

**IN THE CIRCUIT COURT, IN AND  
FOR ORANGE COUNTY, FLORIDA**

LOUMAR 29, INC. d/b/a Rolled Ice Cream,

**Plaintiff,**

**CASE NO.**

**vs.**

**JURY TRIAL REQUESTED**

TWIN CITY FIRE INSURANCE COMPANY,

**Defendant.**

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**COMPLAINT**

**COMES NOW** the Plaintiff, **LOUMAR 29, INC.** doing business as Rolled Ice Cream, by and through the undersigned attorney and sue(s) the Defendant, **TWIN CITY FIRE INSURANCE COMPANY**, a corporation authorized and doing business in the state of Florida, and allege(s) as follows:

1. This is an insurance coverage action for damages exceeding Thirty Thousand and 00/100 (\$30,000.00) Dollars, exclusive of attorneys fees, costs and interest.
2. Plaintiff's property, business, business income and interests located at 688 North Alafaya Trail, Orlando, Florida, 32828 ("Business") sustained a loss in or about March 2020.
3. Venue is proper in this Court because the Business is located in Orange County and payment was due in Orange County pursuant to the insurance policy.
4. Defendant issued and renewed an insurance policy to the Plaintiff. A true and correct copy of the subject insurance policy that was initially provided by the

Defendant is attached hereto as Exhibit "A".

5. The SARS-CoV-2 virus (commonly called by the disease it causes, "COVID-19") is a most recent strain of coronavirus. It is publicly acknowledged that COVID-19 is highly contagious and appears to have a higher mortality rate than other more common strains of virus, and the prevalence of COVID19 has resulted in a pandemic. The pandemic became widespread in the United States at the beginning of the calendar year 2020.

6. As a result of the spread of the SARS-CoV-2 virus and COVID-19 pandemic, such as state and local governments issued executive orders, decrees, and mandates which prohibited and/or limited patrons, customers, vendors, employees and others from going to business establishments, including Plaintiff's business, resulting in the suspension of operations at the insured premises. Specifically, officials announced it will close non-essential business, and Plaintiff's is classified as a non-essential business.

7. The Policy provides coverage for Plaintiff's loss of business income, extra expenses and other losses and damages to the Business caused by the coronavirus pandemic and associated governmental acts.

8. As a result of the coronavirus pandemic and acts of government, Plaintiff and its Business sustained losses ("Loss").

9. The Loss is covered under the Policy.

10. Plaintiff complied with all conditions precedent to entitle Plaintiff to recover under the policy, and Defendant has waived, forfeited or should be estopped from

asserting any policy conditions as a defense to this action.

11. Defendant has refused to pay for Plaintiff's damages.

**COUNT I**  
**(Breach of Contract)**

12. Plaintiff repeats, reiterates, and re-alleges each and every allegation contained in preceding paragraphs 1 through 11, inclusive, with the same force and effect as though more fully set forth at length herein.

13. Pursuant to the terms, conditions and coverages in the subject insurance policy, Defendant is obligated to pay benefits to properly investigate, stabilize, and completely replace, repair or reimburse the damages to the Business caused by the Loss.

14. Defendant's refusal to pay to replace, repair or reimburse Plaintiff's Business is a material breach of contract.

15. Defendant has failed to pay the statutory interest penalties and the statutory attorneys fees required by law.

16. Because of Defendant's refusal to pay Plaintiff's Loss, it has become necessary that Plaintiff retain the services of the undersigned attorney. Plaintiff is obligated to pay a reasonable fee for the attorney's services in bringing this action, plus necessary costs.

**WHEREFORE**, Plaintiff demands judgment against Defendant on the First Cause of Action for all covered losses with interest on any overdue payments, attorney's fees and costs pursuant to *Florida Statutes* §§ 627.428, 626.9373, 57.041, and 92.231, and demands a trial by jury.

**COUNT II**  
**(Interpretation of Coverage)**

17. Plaintiff repeats, reiterates, and re-alleges each and every allegation contained in preceding paragraphs 1 through 11, inclusive, with the same force and effect as though more fully set forth at length herein.

18. The purpose of a declaratory judgment is to afford relief for a person's insecurity and uncertainty with respect to their rights, status, or other equitable or legal relations.

19. There is a *bona fide*, actual, present need for a declaratory judgment to determine this matter.

20. Based upon the forgoing, Plaintiff is in doubt as to its rights under the terms and provisions of the subject policy of insurance and the law of the State of Florida.

21. There is a *bona fide*, present dispute amongst the parties regarding their rights and obligations under the subject policy of insurance.

22. The requested declaration deals with a presently ascertainable set of facts.

23. The rights of Plaintiff, herein, are dependent upon the facts set forth herein or law applicable to these facts.

24. The parties to this action have an actual, present, adverse and antagonistic interest in the subject matter, either in fact or in law.

25. The antagonistic and adverse interests are all before the Court by proper

process.

26. The relief sought is not merely the giving of legal advice by the Court in the above, or the answer to questions propounded by curiosity.

27. Plaintiff asks the Court to affirm that the decreased use of the property because of the Loss and associated acts of government are tantamount to direct physical loss or damage to property.

28. Plaintiff asks the Court to affirm that the Loss and associated acts of government are tantamount to direct physical loss or damage to property constitute a direct physical loss or damage to property.

