers an "injury" while in the course of employment during the policy period which results in the loss of life during the policy period.

"Officers Or Directors Replacement Expenses" means:

- (1) Costs of advertising the employment position opening;
- (2) Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
- (3) Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

aa. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest". This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel.

- (1) "Emergency Evacuation Expense" means:

- (a) Additional lodging expenses;
- (b) Additional transportation expenses;
- (c) The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
- (d) Translation services, message transmittals and other communication expenses;

provided these expenses are not otherwise reimbursable.

- (2) "Political Unrest" means"

- (a) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risk to the security of citizens of the United States;
- (b) A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
- (c) A condition of disturbance, turmoil or agitation within a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff;

for which either an alert of travel warning has been issued by the United States Department of State.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

bb. Temporary Meeting Space Rental

We will reimburse you for the rental of meeting space which is necessitated by the temporary unavailability of your primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

cc. Terrorism Travel Reimbursement

We will reimburse any of your present directors or officers in the event of a "Certified Act of Terrorism" during the policy period which necessitates that he/she incurs "Emergency Travel Expenses".

"Emergency Travel Expenses" means:

- (1) Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a common carrier resulting directly from and within forty-eight hours of a "Certified Act of Terrorism"; and
- (2) The increased amount incurred in air or train fare which may result from rescheduling comparable transport, to replace a similarly scheduled transport canceled by a common carrier in direct response to a "Certified Act of Terrorism".

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

dd. Travel Delay Reimbursement

We will reimburse any of your present directors or officers for any non-reimbursable expenses they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule. A 72 hour waiting period deductible applies to this Additional Coverage.

ee. Workplace Violence Counseling

In the event that an incidence of "workplace violence" occurs we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by this "workplace violence".

Extra Expense is extended to include the cost of mental health counseling for employees following an incident of "workplace violence".

"Workplace violence" means any intentional use of or threat to use deadly force with intent to cause harm and that results in bodily "injury" or death of an insured, and insured's employee or any other person while on your premises.

"Injury" means any physical damage to the body caused by accident, violence, sickness or disease sustained by a person, including death resulting from any of these at any time.

The limit of insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

ff. Business Crime

- (1) Under Paragraph **5. Additional Coverages** Item **k. Forgery Or Alteration** is deleted and replaced by:

k. Forgery Or Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.

- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) The most we will pay for any loss, including legal expenses, in any one "occurrence" under this Additional Coverage is the Limit of Insurance shown in the Schedule.

(2) Under Paragraph 5. Additional Coverages, Item j. Money Orders And "Counterfeit Money" is deleted and replaced by:

j. Money Orders And "Counterfeit Money"

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- (1) Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- (2) "Counterfeit money" that is acquired during the regular course of business.

We will not pay for loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

The most we will pay for any loss, in any one "occurrence" under this Additional Coverage is the Limit of Insurance shown in the Schedule.

The following are added:

Coverage 1 – Computer Fraud and Funds Transfer Fraud

We will pay for loss of and damage to "money", "securities" and "other property" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution.

- (1) To a person (other than a messenger) outside those premises; or
- (2) To a place outside those premises.

We will not pay for loss or damages caused by or resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

Under **G.2.b. Money and Securities**, Paragraph **b.** the following exclusions are added:

- (4) Or damage to "money" and "securities", following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:
 - (a) To a person (other than a messenger) outside those premises; or
 - (b) To a place outside those premises.
- (5) Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

Under Paragraph **A.4. Limitations** Subparagraph **a.(4)** does not apply.

The most we will pay for loss of "money" and "securities" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" and "securities" from your "transfer account" under this Additional Coverage in any one "occurrence" is the Limit of Insurance shown in the Schedule.

Coverage 2 – Identity Theft Expense

We will reimburse any present director or officer of the named insured, for "identity theft expenses" incurred as the direct result of any "identity theft" first discovered and reported during the policy period, provided that it began to occur subsequent to the effective date of the insured's first policy with us.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

Coverage 3 – Kidnap Expense

We will pay on behalf of any officer or director of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, "domestic partner", parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees include:

- (1) Fees and expenses of an independent negotiator or consultant retained with prior approval from us;
- (2) Costs of travel and accommodations incurred by the named insured which become necessary due to the applicable kidnapping;
- (3) The reward paid by the named insured, which is pre-approved by us, to an informant for information not otherwise available which leads to the arrest and conviction of persons responsible for any damages under this policy; and.
- (4) The current salary of your officer or director who is kidnapped.

Salary shall be paid for a period commencing upon abduction and ceasing upon:

- (1) The release of the employee or discovery of the death of the employee; or.
- (2) 120 days after we receive the last credible evidence that the "employee" is still alive; or
- (3) Twelve (12) months after the date of the kidnapping; or
- (4) The exhaustion of the kidnap expense limit,

whichever comes first.

The Limit of Insurance for this coverage per policy period is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply.

Coverage 4 – Money And Securities

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

- (1) Theft, meaning any act of stealing;
- (2) Disappearance; or
- (3) Destruction.

In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:

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

The most we will pay for loss in any one "occurrence" is:

- (1) The Limit of Insurance shown in the Schedule for Inside the Premises for "money" and "securities" while:
 - (a) In or on the described premises; or
 - (b) Within a bank or savings institution; and
- (2) The Limit of Insurance shown in the Schedule for Outside the Premises for "money" and "securities" while anywhere else.

All loss:

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

is considered one "occurrence".

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

Coverage 5 – Employee Dishonesty

We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:

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

- (a) Any "employee"; or
- (b) Any other person or organization.

We will not pay for loss or damage:

- (1) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
- (2) Resulting from any dishonest act committed by any of your "employees" (except as provided above), "managers" or directors:
 - (a) Whether acting alone or in collusion with other persons; or
 - (b) While performing services for you or otherwise.
- (3) The only proof of which as to its existence or amount is:
 - (a) An inventory computation; or
 - (b) A profit and loss computation.
- (4) Caused by an "employee" if the "employee" had also committed theft or any other dishonest act prior to the effective date of this policy and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that theft or dishonest act prior to the policy period shown in the Declarations.

The most we will pay for loss or damage in any one "occurrence" under this Additional Coverage is the Limit of Insurance shown in the Schedule.

All loss or damage:

- (1) Caused by one or more persons; or
- (2) Involving a single act or series of acts; is considered one "occurrence".