29. Plaintiff asks the Court to affirm that the Loss and associated acts of government are a covered cause of loss under the Policy not subject to any exclusions.

30. Because of Defendant's refusal to to perform its obligations under the Policy, it has become necessary that Plaintiff retain the services of the undersigned attorney. Plaintiff is obligated to pay a reasonable fee for the attorney's services in bringing this action, plus necessary costs.

31. The requested declaration involves a present, ascertained, or ascertainable state of facts or present controversy as to a state of facts, and Plaintiff's rights are dependent upon those facts or the law applicable to those facts.

32. The relief sought herein is not merely giving of legal advice by the courts or answering questions propounded from curiosity.

33. Plaintiffs have no adequate remedy at law, and this Court's declaration of Plaintiffs' rights is reasonable and necessary under these circumstances.

**WHEREFORE**, Plaintiff demands judgment against Defendant on the Second Cause of Action pursuant to Chapter 86, *Fla. Stats.*, the Plaintiff respectfully requests that this Court:

- a. Take jurisdiction over this matter for purposes of entering a declaratory decree;
- b. Enter a judgment declaring that Defendant has a duty to indemnify Plaintiff under the Policy for the Loss;
- c. Enter a judgment declaring the virus exception/exclusion provisions unenforceable due to their ambiguous and illusory nature.
- d. Grant Plaintiff such other and further relief as the Court shall deem appropriate;
- e. Retain jurisdiction to enter such further orders as may be required to enforce this Court's declaration of the parties' rights;
- f. Award Plaintiff's attorney's fees and costs against Defendant pursuant to *Fla. Stats.* §§ 627.428, 626.9373, 57.041, and 92.231; and,
- g. Award any other relief that this Court deems just, proper and equitable.

**Dated:** August 11, 2020 **THE WOODWARD LAW FIRM**



HEWETT G. WOODWARD

Florida Bar No. 0018060

P.O. Box 140312

Orlando, Florida 32814

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*Attorneys for Plaintiff(s)*

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that I have served a true and correct copy of the foregoing upon the Defendant's Registered Agent: State of Florida, Chief Financial Officer, 200 E. Gaines St., Tallahassee, Florida, 32399, contemporaneously with the Summons and Complaint in this matter.



HEWETT G. WOODWARD



Select Customer Insurance Center

301 WOODS PARK DRIVE

CLINTON NY 13323

Policyholder, please call us at: (866) 467-8730

Agent, please call us at: (866) 467-8730

SCIC.NEWHARTFORD@THEHARTFORD.COM

## **INSURANCE ENDORSEMENT ATTACHED**

**\*\*\* PLEASE REVIEW THE CHANGE \*\*\***

Enclosed is an endorsement for your business insurance policy. Please review it at your convenience. If you have questions or need to make further changes:

Policyholder, please call us at: (866) 467-8730

Agent, please call us at: (866) 467-8730 between 7 A.M. and 7 P.M. CST .

The premium billing will be mailed to you separately. You can expect to receive it soon.

Thank you for allowing us to service your business needs.

**NORTHEAST AGENCIES INC/PHS**

**THE HARTFORD SELECT CUSTOMER INSURANCE CENTER**





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

## **POLICY CHANGE**

This endorsement changes the policy effective on the Inception Date of the policy unless another date is indicated below:

**Policy Number:** 01 SBA BE4473 DW

**Named Insured and Mailing Address;** LOUMAR29 INC  
DBA ROLLED ICE CREAM  
5021 HARTWELL CT  
SAINT CLOUD FL 34771

**Policy Change Effective Date:** 01/20/20

**Effective hour is the same as stated in the  
Declarations Page of the Policy.**

**Policy Change Number:** 001

**Agent Name:** NORTHEAST AGENCIES INC/PHS  
**Code:** 216379

### **POLICY CHANGES:**

TWIN CITY FIRE INSURANCE COMPANY

ANY CHANGES IN YOUR PREMIUM WILL BE REFLECTED IN YOUR NEXT BILLING  
STATEMENT. IF YOU ARE ENROLLED IN REPETITIVE EFT DRAWS FROM YOUR BANK  
ACCOUNT, CHANGES IN PREMIUM WILL CHANGE FUTURE DRAW AMOUNTS.  
THIS IS NOT A BILL.

ADDITIONAL PREMIUM DUE AT POLICY CHANGE EFFECTIVE DATE: \$12.00

STATE SURCHARGE(S) SHOWN BELOW NOT INCLUDED IN ABOVE TOTALS:  
DATE DUE 01/20/20

ADDITIONAL FLORIDA FIRE COLLEGE SURCHARGE \$0.01

RATES AND PREMIUMS ARE CHANGED.

PRO RATA FACTOR: 0.112

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.

**Form SS 12 11 04 05 T**  
**Process Date:** 01/20/20

**Page 001** (CONTINUED ON NEXT PAGE)  
**Policy Effective Date:** 03/01/19  
**Policy Expiration Date:** 03/01/20

# POLICY CHANGE (Continued)

**Policy Number:** 01 SBA BE4473

**Policy Change Number:** 001

LOCATION 001 BUILDING 001 IS REVISED

PROPERTY OPTIONAL COVERAGES APPLICABLE TO THIS LOCATION:

RESTAURANT STRETCH IS ADDED: FORM SS 04 11  
THIS FORM INCLUDES MANY ADDITIONAL COVERAGES AND EXTENSIONS OF  
COVERAGES. A SUMMARY OF THE COVERAGE LIMITS IS ATTACHED.

FORM NUMBERS OF ENDORSEMENTS ADDED AT ENDORSEMENT ISSUE:

SS 84 04 10 15	SS 04 11 09 07	SS 04 19 04 09	SS 04 22 07 05
SS 04 30 07 05	SS 04 39 07 05	SS 04 41 03 18	SS 04 42 03 17
SS 04 44 07 05	SS 04 45 07 05	SS 04 46 09 14	SS 04 47 04 09
SS 04 80 03 00	SS 04 86 03 00	SS 40 18 07 05	SS 41 32 09 06



# RESTAURANT STRETCH SUMMARY

## SUMMARY OF COVERAGE LIMITS

This is a summary of the Coverages and the Limits of Insurance provided by the Restaurant Stretch Coverage form SS 04 11 which is included in this policy. No coverage is provided by this summary. Refer to coverage form SS 04 11 to determine the scope of your insurance protection.

The Limit of Insurance for the following Additional Coverages are in addition to any other limit of insurance provided under this policy:

<b>Coverage</b>	<b>Limit</b>
Accounts Receivable - On/Off-Premises	\$ 25,000
Brands and Labels	Up to Business Personal Property Limit
Claims Expense	\$ 10,000
Computer Fraud	\$ 5,000
Computers and Media	\$ 25,000
Debris Removal	\$ 25,000
Employee Dishonesty (including ERISA)	\$ 10,000
Fine Arts	\$ 10,000
Forgery	\$ 10,000
Laptop Computers - Worldwide Coverage	\$ 10,000
Lost Keys	\$ 2,500
Off Premises Service - Direct Damage	\$ 10,000
Outdoor Signs	Full Value
Pairs and Sets	Up to Business Personal Property Limit
Personal Property of Others	\$ 10,000
Property at Other Premises	\$ 10,000
Salespersons' Samples	\$ 1,000
Sewer and Drain Back Up	Included up to Covered Property Limits
Sump Overflow or Sump Pump Failure	\$ 15,000
Temperature Change	\$ 10,000
Tenant Building and Business Personal Property Coverage- Required by Lease	\$ 20,000
Transit Property in the Care of Carriers for Hire	\$ 10,000
Unauthorized Business Card Use	\$ 2,500
Valuable Papers and Records - On/Off-Premises	\$ 25,000

The Limits of Insurance for the following Coverage Extensions are a replacement of the Limit of Insurance provided under the Standard Property Coverage Form or the Special Property Coverage Form, whichever applies to the policy:

<b>Coverage</b>	<b>Limit</b>
Newly Acquired or Constructed Property - 180 Days	
Building	\$1,000,000
Business Personal Property	\$ 500,000
Business Income and Extra Expense	\$ 500,000
Outdoor Property	\$ 20,000 aggregate/ \$1,000 per item
Personal Effects	\$ 25,000
Property Off-Premises	\$ 15,000

The following changes apply only if Business Income and Extra Expense are covered under this policy. The Limits of Insurance for the following Business Income and Extra Expense Coverages are in addition to any other Limit of Insurance provided under this policy:

<b>Coverage</b>	<b>Limit</b>
Business Income Extension for Off-Premises Utility Services	\$ 25,000
Business Income Extension for Web Sites	\$ 10,000/7 days
Business Income from Dependent Properties	\$ 50,000
Food Contamination	\$ 25,000

The following Limit of Insurance for the following Business Income Coverage is a replacement of the Limit of Insurance provided under the Standard Property Coverage Form or the Special Property Coverage Form, whichever applies to the policy:

<b>Coverage</b>	<b>Limit</b>
Extended Business Income	60 Days

The following changes apply only if the Special Property Coverage Form applies to this policy. The Limits of Insurance for the following Additional Coverages are in addition to any other limit of insurance provided under this policy:

<b>Coverage</b>	<b>Limit</b>
Money and Securities	\$ 10,000 inside the premises/ \$ 10,000 outside the premises

The following changes apply to Loss Payment Conditions:

<b>Coverage</b>	<b>Limit</b>
Valuation Changes	
Commodity Stock	Included
"Finished Stock"	Included
Mercantile Stock - Sold	Included



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

## **RESTAURANT STRETCH**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

**A.** The following changes apply to the Standard Property Coverage Form, Additional Coverages, **A.4.**, or to the Special Property Coverage Form, Additional Coverages, **A.5.**:

#### **1. Accounts Receivable**

The following Additional Coverage is added:

- a.** We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to apply at each "scheduled premises" to cover direct physical loss of or physical damage to your records of accounts receivable. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.
- b.** We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to cover direct physical loss of or physical damage to your records of accounts receivable that are not located at the "scheduled premises" or in transit. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of the Accounts Receivable Coverage, Form SS 04 39, with the exception of the Limit of Insurance provision contained in that form. Accounts Receivable Coverage, Form SS 04 39 is made a part of this policy whether or not Accounts Receivable coverage is indicated in the Declarations.

#### **2. Brands and Labels**

The following Additional Coverage is added:

In the event of covered physical loss or physical damage to merchandise that is branded or

labeled, we will take all or part of the physically damaged property at an agreed or appraised value and we will pay for:

**a.** Expenses you incur to:

- (1)** Stamp salvage on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2)** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise and its containers to comply with the law.