If any loss is covered:

- (1) Partly by this insurance; and
- (2) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

This coverage is cancelled as to any "employee" immediately upon discovery by:

- (1) You; or
- (2) Any of your partners, "members", "managers", officers or directors not in collusion with the "employee";

of any dishonest act committed by that "employee" before or after being hired by you.

We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:

- (1) This coverage became effective at the time of cancellation or termination of the prior insurance; and
- (2) The loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

We will pay for loss or damage sustained during the prior insurance period as part of, not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

- (1) This coverage as of its effective date; or
- (2) The prior insurance had it remained in effect.

C. Coverage Extensions

In addition to the Limits Of Insurance of Section I Property you may extend the insurance provided by this policy to these Coverage Extensions.

Unless otherwise indicated, the Limits Of Insurance provided by these Coverage Extensions are in addition to Paragraph C. Limits Of Insurance.

Unless otherwise indicated Paragraph D. Deductibles applies to these Coverage Extensions.

1. Paragraph **6.a. Newly Acquired Or Constructed Property** is deleted and replaced by:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
 - (i) Similar use as the building described in the Declarations; or
 - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

(2) Business Personal Property

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a) Business Personal Property, including such property that you newly acquire, at any location you acquire;
- (b) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Coverage Extension at each building is the Limit of Insurance shown in the Schedule.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;

- (b) The number of days shown in the Schedule expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or

- (c) You report values to us.

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

2. Paragraph **6.b. Personal Property Off-premises** is deleted and replaced by:

b. Personal Property Off-premises and Personal Property In Transit

(1) Personal Property Off-premises

You may extend the insurance provided by this policy to apply to your covered Business Personal Property while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term.
- This Coverage Extension does not apply to Covered Property:
- (a) In or on a vehicle;
 - (b) In the care, custody or control of your salesperson;
 - (c) At any fair or exhibition;
 - (d) Owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location;
 - (e) Money and securities;
 - (f) Contractors equipment or tools used to conduct your operations away from the described premises;
 - (g) Accounts Receivable; or
 - (h) Valuable Papers.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule. Insurance under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires, or
- (b) 90 days expire after your Covered Property is temporarily at a location you do not own, lease or operate.

(2) Personal Property In Transit

You may extend the insurance provided by this policy to apply to your covered Business Personal Property while in transit. Coverage is provided while the property is in or on a motor vehicle you own, lease or operate while between points in the coverage territory.

The most we will pay for loss or damage under this Coverage Extension is:

- (a)** \$5,000 on Fine Arts;
- (b)** \$5,000 on "Computers";
- (c)** \$5,000 on "Electronic Data";
- (d)** \$5,000 on Business Personal Property in or on a motor vehicle you do not own, lease or operate;
- (e)** \$25,000 on All Other Property except as noted below.

This Coverage Extension does not apply to:

- (a)** Money and Securities;
- (b)** Contractors equipment or tools used to conduct your operations away from the described premises;
- (c)** Covered Property owned by you, or for which you are legally liable, that is to be installed by you or at your direction, while the property is at a jobsite location;
- (d)** Property in the care, custody, or control of your salesperson;
- (e)** Accounts Receivable; or
- (f)** Valuable Papers.

3. Paragraph 6.c. Outdoor Property is deleted and replaced by:

c. Outdoor Property

You may extend the insurance provided by this policy to apply to your outdoor radio and television antennas (Including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are part of a vegetated roof), including debris removal expense. Loss or damage must be caused by or result from any of the following causes of loss:

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

The most we will pay for loss or damage under this Coverage Extension is the Maximum Limit of Insurance for all items, subject to the separate Maximum Limit of Insurance applicable to each tree, shrub or plant, shown in the Schedule.

These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

Paragraph **D. Deductibles** does not apply to this Coverage Extension.

4. Paragraph 6.d. Personal Effects is deleted and replaced by:

d. Personal Effects And Property Of Others

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

- (1)** Personal effects owned by you, your officers, your partners or "members", your "managers" or your employees, including temporary or leased employees. This extension does not apply to:
 - (a)** Tools or equipment used in your business; or
 - (b)** Loss or damage by theft.

The most we will pay for loss or damage to Personal Effects under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

- (2)** Personal Property of Others in your care, custody or control.

The most we will pay for loss or damage to Personal Property of Others under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

Under Section **E. Property Loss Conditions**, Paragraph **5. Loss Payment Item d.(3)(b)** is deleted and replaced by:

d.(3)(b) We will pay on a Replacement Cost basis when Business Personal Property valuation is Replacement Cost. However, if an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

Paragraph **D. Deductibles** does not apply to this Coverage Extension.

5. Under the **Valuable Papers And Records** Paragraph **A.6.e.(3)** is deleted and replaced by:

(3) The most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at each described premises and for "valuable papers and records" not at the described premises are the Limits of Insurance shown in the Schedule.

6. Under **Accounts Receivable** Paragraph **A.6.f.(2)** is deleted and replaced by:

(2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at each described premises and for accounts receivable not at the described premises are the Limits of Insurance shown in the Schedule.

7. The following are added to Paragraph **6. Coverage Extensions**:

g. Building Material Theft

We will pay for loss or damage by theft or attempted theft of building materials and supplies not attached as part of the building or structure located either on or off premises owned by you.

The most we will pay under this coverage is the Limit of Insurance shown in the Schedule.

h. Rewards

We will pay, up to the Limit of Insurance shown in the Schedule, for information which leads to the arrest and conviction of the person(s) who caused the loss covered under this policy. Regardless of the number of persons involved in providing information our liability under this Coverage Extension will not be increased.

This Coverage Extension does not apply to:

- (1) you;
- (2) your family members; or
- (3) your employees, volunteers or independent contractors.

Paragraph **D. Deductibles** does not apply to this Coverage Extension.

i. Outdoor Signs

(1) Detached Outdoor Signs

We will pay for loss or damage to any detached outdoor sign permanently fixed in place as a result of a Covered Cause of Loss.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

(2) Attached Outdoor Signs

Attached outdoor signs are added as Covered Property – Buildings (Paragraph **A.1.a.**) or Covered Property – Business Personal Property (Paragraph **A.1.b.**).