**b.** Any reduction in the salvage value of the physically damaged merchandise as the result of the removal of the brand or label.

This Additional Coverage is included within the Business Personal Property Limit of Insurance.

#### **3. Claim Expenses**

The following Additional Coverage is added:

In the event of covered loss or physical damage we will pay up to \$10,000 in any one occurrence as an additional Limit of Insurance to cover reasonable expenses incurred by you at our specific request to assist us in:

- a.** The investigation of a claim or suit; or
- b.** The determination of the amount of loss, such as taking inventory, or auditing business records.

#### **4. Computer Fraud**

The following Additional Coverage is added:

We will pay up to \$5,000 in any one occurrence for physical loss of or physical damage to "money", "securities", and other property having intrinsic value resulting directly from computer fraud. Computer fraud means any act of stealing property following and directly related to the use of any computer to fraudulently cause a

transfer of that property from inside your premises or from a banking institution or similar safe depository, to a person (other than a "messenger") outside those premises or to a place outside those premises.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

#### 5. **Computers and Media**

The following Additional Coverage is added:

We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to apply anywhere in the Coverage Territory to cover direct physical loss of or physical damage to your computer systems. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Computers and Media, Form SS 04 41, with the exception of the Limit of Insurance provision contained in that form. Computers and Media, Form SS 04 41 is made a part of this policy whether or not Computers and Media coverage is indicated in the Declarations.

#### 6. **Debris Removal**

The following Additional Coverage is added:

In Limits of Insurance, **C.4.b.**, the additional limit of insurance for the Debris Removal Additional Coverage is increased to \$25,000 in any one occurrence.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

#### 7. **Employee Dishonesty (including ERISA)**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to cover loss from employee dishonesty. This includes ERISA coverage. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of the Employee Dishonesty Coverage, Form SS 04 42, with the exception of the Limit of Insurance provision contained in that form. Employee Dishonesty Coverage, Form SS 04 42 is made a part of this policy whether or not Employee Dishonesty Coverage is indicated in the Declarations.

#### 8. **Fine Arts**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance at each "scheduled premises" to apply to Fine Arts. This Limit of

Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Fine Arts Coverage Form, Form SS 04 22, with the exception of the following:

- a. The requirement contained under Paragraph **A.1.**, Under A. Coverage, to list and describe Fine Arts in the Declarations or Schedule is deleted when Fine Arts are covered under this Stretch endorsement; and
- b. The Limit of Insurance provision does not apply.
- c. Paragraph **D.1.** Valuation is deleted and replaced by the following:

The value of Fine Arts will be the market value at the time of physical loss or physical damage.

Fine Arts Coverage, Form SS 04 22 is made a part of this policy whether or not Fine Arts Coverage is indicated in the Declarations.

#### 9. **Forgery**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to cover loss from forgery of covered instruments, money orders, credit cards, and counterfeit money.

This Additional Coverage is subject to the provisions of Forgery Coverage, Form SS 04 86, with the exception of the Limit of Insurance provision contained in that form. Forgery Coverage, Form SS 04 86 is made a part of this policy, whether or not Forgery Coverage is indicated in the Declarations.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

#### 10. **Laptop Computers - Worldwide Coverage**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to apply to laptop, palmtop, personal digital assistants (PDAs), and similar portable computer equipment and accessories anywhere in the world, including while in transit. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

**Limitation:** We will not pay for direct physical loss or physical damage caused by, resulting from, or arising out of the theft of this property while in transit as checked baggage.

This Additional Coverage is subject to the provisions of Computers and Media, Form

SS 04 41, with the exception of the Limit of Insurance provision contained in that form. Computers and Media, Form SS 04 41 is made a part of this policy whether or not Computers and Media coverage is indicated in the Declarations.

#### **11. Lost Keys**

The following Additional Coverage is added:

We will pay up to \$2,500 in any one occurrence as an additional amount of insurance to cover the loss of your keys used to secure the "scheduled premises" due to theft.

We will not pay more than the least of the following:

- a. Re-key the locks,
- b. Install new lock cylinders,
- c. Provide new master keys, or
- d. Replace existing locks with new locks of like kind and quality.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

#### **12. Off-Premises Utility Services - Direct Damage**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to apply at each "scheduled premises" to cover direct physical loss or physical damage to Covered Property caused by the interruption of utility services. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Off-Premises Utility Services - Direct Damage, Form SS 40 18, with the exception of the Utility Services Limit of Insurance contained in that form. Off-Premises Utility Services - Direct Damage, Form SS 40 18 is made a part of this policy, whether or not Off-Premises Utility Services - Direct Damage coverage is indicated in the Declarations.

#### **13. Outdoor Signs**

The following Additional Coverage is added and supersedes any other coverage for signs in this policy:

We will pay up to full value of outdoor signs at each "scheduled premises" to cover direct physical loss of or physical damage to outdoor signs.

This Additional Coverage is subject to the provisions of Outdoor Signs, Form SS 04 44, with the exception of the Limit of Insurance provision and paragraph **E.** of that form. Outdoor Signs, Form SS 04 44 is made a part of this policy whether or not Outdoor Signs coverage is indicated in the Declarations.

This Additional Coverage is in addition to any recoverable Limits of Insurance applicable to Building or Business Personal Property.