Paragraph **C.2. Limits Of Insurance** is deleted.

j. Outdoor Fences

Outdoor fences are added as Covered Property – Buildings (Paragraph **A.1.a.**) or Covered Property – Business Personal Property (Paragraph **A.1.b.**).

k. Property At Fairs Or On Exhibition

You may extend the insurance provided by this policy to apply to your covered Business Personal Property while at any fair or exhibition not located within 1,000 feet of the described premises. This Coverage Extension does not apply to fine arts or your salespersons samples.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

l. Ordinance or Law Coverage - Building Or Tenants Improvements And Betterments

If Replacement Cost Coverage is provided for a covered Building or covered Tenant's Improvements and Betterments damaged by a Covered Cause of Loss, we will pay:

Coverage 1 – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Tenant's Improvements And Betterments

If a Covered Cause of Loss occurs to covered Building or covered Tenant's Improvements and Betterments, with respect to the building that has sustained direct physical damage, we will pay under **Coverage 1** for the loss in value of the undamaged portion of the building or improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building or improvements and betterments.

We will not pay under **Coverage 1** for undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building.

Coverage 2 – Demolition Cost Coverage

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building and improvements and betterments as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

We will pay the cost to demolish and clear the undamaged parts of the improvements and betterments, provided that such cost is distinguishable from the cost of demolishing the building and you are responsible for the cost of demolition of the improvements and betterments.

We will not pay under **Coverage 2** for demolition of undamaged improvements and betterments that could be removed from the building, without incurring damage to such improvements and betterments, prior to demolition or repair of the building.

Paragraph **E.5.d. Loss Payment** Property Loss Condition does not apply to **Demolition Cost Coverage**.

Coverage 3 – Increased Cost of Construction Coverage

With respect to the building that has sustained covered direct physical damage, we will pay for the increased cost to:

- (1) Repair or reconstruct damaged portions of that building or improvements and betterments; and/or
- (2) Reconstruct or remodel undamaged portions of that building or improvements and betterments, whether or not demolition is required;

when the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay for the increased cost of construction if the building or improvements and betterments are not repaired, reconstructed or remodeled.

Paragraph **E.5.d. Loss Payment** Property Loss Condition does not apply to the **Increased Cost Of Construction Coverage**.

Coverage 4 – Increased Period of Restoration

- (1) If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the amount of actual and necessary loss you sustain during the increased period of suspension of your "operations" caused by or resulting from a requirement to comply with any ordinance or law that:
 - (a) Regulates the construction or repair of any property;
 - (b) Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and
 - (c) Is in force at the time of loss.

However, coverage is not extended under this coverage to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which 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".

- (2) The Period Of Restoration definition is replaced by the following:

"Period Of Restoration" means the period of time that:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (b) Ends on the earlier of:
 - (i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (ii) The date when business is resumed at a new permanent location.

"Period of restoration" includes any increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss, that regulates the construction or repair, or requires the tearing down of any property

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

Loss Payment

Coverage 1 – Coverage for Loss to the Undamaged Portion of the Building or Undamaged Portion of Tenants, Improvements and Betterments

When there is a loss in value of an undamaged portion of a building or undamaged improvements and betterments to which **Coverage 1** applies, the loss payment for that building or improvements and betterments, including damaged and undamaged portions, will be determined as follows:

- (1) If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild, or reconstruct the property, but not for more than the amount it would cost to restore the property on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.

- (2) If the property is not repaired or replaced we will not pay more than the lesser of:

- (a) The actual cash value of the property at the time of loss; or
- (b) The Limit of Insurance shown in the Declarations as applicable to the covered building or improvements and betterments.

The insurance provided by **Coverage 1** does not increase Paragraph **C. Limits Of Insurance**.

Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction Coverage Combined

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the lesser of the Combined Limit of Insurance of:

- (1) The amount shown in the Schedule; or
- (2) The percentage indicated in the Schedule applied to the covered building(s) or improvements and betterments Limit of Insurance.

Loss payment under **Combined Coverage 2 – Demolition Cost Coverage and Coverage 3 – Increased Cost of Construction** will be determined as follows:

For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

With respect to the Increased Cost of Construction Coverage:

- (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced at the same or another premises; and
 - (b) Unless the repairs or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

- (3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

The insurance provided by **Combined Coverage 2** and **Coverage 3** does not increase Paragraph **C. Limits of Insurance**.

The terms of this coverage apply separately to each building to which this coverage applies.

We will not pay for loss due to any ordinance or law that:

- (1) You were required to comply with before the loss, even if the building was undamaged; and
- (2) You failed to comply with.

We will not pay for enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot; or

The costs associated with the enforcement of or compliance with any ordinance or law which 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", "fungi", wet rot or dry rot.

Application Of Coverage(s)

Coverage **1, 2, 3**, and/or **4** apply only if both (1) and (2) are satisfied and are then subject to the qualifications set forth in (3).

- (1) The ordinance or law:
- (a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (b) Is in force at the time of the loss: or the ordinance or law is promulgated or revised after the loss but prior to the commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.

But coverage under this Coverage Extension applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Coverage Extension.

- (2) The building or improvements or betterments sustains direct physical damage:
- (a) That is covered under this policy and as a result of such damage you are required to comply with the ordinance or law; or
- (b) That is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building or improvements and betterments damage in its entirety you are required to comply with the ordinance or law.
- (c) But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Coverage Extension even if the building or improvements or betterments has also sustained covered direct physical damage.
- (3) In the situation described in (2)(b) above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **1, 2, 3** and/or **4** of this Coverage Extension. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of the loss otherwise payable under terms of Coverages **1, 2, 3** and/or **4** of this Coverage Extension.

To the extent that the Ordinance Or Law Exclusion might conflict with the coverage provided under this endorsement, the Ordinance Or Law Exclusion does not apply to such coverage.

m. Fine Arts

You may extend the insurance that applies to Business Personal Property to apply to "fine arts".

"Fine arts" means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; "antique" furniture; "antique" jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit.

"Antique" means an object having value because its:

- (1) Craftsmanship is in the style or fashion of former times; and
- (2) Age is 100 years old or older.

We will not pay for loss or damage caused by processing of or work upon the covered property including repairs or restoration.

In the event of a total loss to "fine arts", the value will be based on the lessor of:

- (1) The market value at the time of the covered loss or damage;
- (2) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (3) The cost of a replacement with substantially identical property.

In the event of a partial loss or damage to "fine arts" the value will be based on:

- (1) The cost to repair or restore the covered "fine arts" to the condition immediately before the loss or damage; or
- (2) The difference between the value of the pair or set before and after the covered loss or damage.

The cost to repair or restore will not exceed the value the pair or set had prior to the loss.

If a covered loss to "fine arts" involves a pair or set and part of the pair or set is undamaged:

- (1) You may surrender the undamaged part of the pair or set to us, and the covered loss will be valued on the basis of a total loss to the entire pair or set; or
- (2) You may keep the undamaged part of the pair or set, and the covered loss will be valued on the basis of a partial loss to the entire pair or set.

You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

n. Property in the Custody of Sales Representatives

You may extend the insurance provided by this policy to apply to your covered Business Personal Property in the care, custody or control of a sales representative and not located within 1,000 feet of the premises described in the Declarations.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

o. Portable Tools

We cover your portable tools and equipment and those of your employees. This includes their containers, spare parts and accessories. We also cover similar property that belongs to others and for which you are liable. Coverage is provided while tools are on or off premises.

We do not cover:

- (1) Property that is held for sale.
- (2) Property that you rent to others.
- (3) Building materials or other materials and supplies.
- (4) Plans, blueprints, designs or specifications.

We will pay in any one occurrence for loss or damage to portable tools, the Maximum Limit of Insurance shown in the Schedule, subject to the separate Maximum Limit of Insurance applicable to you or any employee. Coverage is provided on an Actual Cash Value basis.

The limit provided is the only limit available for the described coverage and cannot be combined or added to any other coverage extension under this endorsement.

p. Lock And Key Replacement

We will pay to re-key, repair or replace locks when there has been direct physical loss or damage to the corresponding "keys" by a Covered Cause of Loss.

This coverage does not apply to:

- (1) Keys to motor vehicles, trailers or any motorized land conveyances whether or not subject to motor vehicle registration.
- (2) Direct physical loss or damage to keys entrusted to any person who is not an insured.
- (3) Wear and tear.

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"Keys" means master key, grand master key or key-card.

We will pay for direct physical loss or damage to alternative locking systems including card programmers, card readers, computers, related alarms, trans-receivers, power supplies, and electronic or mechanical apparatus required to make such locking systems operate. We will also pay for reprogramming such locking systems as a result of a Covered Cause of Loss.

The most we will pay under this Coverage Extension in any one occurrence is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply to this Coverage Extension.

q. Electronic Data Processing Equipment And Software

You may extend the insurance that applies to Your Business Personal Property to apply to your electronic data processing "equipment" and "software".

We cover direct physical loss or damage caused by a Covered Cause Of Loss to the following property:

(1) "Hardware".

(2) "Software".

We cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" only if the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes are incurred due to a direct physical loss caused by a Covered Cause Of Loss to "data records".

(3) "Telecommunications equipment".

(4) "Reproduction equipment".

Electrical and Power Supply Disturbance

We cover direct physical loss to covered property caused by "electrical disturbance", or "power supply disturbance".

Mechanical Breakdown Coverage

We pay for loss to covered property caused by "mechanical breakdown".

Foreign Transit And Location Coverage

We cover direct physical loss to your "portable computers" including preinstalled "programs and applications" while temporarily at a foreign location or in transit to or from a temporary foreign location outside the coverage territory.

We do not cover your "portable computers" or preinstalled "programs and applications" that are:

(1) Shipped via mail;

(2) You are required to provide a negotiable ocean cargo policy or certificate to any seller, buyer, or bank; or

(3) The property is shipped to or is located in a country that is the subject of a trade embargo, economic sanctions, or other trade restrictions by the government of the United States of America.

The most we pay for loss to portable computers described above in any one occurrence while overseas is \$5,000. This limit is separate from, and not part of, the Electronic Data Processing Equipment And Software Coverage Extension limit.

Valuation

(1) The value of "hardware" that is replaced will be based on the cost of replacing the "hardware" with new equipment that is functionally comparable to the "hardware" that is being replaced. The value of "hardware" that is not repaired or replaced will be based on the actual cash value at the time of the loss (with a deduction for depreciation). In no event will we pay more than the reasonable cost of restoring partially damaged "hardware" to its condition directly prior to the damage.

(2) The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the "programs or applications". If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".

- (3) The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies. If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace or restore lost files, documents, or records.
- (4) The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.
- (5) The value of "telecommunications equipment" and "reproduction equipment" will be based on the replacement cost without any deduction for depreciation.

The following Definitions apply to Electronic Data Processing Equipment and Software Coverage in addition to the Building and Personal Property Coverage form, Condominium Association Coverage Form and Condominium Commercial Unit Owners Coverage Form definitions.

- (1) "Computer hacking" means an unauthorized intrusion:
 - (a) By an individual or group of individuals, whether employed by you or not, into "hardware", "software", or a computer network; and
 - (b) That results in but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
 - (iii) Observation, scanning, or copying of "data records", "programs and applications", and proprietary programs;
 - (iv) Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware", Web site server, or "media" used with "hardware" or Web site server, or
 - (v) Denial of access to or denial of services from your "hardware", Web site server or your computer network.

- (2) "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
 - (a) Into "hardware", "software", or Web site server, and
 - (b) That is intended to result in, but is not limited to:
 - (i) Deletion, destruction, generation, or modification of "software";
 - (ii) Alteration, contamination, corruption, degradation or destruction of the integrity, quality or performance of "software";
 - (iii) Damage, destruction, inadequacy, malfunction, degradation or corruption of any "hardware", Web site server, or "media" used with "hardware" or Web site server; or
 - (iv) Denial of access to or denial of services from your "hardware", Web site server or your computer network.
- (3) "Data records", means files, documents and information in an electronic format and that are stored on "media".
- (4) "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings.
- (5) "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results.
 - (a) "Hardware" includes but is not limited to:
 - (i) Personal computers and work stations;
 - (ii) Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
 - (iii) Peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.

- (b) "Hardware" does not include:
 - (i) "Software",
 - (ii) "Telecommunications equipment"; and
 - (iii) "Reproduction equipment".
- (6) "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation or blowout.
- (7) "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.
- (8) "Portable computers" means laptops, palmtops, notebook PCs, other portable computer devices and accessories including but not limited to, multimedia projectors.
- (9) "Power supply disturbance" means interruption of power supply, power surge, blackout or brownout.
- (10) "Programs and applications" means operating programs and applications that you purchase and that are:
 - (i) Stored on "media"; or
 - (ii) Pre-installed and stored in "hardware".
- (11) "Reproduction equipment" means a network of equipment and software designed for the scanning, copying, storage and retrieval of paper documents.
- (12) "Software" means "media", "data records", "programs and applications". "Software" does not mean Web site software.
- (13) "Telecommunications equipment" means telephone components and equipment used for the transmission of communications.
 "Telecommunications equipment" includes but is not limited to:
 - (a) Telephone switchgear (including PBX systems);
 - (b) Telephone operating programs, related software;
 - (c) Facsimile transmission equipment;
 - (d) Video conferencing equipment; and
 - (e) Other related hardware (including computers dedicated to voice mail).