#### **14. Pairs or Sets**

The following Additional Coverage is added:

If pairs or sets of stock are damaged by a Covered Cause of Loss, we will pay any reduction in value of the undamaged parts of such damaged pairs or sets.

As used in this Additional Coverage, the term stock means merchandise held in storage or for sale, raw materials, and goods in-process or finished.

This coverage is included within the Business Personal Property Limit of Insurance.

#### **15. Personal Property of Others**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance at each "scheduled premises" to apply to personal property of others that is in your care, custody or control. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Personal Property of Others, Form SS 04 45, with the exception of the statement concerning Limit of Insurance applicable to Personal Property of Others shown in the Declarations, contained in that form. Personal Property of Others, Form SS 04 45 is made a part of this policy whether or not Personal Property of Others coverage is indicated in the Declarations.

#### **16. Property at Other Premises**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence to extend coverage for Business Personal Property at any premises not described in the Declarations.

This includes property that you have sold under an installation agreement and for which your responsibility continues until the property is accepted by the customer.

This Extension does not apply to:

- a. Property in the care, custody or control of your salespersons;
- b. Property at any fair or exhibition;
- c. Property in transit; or
- d. Property temporarily stored at any premises not described in the Declarations.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

### 17. Salespersons' Samples

The following Additional Coverage is added:

We will pay up to \$1,000 in any one occurrence as an additional Limit of Insurance to extend Business Personal Property to cover:

- a. Samples of your stock in trade (including containers); and
  - b. Similar property of others;
- but only while such property is in:
- a. Your custody while you are acting as a sales representative; or
  - b. The custody of your sales representative or agents.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

### 18. Sewer and Drain Back Up

The following Additional Coverage is added:

We will pay for direct physical loss or physical damage to Covered Property solely caused by water that backs up from a sewer or drain.

This coverage is included within the Covered Property Limits of Insurance.

#### **THIS IS NOT FLOOD INSURANCE**

We will not pay for water or other materials that back up from any sewer or drain when it is caused by any flood. This applies regardless of the proximity of the flood to Covered Property. Flood includes the accumulation of surface water, waves, tides, tidal waves, overflow of streams or other bodies of water, or their spray, all whether driven by wind or not that enters the sewer or drain system.

### 19. Sump Overflow or Sump Pump Failure

The following Additional Coverage is added:

The maximum we will pay in any one occurrence is \$15,000 for any loss, including Business Income or Extra Expense, resulting from physical loss or physical damage to Covered Property that is caused by or resulting from water that overflows due to the failure of a sump pump, sump pump well, or any other type of system designed to remove subsurface water from the foundation area if the failure is directly or indirectly the result of a Covered Cause of Loss. Failure means an abrupt cessation of normal functioning. This Limit of Insurance is the maximum we will pay regardless of any other coverage provided under this policy.

This Additional Coverage is subject to the terms and conditions of this policy with the exception of:

- a. Paragraph **B.1.f.**, Power Failure, of the Standard Property Coverage Form and Paragraph **B.1.d.**, Power Failure, of the Special Property Coverage Form; and
- b. Paragraph **B.1.h.(4)**, Water, of the Standard Property Coverage Form and Paragraph **B.1.f.(4)**, Water, of the Special Property Coverage Form.

#### **THIS IS NOT FLOOD INSURANCE**

We will not pay for water or other materials that overflow from a sump when the overflow is caused by any flood. This applies regardless of the proximity of the flood to Covered Property. Flood includes the accumulation of surface water, waves, tides, tidal waves, overflow of streams or other bodies of water, or their spray, all whether driven by wind or not that enters the sewer or drain system.

### 20. Temperature Change

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to apply at each "scheduled premises" to cover direct physical loss of or physical damage to perishable stock caused by or resulting from a change of temperature or contamination by a refrigerant.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of the Temperature Change Coverage, Form SS 04 46, with the exception of the Limit of Insurance provision contained in that form. Temperature Change, Form SS 04 46 is made a part of this policy whether or not Temperature Change coverage is indicated in the Declarations.

### 21. Tenant Building and Business Personal Property Coverage - Required by Lease

The following Additional Coverage is added:

The maximum we will pay in any one occurrence is \$20,000 as a Limit of Insurance to apply to direct physical loss of or physical damage to Building and Business Personal Property for which you have a contractual responsibility to insure. This includes building fixtures, machinery and equipment.

### 22. Transit Property in the Care of Carriers for Hire

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to apply to direct physical loss of or physical damage to property while in transit at your risk. This Limit of Insurance is in



addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Transit Property in the Care of Carriers for Hire, Form SS 04 30, with the exception of the Limit of Insurance provision contained in that form. Transit Property in the Care of Carriers for Hire, Form SS 04 30 is made a part of this policy whether or not Transit Property in the Care of Carriers for Hire is indicated in the Declarations.

### **23. Unauthorized Business Card Use**

The following Additional Coverage is added:

The maximum we will pay in any one occurrence is \$2,500 as a Limit of Insurance to cover loss resulting from the theft or unauthorized use of your Business Credit, Debit or Charge Cards, including the reasonable legal expenses you incur.

The Business Credit, Debit or Charge Cards must be issued to you or registered in your name or the business name and be used solely for business purposes.

**Limitation.** We will not pay for the theft or unauthorized use of Business Credit, Debit or Charge Cards entrusted to others or your employees.