We do not pay for loss or damage that is caused by or results from any direct or indirect loss or damage; or loss of access, loss of use, or loss of functionality caused by a "computer virus" or by "computer hacking".

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

r. Increase In Rebuilding Expenses Following Disaster

We will pay for increased expenses actually incurred from a covered cause of loss to a covered building if all of the following conditions are met.

- (1) The event that caused the covered loss:
 - (a) Results in declaration of a state of disaster by federal or state authorities; or
 - (b) Occurs in close temporal proximity to the event that results in the declaration of disaster by federal or state authorities;
- (2) Expenses for labor and/or building materials for repair or replacement of the damaged property increase as a result of the disaster and the total cost of repair or replacement exceeds the applicable Limit of Insurance due to such increase in expenses.
- (3) You elect to repair or replace the damaged building; and
- (4) You notified us, within 30 days of completion, of any improvements, alterations or additions to the building which increase the replacement cost of the building by 5% or more and allowed us to adjust the Limit of Insurance, if necessary, to maintain the required insurance-to-value.

The Additional Expense Coverage available for the extra expense of repair or replacement of a covered building is determined as follows:

- (1) Apply the percentage indicated in the Schedule to:
 - (a) The Limit Of Insurance shown in the Declarations as applicable to the building when such limit covers only that building (exclusive of contents); or
 - (b) The value of the building when insurance is written on a blanket basis.

However, if the building is subject to a lower Limit of Insurance (sub-limit) for the Covered Cause of Loss that caused the loss, then the applicable percentage indicated in the Schedule will be applied to that sub-limit.

When payments reach the maximum amount of Additional Expense Coverage, such coverage will not apply to a subsequent event which occurs in the same annual policy term.

In determining the expenses payable, we will deduct any expenses recovered under the Business Income and/or Extra Expense Additional Coverages

s. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage 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 the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
 - (a) While the trailer is attached to any motor vehicles or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

The most we will pay for loss or damage under this Coverage Extension is the Limit of Insurance shown in the Schedule.

t. Spoilage

We will pay for direct loss or damage to "perishable stock" at the described premises, if the "perishable stock" is:

- (1) Owned by you and used in your business; or
- (2) Owned by others and in your care, custody or control.

"Perishable Stock" means property:

- (1) Maintained under controlled temperature or humidity conditions for preservation; and
- (2) Susceptible to loss or damage if the controlled temperature or humidity conditions change.

We will not cover property located:

- (1) On buildings;
- (2) In the open; or
- (3) In vehicles.

We will pay for loss or damage to "perishable stock" caused by "breakdown or contamination" or "power outage".

Breakdown or Contamination, meaning:

- (1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such apparatus or equipment is at the described premises; or
- (2) Contamination by a refrigerant, only while the refrigerating apparatus or equipment is at the described premises.

Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.

Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

We will determine the value of Covered Property as follows:

- (1) For "perishable stock" you have sold but not delivered, at the selling price less discounts and expenses you otherwise would have had;
- (2) For other "perishable stock", at actual cash value.

We will not pay for loss or damage caused by or resulting from:

- (1) The disconnection of any refrigerating, cooling or humidity control system from the source of power.

- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (3) The inability of an electrical utility company or other power source to provide sufficient power due to:
 - (a) Lack of fuel; or
 - (b) Governmental order.
- (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- (5) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

The most we will pay for loss or damage under this Coverage Extension at each described premises is the Limit of Insurance shown in the Schedule.

Paragraph **D. Deductibles** does not apply to this Coverage Extension.

u. Water Back Up, Sump Pump Overflow

- (1) We will pay for direct physical loss or damage, not caused by your negligence, to covered Building and Business Personal Property caused by or resulting from:
 - (a) Water or waterborne material which backs up through or overflows from a sewer or drain; or
 - (b) Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment even if the overflow or discharge results from mechanical breakdown of a sump pump, or its related equipment.

The term drain includes a roof drain and related fixtures.

- (2) We will not pay for direct loss or damage caused by:
 - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether driven by wind (including storm surge);
 - (b) Mudslide or mudflow; or
 - (c) Water under the ground surface pressing on, or flowing or seeping through:
 - i. Foundations, walls, floors or paved surfaces;

- ii. Basements, whether paved or not;
- iii. Doors, windows or other openings; or
- (d) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **a.** or **c.**, or material carried or otherwise moved by mudslide or mudflow.

But if any of the above, in Paragraphs **(a)** through **(d)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damaged caused by that fire, explosion or sprinkler leakage.

We will pay for business income loss and extra expense in accordance with the terms of the coverage applicable to such premises under your policy, when such loss or expense arises out of the direct physical loss or damage described in paragraph **u.(1)**.

The most we will pay under this Coverage Extension for the total of all direct loss or damage and business income and/or extra expense occurring during the policy term is the Limit of Insurance shown in the Schedule. This limit does not apply separately to each location.

The most we will pay for the total of all direct physical loss or damage sustained and business income and/or extra expense caused by all occurrences in a 12 – month period (starting with the beginning of the present annual policy period), regardless of the number of occurrences during that period of time, is the Policy Limit Of Insurance described in the Schedule.

Paragraph **D. Deductibles** applies to this Coverage Extension.

D. Under Paragraph B. Exclusions, Paragraph 1.e. Utility Services is deleted and replaced by:

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss. This exclusion does not apply to loss or damage to "computer(s)" and "electrical data" including destruction or corruption of "electronic data". We will also pay for loss or damage resulting from direct physical loss or damage by a covered cause of loss to "water supply property", "communication supply property", or "power supply property", other than overhead transmission, sub-transmission or communication lines, not on the described premises.

We will only pay for loss of Business Income and/or Extra Expense at the described premises immediately after the interruption of service caused to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the "water supply property", "wastewater removal property", "communication supply property" or "power supply property", other than overhead transmission, sub-transmission or communication lines, not on the described premises.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

For purposes of this provision:

- (1) "Water Supply Property" meaning the following types of property supplying water to the described premises:

- (a) Pumping stations; and
- (b) Water mains.

- (2) "Wastewater Removal Property" meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

Coverage does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.

- (3) "Communication Supply Property" meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (a) Communication transmission lines, including fiber optic transmission lines;
- (b) Coaxial cables; and
- (c) Microwave radio relays except satellites.

- (4) "Power Supply Property" meaning the following types of property supplying electricity, steam or gas to the described premises:

- (a) Utility generating plants;
- (b) Switching stations;
- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

Transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

The insurance provided by this coverage does not increase Paragraph **C. Limits Of Insurance**.

E. Under Paragraph C. Limits Of Insurance, Paragraph 5.a. Business Personal Property Limit – Seasonal Increase is deleted and replaced by:

5. Business Personal Property Limit – Seasonal Increase

- a. Subject to Paragraph **5.b.**, the Limit of Insurance for Business Personal Property will automatically increase by the percentage shown in the Schedule to provide for seasonal variations.

This section does not apply to property covered on a blanket basis.

F. Definitions

The following are added to Paragraph **H. Property Definitions** and apply to Paragraph **ff. Business Crime**.

15. "Employee"

- a. "Employee" means:

- (1) Any natural person:

- (a) While in your service or for 30 days after termination of service;
- (b) Who you compensate directly by salary, wages or commissions; and

- (c) Who you have the right to direct and control while performing services for you;
- (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee", as defined in Paragraph (1), who is on leave; or
 - (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you. However, **Coverage 1 - Computer Fraud and Funds Transfer Fraud** excludes any such person while having care and custody of property outside the premises.
- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (2) above;
- (4) Any natural person who is:
 - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan(s)" insured under this policy;
 - (b) **Under Coverage 1 – Computer Fraud and Funds Transfer Fraud** Your director or trustee while that person is handling "funds" or "other property" of any "employee benefit plan(s)" insured under this policy; and
 - (c) **Under Coverage 5 – Employee Theft** Your director or trustee while that person is handling "money, "securities" or "other property" of any "employee benefit plan(s)" insured under this policy;
- (5) Any natural person who is a former "employee", director, partner, "member", "manager", representative or trustee retained as a consultant while performing services for you; or
- (6) Any natural person who is:
 - (a) A guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business; or

- (b) Under **Coverage 1 – Computer Fraud and Funds Transfer Fraud** A guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the premises.

b. "Employee" does not mean:

- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; and
- (2) Under **Coverage 1 – Computer Fraud and Funds Transfer Fraud** Any "manager", director or trustee except while performing acts coming within the scope of the usual duties of an "employee".

16. "Fraudulent instruction" means:

Under Paragraph ff. **Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud**:

- a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
- b. A written instruction (other than those described in Paragraph A.5.k.) issued by you, which was forged or altered by someone other than you without your knowledge or consent or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
- c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.

17. "Other property" means:

Under Paragraph ff. **Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud**:

Any tangible property other than "money" and "securities" that has intrinsic value but does not include any property excluded under this policy.

18. "Transfer account" means:

Under Paragraph ff. Business Crime, Coverage 1 – Computer Fraud and Funds Transfer Fraud:

An account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and "securities":

- a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
- b. By means of written instructions (other than those described in Paragraph A.5.k.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

19. "Identity Theft" means:

Under Paragraph ff. Business Crime, Coverage 2 – Identity Theft Exposure:

The act of knowingly transferring or using without lawful authority, a means of identification of any officer or director (or spouse thereof) of the Named Insured with the intent to commit, or to aid or abet another to commit any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

20. "Identity theft expense" means:

Under Paragraph ff. Business Crime, Coverage 2 – Identity Theft Expense:

- a. Costs for notarizing fraud affidavits or similar documents for financial institutions or similar credit grantors or credit agencies that have requested that such affidavits be notarized.
- b. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
- c. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information due to "identity theft".

21. "Domestic partner" means:

Under Paragraph ff. Business Crime Coverage 3 – Kidnap Expense:

Any person who qualifies as a "domestic partner" under the provisions of any federal, state or local statute or regulation, or under the terms and provisions of any employee benefit or other program established by the named insured.

22. "Occurrence" means:

a. Under Additional Coverage 5.k. Forgery or Alteration:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations.

b. Under Paragraph ff. Business Crime Coverage 1 – Computer Fraud and Funds Transfer Fraud, Coverage 4 – Money and Securities, and Additional Coverage 5.j. Money Orders and Counterfeit Money;

- (1) An individual act or event;
- (2) The combined total of all separate acts or events whether or not related; or
- (3) A series of acts or events whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations.

c. Under Paragraph ff. Business Crime Coverage 5 – Employee Dishonesty:

- (1) An individual act;
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – BIOMETRIC IDENTIFIERS OR BIOMETRIC DATA

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

**A. The following exclusion is added to Paragraph B.
Exclusions of Section II – Liability:**

This insurance does not apply to "bodily injury," "property damage", "personal and advertising injury" damages, injury, or any other loss of any kind, cost, or expense arising out of one or more of actual or alleged access to, retention or possession of, disclosure of, and/or failure to obtain consent to, failure to destroy, and/or failure to create or develop any policy (written or otherwise) related to the: capture, scanning, retrieval, collection, protection, obtainment, storage, conversion, transfer, sale, sharing, or dissemination of any kind of an individual's "biometric identifiers" or "biometric data", regardless of how such "biometric identifiers" or "biometric data" are captured, scanned, retrieved, collected, protected, obtained, stored, converted, transferred, sold, shared, or disseminated by any insured or any third party acting by, on behalf of or at the direction of the insured.

B. The following definitions are added to Paragraph F. Liability and Medical Expenses Definitions:

"Biometric identifiers" means DNA, written signature, computer navigation (mouse or touchpad) pattern, keystroke pattern, behavioral pattern, retinal scan, eyeball scan, iris scan, fingerprint, footprint, voiceprint, vascular scan, hand geometry scan, face geometry scan, or any other personally identifiable measurable biological characteristic of a natural person. "Biometric identifiers" includes any similarly-defined term(s) included in any state or federal statute that includes any of the "biometric identifiers," or similar term(s), set out above.

"Biometric data" means any information, regardless of how it is captured, scanned, retrieved, collected, protected, obtained, stored, converted, transferred, sold, shared, or disseminated, based on an individual's "biometric identifier" used to identify an individual. "Biometric data" includes personal data relating to the physical, physiological, or behavioral characteristics of a natural person which allow or confirm the unique identification of that natural person.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASSAULT OR BATTERY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B. Exclusions** in **Section II – Liability**:

Assault Or Battery

This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of or related to any assault; battery; harmful or offensive contact; or threat.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing including, but not limited to, the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury", "property damage", or "personal and advertising injury" involved any assault; battery; harmful or offensive contact; or threat.