### **24. Valuable Papers and Records**

The following Additional Coverage is added:

a. We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to apply at each "scheduled premises" to cover direct physical loss of or physical damage to your valuable papers and records. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

b. We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to cover direct physical loss of or physical damage to your valuable papers and records that are not located at the "scheduled premises" or in transit. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of the Valuable Papers and Records Coverage, Form SS 04 47, with the exception of the Limit of Insurance provision contained in that form. Valuable Papers and Records Coverage, Form SS 04 47 is made a part of this policy whether or not Valuable Papers and Records coverage is indicated in the Declarations.

**B.** The following changes apply to the Standard Property Coverage Form, Coverage Extensions, **A.5.**, or to the Special Property Coverage Form, Coverage Extensions, **A.6.**. The Limits of Insurance stated in the paragraphs below replace the Limits of Insurance stated in the Standard Property Coverage Form or the Special Property Coverage Form for the coverages provided under this section. Except as otherwise stated, any other Limit of Insurance purchased under this policy as an option for the following coverages is in addition to the Limit of Insurance stated below:

#### **1. Newly Acquired or Constructed Property**

The following changes are made to Newly Acquired or Constructed Property:

##### **a. Building**

(1) The most we will pay in any one occurrence in subparagraph (1) is increased from \$500,000 to \$1,000,000 at each premises.

(2) The Limit of Insurance stated above is the maximum Limit of Insurance available for this coverage under this policy.

##### **b. Business Personal Property**

(1) The most we will pay in any one occurrence in subparagraph (2) is increased from \$250,000 to \$500,000 at each premises.

(2) The Limit of Insurance stated above is the maximum Limit of Insurance available for this coverage under this policy.

##### **c. Business Income and Extra Expense**

(1) If Business Income or Extra Expense are provided under this policy, the most we will pay in any one occurrence in subparagraph (3) is increased from \$50,000 to \$500,000 in any one occurrence at each premises.

(2) The Limit of Insurance stated above is the maximum Limit of Insurance available for this coverage under this policy.

#### **2. Outdoor Property**

In the Outdoor Property Coverage Extension, the most we will pay in any one occurrence is increased to \$20,000, but not more than \$1,000 for any one tree, shrub or plant.

#### **3. Personal Effects**

In the Personal Effects Coverage Extension, the most we will pay in any one occurrence is

increased from \$10,000 to \$25,000 at each "scheduled premises."

The Limit of Insurance stated above is the maximum Limit of Insurance available for this coverage under this policy.

#### **4. Property Off-Premises**

In the Personal Property Off-Premises Coverage Extension, the most we will pay in any one occurrence in subparagraph **A.6.h.(2)** is increased from \$2,500 to \$15,000.

**C.** The following changes apply only if Business Income and Extra Expenses are covered under this policy. These changes apply to the Standard Property Coverage Form, Additional Coverages, **A.4.**, or to the Special Property Coverage Form, Additional Coverages, **A.5.**:

##### **1. Business Income Extension for Off-Premises Utility Services**

The following Additional Coverage is added:

We will pay up to \$25,000 in any one occurrence as a Limit of Insurance to apply at each "scheduled premises" to cover loss of Business Income and Extra Expense caused by or resulting from the interruption of utility services. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

This Additional Coverage is subject to the provisions of Business Income Extension for Off-Premises Utility Services, Form SS 04 19, with the exception of the Limit of Insurance provision contained in that form. Business Income Extension for Off-Premises Utility Services, Form SS 04 19 is made a part of this policy whether or not Business Income Extension for Off-Premises Utility Services coverage is indicated in the Declarations.

##### **2. Business Income Extension for Web Sites**

The following Additional Coverage is added:

We will pay up to \$10,000 in any one occurrence as a Limit of Insurance to cover loss of Business Income you sustain due to the necessary interruption of business operations caused by direct physical loss of or physical damage to your Web Site operation at the premises of a vendor acting as your service provider. This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

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

###### **a. Coverage Time Period**

We will only pay for loss you sustain during the 7-day period immediately following the first 12 hours after the Covered Cause of Loss.

#### **b. Conditions**

This coverage applies only:

- (1)** If you have a back-up copy of your Web Page stored at a location other than the site of the Web Site vendor.
- (2)** To the extent that Business Income is permanently lost.

#### **3. Business Income from Dependent Properties**

The following Additional Coverage is added:

We will pay for the loss of your Business Income and Extra Expense due to direct physical damage at the premises of any dependent property caused by or resulting from a Covered Cause of Loss. The most we will pay under this endorsement for this coverage is \$50,000 regardless of the number of dependent properties involved in any one occurrence. This Limit of Insurance is in addition to any other Limit shown in the Declarations for specific Dependent Properties.

This additional coverage is subject to the provisions of Business Income from Dependent Properties, Form SS 04 78, with the exception of the Limit of Insurance provision contained in that form. Business Income from Dependent Properties, Form SS 04 78 is made a part of this policy whether or not Business Income from Dependent Properties coverage is indicated in the Declarations.

There is no requirement for Dependent Properties to be scheduled for the coverages provided by this Stretch endorsement to apply.