This exclusion applies regardless of fault or intent. Coverage is also excluded for any injury or damage committed while using reasonable force or acting in self-defense

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS OR ASBESTOS PRODUCTS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B. Exclusions** in **Section II – Liability**:

This insurance does not apply to:

Asbestos

1. "Bodily injury", "property damage", or "personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened, or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of asbestos in any form including, but not limited to, asbestos dust, asbestos fibers, or products containing asbestos.
2. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of asbestos in any form including, but not limited to, asbestos dust, asbestos fibers, or products containing asbestos, by any insured or by any other person or entity.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – HUMAN TRAFFICKING

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

A. The following exclusion is added to Paragraph B.1., Exclusions of Section II – Liability in the Businessowners Coverage Form:

This insurance does not apply to:

Human Trafficking

"Bodily injury", "property damage", "personal and advertising injury", or any other liability arising directly or indirectly out of any actual or alleged:

- (1) "Human trafficking";
- (2) Failure to detect, recognize, protect against, suppress or prevent, investigate, intervene, report or take action in connection with "human trafficking";
- (3) Failure to warn of the dangers of the environment which could contribute to any event of "human trafficking";
- (4) Loss, cost or expense(s) responding to "human trafficking" in any way;
- (5) Failure to render or secure medical treatment or care necessitated by any event, or perceived event, of "human trafficking";
- (6) Conduct, acts or omissions prohibited by, in violation of, or for which penalties are provided within, the Trafficking Victims Protection Act of 2000, as amended, or under any local, state, federal law; or
- (7) Death, including any allegations of wrongful death, arising out of items (1) through (6).

Any such "bodily injury", "property damage", "personal and advertising injury", or any other liability is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing including, but not limited to, the supervision, hiring, employment, training or monitoring of others by that insured, if the "bodily injury", "property damage", "personal and advertising injury", or any other liability, is in any way related to anything described in Paragraphs (1) through (7) above.

B. The following definition is added to Paragraph F. Liability and Medical Expenses Definitions of Section II – Liability in the Businessowners Coverage Form:

"Human trafficking" means the illegal recruitment, enticement, grooming, exploitation, advertisement, transportation, facilitation, detention, provision, or harboring of a person or persons, including, but not limited to:

- a. By force, fraud or coercion in exchange for labor, services, or a sex act;
- b. Under legal age of adulthood or consent induced to perform a sex act;
- c. In connection with migratory smuggling;
- d. For organ harvesting or donation;
- e. Marriage;
- f. Smuggling;
- g. Slavery;
- h. Peonage or debt bondage; or
- i. Forced criminality or violence of any kind.

"Human trafficking" also includes benefiting financially or receiving anything of value as a result of "human trafficking".

All other terms, conditions and exclusions shall remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WISCONSIN CHANGES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
INFORMATION SECURITY PROTECTION ENDORSEMENT

A. Section I – Property is amended as follows:

1. Paragraph **B.1.a. Ordinance Or Law** Exclusion does not apply to owner-occupied residential premises of three (3) or four (4) apartment units.

2. The following exclusion and related provisions are added to Paragraph **B.2. Exclusions**:

- a. We will not pay for loss or damage arising out of any act committed:

- (1) By or at the direction of any insured; and
- (2) With the intent to cause a loss.

- b. However, this exclusion will not apply to deny coverage to an insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Policy and:

- (1) The loss arose out of an act or pattern of abuse or domestic abuse; and
- (2) The perpetrator of the loss is criminally prosecuted for the act or acts causing the loss.

- c. If we pay a claim pursuant to Paragraph **2.b.**, our payment to the innocent insured is limited to that insured's ownership interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

3. Paragraph **E.4. Legal Action Against Us** Property Loss Condition is replaced by the following:

No one may bring action against us under this insurance unless the action is brought within two years after the date on which the direct physical loss or damage occurred.

4. The following is added to Paragraph **E.5. Loss Payment** Property Loss Condition:

- i. When this Policy insures real property in Wisconsin which is owned and occupied by you primarily as a dwelling, and the property is wholly destroyed, we will pay the Limit of Insurance that applies to such property.

- j. If a municipality, which is a first class city, has elected to apply the provisions of Wis. Stat. Ann. Secs. 632.10 through 632.104, a part of our payment for fire or explosion loss or damage to your covered real property in that municipality will be withheld if the loss or damage is subject to these provisions.

- (1) The withheld amount will be paid in accordance with the law, to the following:

- (a) The municipality where the covered property is located;
- (b) You and any other interest named in the Declarations; or
- (c) The mortgageholder, if any.

However, we will not pay more than the amount of loss payable under this Policy.

- (2) Within 10 days after withholding the required amount, we will give written notice of the withholding to the following:

- (a) The building inspection official of the municipality where the covered property is located;
- (b) You;
- (c) Any mortgageholder and any other lienholder who has an existing lien against the property and is named in the Declarations; and
- (d) The court in which judgment was entered if the final settlement was determined by judgment.

- (3) We will not be liable in any cause of action, nor may any liability be imposed on us, arising from the payment, withholding or transferring of all or any portion of a final settlement in accordance with Wis. Stat. Ann. Secs. 632.10 through 632.104.

B. Section II – Liability is amended as follows:

Paragraph **E.3. Legal Action Against Us** Liability And Medical Expenses General Condition does not apply.

C. Section III – Common Policy Conditions is amended as follows:

1. Paragraph **A. Cancellation** is amended as follows:

a. Paragraph **2.** is replaced by the following:

2. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

If this Policy has been in effect for less than 60 days and is not a renewal policy, we may cancel for any reason.

If this Policy has been in effect for 60 days or more or is a renewal of a policy we issued, except as provided in Paragraph **7.** below, we may cancel this Policy only for one or more of the following reasons:

- a. The Policy was obtained by material misrepresentation;
- b. There has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing the Policy;
- c. There have been substantial breaches of contractual duties, conditions or warranties; or
- d. Nonpayment of premium.

If this Policy has been in effect for 60 days or more or is a renewal of a policy we issued, the notice of cancellation will state the reason for cancellation.

- b. The following paragraph is added:

7. Anniversary Cancellation

If this Policy is written for a term of more than one year or has no fixed expiration date, we may cancel this Policy for any reason by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the anniversary date of the Policy. Such cancellation will be effective on the Policy's anniversary date.

We may cancel this Policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of cancellation contains an offer to continue the Policy with us if we receive a written request from the first Named Insured prior to the date of cancellation.

2. The following paragraph is added:

M. Rescission

1. We may rescind this Policy because of the following:

- a. Misrepresentation made by you or on your behalf in the negotiation for or procurement of this Policy, if the person knew or should have known that the representation was false;
- b. Breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Policy;
- c. Failure of a condition before a loss if such failure exists at the time of loss; or
- d. Breach of a promissory warranty if such breach exists at the time of loss.

2. We may not rescind this Policy:

- a. For the reasons in Paragraphs **M.1.a.** and **M.1.b.** unless:

- (1) We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or

- (2) The facts misrepresented or falsely warranted contribute to the loss.
 - b. For the reasons in Paragraphs **M.1.c.** and **M.1.d.** unless such failure or breach:
 - (1) Increases the risk at the time of loss; or
 - (2) Contributes to the loss.
- 3. If we elect to rescind this Policy, we will notify the first Named Insured of our intention within 60 days after acquiring knowledge of sufficient facts to constitute grounds for rescission.
- 3. The following paragraphs are added and supersede any other provisions to the contrary:

N. Nonrenewal

- 1. If we elect not to renew this Policy we will mail or deliver written notice of nonrenewal to the first Named Insured's last mailing address known to us. We may elect not to renew for any reason; the notice will state the reason for nonrenewal. We will mail or deliver the notice at least 60 days before the expiration date of this Policy.
We need not mail or deliver the notice if:
 - a. You have insured elsewhere;
 - b. You have accepted replacement coverage;
 - c. You have requested or agreed to nonrenewal of this Policy;
 - d. This Policy is renewed in an affiliate in compliance with WIS. STAT. § 631.39; or
 - e. This Policy is expressly designated as nonrenewable.
- 2. We may refuse to renew this Policy because of the termination of an insurance marketing intermediary's contract with us only if the notice of nonrenewal contains an offer to renew the Policy with us if we receive a written request from the first Named Insured prior to the renewal date.

- 3. If you fail to pay the renewal or continuation premium by the premium due date, this Policy will terminate on the policy expiration or anniversary date, if we have:
 - a. Given you written notice of the renewal or continuation premium not more than 75 days nor less than 10 days prior to the due date of the premium; and
 - b. Stated clearly in the notice the effect of nonpayment of premium by the due date.

O. Anniversary Alteration

If this Policy is written for a term of more than one year or has no fixed expiration date, we may alter the terms or premiums of this Policy by mailing or delivering written notice of less favorable terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the anniversary date.

If we notify the first Named Insured within 60 days prior to the anniversary date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the Policy at any time during the 60-day period, in accordance with Paragraph **A.1. Cancellation** in Section **III – Common Policy Conditions**. If the first Named Insured elects to cancel the Policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

P. Renewal With Altered Terms

If we elect to renew this Policy but on less favorable terms or at higher premiums, we will mail or deliver written notice of the new terms or premiums to the first Named Insured's last mailing address known to us. We will mail, by first class mail, or deliver this notice at least 60 days prior to the renewal date.

If we notify the first Named Insured within 60 days prior to the renewal date, the new terms or premiums will not take effect until 60 days after the notice was mailed or delivered. The notice will include a statement of the first Named Insured's right to cancel. The first Named Insured may elect to cancel the renewal policy at any time during the 60-day period, in accordance with Paragraph **A.1. Cancellation** in Section **III – Common Policy Conditions**. If the first Named Insured elects to cancel the renewal policy during the 60-day period, return premiums or additional premium charges will be calculated proportionately on the basis of the old premiums.

We need not mail or deliver this notice if the only change adverse to you is a premium increase that:

1. Is less than 25% and is generally applicable to the class of business to which this Policy belongs; or
2. Results from a change based on your action that alters the nature or extent of the risk insured against, including but not limited to a change in the classification or the units of exposure, or increased policy coverage.

4. Paragraph **C. Concealment, Misrepresentation Or Fraud** is replaced by the following:

C. Concealment, Misrepresentation Or Fraud

1. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Policy affects our obligations unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:
 - a. We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or
 - b. The facts misrepresented or falsely warranted contribute to the loss.

2. No failure of a condition before a loss and no breach of a promissory warranty affects our obligation under this Policy unless such failure or breach exists at the time of loss and either:

- a. Increases the risk at the time of loss; or
- b. Contributes to the loss.

5. The following is added to Paragraph **K. Transfer Of Rights Of Recovery Against Others To Us**:

We will be entitled to a recovery only after you have been fully compensated for damages.

D. The following paragraphs are added to the Businessowners Coverage Form:

1. Knowledge And Acts Of Agents

- a. If any of our agents knows any fact that breaches a condition of this Policy, we will be considered to know it also if that fact:

- (1) Is known to the agent at the time the Policy is issued or an application made; or

- (2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

- b. Any fact that breaches a condition of this Policy and is known to the agent before the loss will not:

- (1) Void this Policy; or
- (2) Prevent a recovery in the event of loss.

2. Conformity To Statute Or Rule

Any provision of this Policy (including endorsements which modify the Policy) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Section 227.11(2) and published in the Wisconsin Administrative Code.

- E. The following changes apply only to Information Security Protection Endorsement **BP 15 07** if it is attached to this Policy:

The **Limits Of Insurance** Provision under Paragraph **K.** is replaced by the following:

Limits Of Insurance

Information Security Protection Aggregate Limit Of Insurance

The most we will pay for all "loss" and "defense expenses", if covered, under this Endorsement is the Information Security Protection Aggregate Limit Of Insurance shown in the Schedule. The Information Security Protection Aggregate Limit of Insurance shall be reduced by the amount of any payment made under the terms of this Endorsement.

However, the amount of "defense expenses" that we pay in any "loss" shall not exceed 50% of the Information Security Protection Aggregate Limit of Insurance. Once the amount we have paid for "defense expenses" in any "loss" equals 50% of the Information Security Protection Aggregate Limit of Insurance, and provided the Information Security Protection Aggregate Limit of Insurance has not been exhausted by payment for all "loss" and "defense expenses", we shall bear the cost of any remaining "defense expenses" attributable to such "loss".

Upon exhaustion of the Information Security Protection Aggregate Limit of Insurance by such payments, we will have no further obligations or liability of any kind under this Endorsement.