#### **4. Extended Business Income**

In the Extended Business Income Additional Coverage, paragraph **4.j.(1)(b)(ii)** of the Standard Property Coverage Form and paragraph **5.r.(1)(b)(ii)** of the Special Property Coverage Form are amended to read as follows:

- (b)** 60 consecutive days after the date determined in **(a)** above.

#### **5. Food Contamination**

The following Additional Coverage is added:

We will pay the actual loss of Business Income and Extra Expense if your "operations" at any "scheduled premises" are ordered by a government authority to be suspended due to the discovery of or the suspicion of "food contamination".

This additional coverage is subject to the provisions of Food Contamination Coverage, Form SS 41 32, with the exception of Paragraph **C.**, Limit of Insurance, which is deleted and replaced by the following:

The most we will pay under this Additional Coverage, regardless of the number of occurrences or locations involved in any one order by a governmental authority is \$25,000. This Limit of Insurance is in addition to any other Limit shown in the Declarations for Food Contamination Coverage.

Food Contamination Coverage, Form SS 41 32 is made a part of this policy whether or not Food Contamination Coverage is indicated in the Declarations.

**D.** The following Additional Coverage only applies if your policy is written with the Special Property Coverage Form.

**1. Money and Securities**

Paragraph **A.5.i.(3)** is deleted and replaced with the following:

**(3)** The most we will pay for loss in any one occurrence is:

**(a)** \$10,000 for Inside the Premises for "money" and "securities" while:

**(i)** In or on the "scheduled premises";  
or

**(ii)** Within a bank or financial institution;  
and

**(b)** \$10,000 for loss Outside the Premises for "money" and "securities" while anywhere else.

This Limit of Insurance is in addition to any other Limit of Insurance that may be provided by this policy for this coverage.

**E.** The following changes apply to Paragraph **E.5.d.**, Loss Payment, of the Standard Property Coverage Form and the Special Property Coverage Form:

**1. Valuation Changes**

The following are added to the Loss Payment Property Loss Condition **E.5.d.**:

**(10)Commodity Stock**

We will determine the value of merchandise and raw materials that are bought and sold at an established market exchange. We will determine the value at:

**(a)** The posted market price as of the time and place of loss;

**(b)** Less discounts and expenses you otherwise would have had.

**(11)"Finished Stock"**

We will determine the value of goods that you have manufactured at the selling price less discounts and expenses you otherwise would have had.

**(12)Mercantile Stock - Sold**

We will determine the value of goods you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.



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

## **BUSINESS INCOME EXTENSION FOR OFF-PREMISES UTILITY SERVICES**

This endorsement modifies insurance provided under the following:

### **SPECIAL PROPERTY COVERAGE FORM**

This insurance applies only when Business Income and Extra Expense is shown in the Declarations as applicable. Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

#### **A. BUSINESS INCOME EXTENSION FOR OFF-PREMISES UTILITY SERVICES**

This Coverage Extension applies only when the Business Income Additional Coverage is included in this policy.

We will pay for loss of Business Income or Extra Expense at the "scheduled premises" caused by the interruption of service to the "scheduled premises". The interruption must result from direct physical loss or physical damage by a Covered Cause of Loss to the following property not on "scheduled premises":

1. "Water Supply Services";
2. "Communication Supply Services"; or
3. "Power Supply Services".

#### **B. WAITING PERIOD**

We will only pay for loss you sustain after the first 12 consecutive hours following the direct physical loss of or physical damage to the off-premises property to which this endorsement applies. We will not pay for any reduction in business income or extra expense after electricity, steam or gas has been restored to the "scheduled premises".

#### **C. LIMIT OF INSURANCE**

The most we will pay in any one occurrence for loss under this extension is the limit of insurance shown in the Declarations at each "scheduled premises".

#### **D. ADDITIONAL DEFINITIONS**

1. **"Water Supply Services"**, meaning the following types of property supplying water to the "scheduled premises":
  - a. Pumping stations; and
  - b. Water mains.
2. **"Communication Supply Services"**, meaning property, including overhead transmission lines supplying communication services, including telephone, radio, microwave or television services, to the "scheduled premises", such as:
  - a. Communication transmission lines, including optic fiber transmission lines;
  - b. Coaxial cables; and
  - c. Microwave radio relays except satellites.
3. **"Power Supply Services"**, meaning the following types of property supplying electricity, steam or gas, including overhead transmission lines to the "scheduled premises":
  - a. Utility generating plants;
  - b. Switching stations;
  - c. Substations;
  - d. Transformers; and
  - e. Transmission Lines.



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

## **FINE ARTS**

This endorsement modifies insurance provided under the following:

### **SPECIAL PROPERTY COVERAGE FORM**

This insurance applies only when the property is covered under the Special Property Coverage Form. Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

The following changes are made to the Special Property Coverage Form:

#### **A. Under A. Coverage:**

1. The following paragraph is added to **1. Covered Property**:

Fine Arts listed and described in the Declarations or Schedule which are:

- a. Owned by you; or
- b. Owned by others, and in your care, custody and control; and
- c. Located at the "scheduled premises", or in transit to and from the "scheduled premises", or at your residence.

2. The following is added to Paragraph **2. Property Not Covered** with respect to coverage afforded by this endorsement:

Property on exhibition at fairgrounds or at any type of exposition, unless such locations are listed and described in the Declarations or Schedule.

3. The following special Limitation provision applies to property covered by this endorsement:

Art glass windows, glassware, statuary, marbles, bric-a-brac, porcelains and other articles of fragile or brittle nature are covered against loss by breakage only if loss or damage is caused by "specified causes of loss."

4. Section **B. EXCLUSIONS** do not apply to coverage afforded under this endorsement, except for:

- (1) **Governmental Action**;
- (2) **Nuclear Hazard**; and
- (3) **War and Military Action**.

5. Additional Exclusions

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

- a. Delay, loss of use, loss of market, or any other causes of consequential loss;
- b. Wear and tear, depreciation or obsolescence;
- c. Rust, corrosion, fungus, decay, deterioration, hidden or latent defect, or any quality in property that causes it to damage or destroy itself;
- d. Insects, birds, rodents or other animals.
- e. Dishonest acts by:

- (1) You or any of your partners;
- (2) Your directors or trustees;
- (3) Your authorized representatives or employees; or
- (4) Anyone, other than a carrier for hire, to whom you entrusted the Covered Property, including their employees, for any purpose:

Whether acting alone or in collusion with others; and

Whether or not occurring during the hours of employment.

- f. Voluntary parting with any property whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.
- g. Unauthorized instructions to transfer property to any person or to any place.
- h. Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.  
But this exclusion does not apply to property in the custody of a carrier for hire.
- i. Processing or work performed upon the property.

**B. Limits of Insurance**

Section C. LIMITS OF INSURANCE is replaced by the following:

The most we will pay for physical loss or physical damage in any one occurrence for property covered under this endorsement is the Limit of Insurance shown in the Declarations for "Fine Arts", but no more than \$25,000 for any one item of "Fine Arts".

**C. Deductible**

We will adjust loss in any one occurrence under this endorsement as a single loss. The only deductible amount that applies under this coverage is the larger of:

- 1. \$250; or
- 2. The amount shown in the Declarations as a deductible applicable to this coverage.

**D. Additional Conditions**

**1. Valuation**

The following is added to Section E. **PROPERTY LOSS CONDITIONS:**

The value of Covered Property will be the amount shown in the Declarations or Schedule for each item of Covered Property, which is agreed to be the value of the item.

**2. Pair or Set**

In case of total loss to an item of Covered Property which is part of a pair or set, we agree to pay you the full amount of the pair or set as shown in the Declarations or Schedule and you agree to surrender the remaining item(s) of the pair or set to us.

**3. Packing**

You agree that Covered Property will be packed and unpacked by competent packers.

**E. Additional Definition**

The following definition is added to Section H. **DEFINITIONS:**

"Fine Arts" meaning paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property of rarity, historical value or artistic merit.

**F. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may retain the property. But then you must return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the Covered Property, subject to the Limit of Insurance.



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

## **TRANSIT COVERAGE – PROPERTY IN THE CARE OF CARRIERS FOR HIRE**

This endorsement modifies insurance provided under the following:

### **SPECIAL PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement the terms and conditions of the policy and of the Special Property Coverage Form apply to the insurance stated below.

**A.** With respect to this Transit Coverage – Property in the Care of Carriers for Hire only, the following changes are made to the Special Property Coverage Form:

1. Under **A.4. Limitations**, subparagraph **c.(3)** which limits coverage for patterns, dies, molds and forms, is deleted.

2. Under **B. Exclusions**

**a.** Exclusions **1.a.** (Earth Movement) and **1.f.** (Water) do not apply to property in transit.

**b.** Exclusions **2.e.** (Dishonesty) and **2.g.** (Exposed Property) do not apply to property in custody of a carrier for hire.

**c.** Exclusion **2.f.** (False Pretense) does not apply to loss or damage caused by your good faith acceptance of false bills of lading or shipping receipts.

**d.** The following Exclusion is added:

We will not pay for physical loss or physical damage caused by or resulting from poor or insufficient packaging or packing.

**B. Transit Coverage – Property in the Care of Carriers for Hire**

1. The insurance that applies to your Business Personal Property and Personal Property of Others is extended to apply to shipments of that property while in transit at your risk, by motor vehicle, railroad car or aircraft between points within the Coverage Territory. This includes property you have sold and for which your responsibility continues until it is delivered.

2. The Transit Coverage – Property in the Care of Carriers for Hire also applies to:

**a. Expenses to Inspect, Repackage and Reship Damaged Shipments**

The necessary additional expenses you incur to inspect, repackage and reship Covered Property which is physically damaged as a result of a Covered Cause of Loss.

**b. Expenses to Protect Covered Property from Spoilage or Change in Temperature**

The necessary additional expense you incur to temporarily store Covered Property in a temperature controlled environment in order to avoid or minimize physical loss or physical damage to such property from spoilage or change in temperature. Such temporary storage must be made necessary by the sudden and accidental breakdown of heating or refrigeration unit(s) on transporting conveyances.

This additional expense will not include:

(1) Expenses to repair or replace heating or refrigeration unit(s);

(2) Costs or penalties due to detention or delay of any vehicles, trailers, conveyances or containers; or

(3) Costs for additional wages, room, board or meals.

**c. F.O.B. Shipments**

Outgoing shipments where the risk of physical loss or physical damage is transferred to the buyer when such property leaves your premises.

You must use all reasonable means to collect the amount due you from the buyer

before making a claim under this Transit Coverage. We will not make payment until you grant us the right of recovery against the buyer.

**d. Loading and Unloading**

Shipments during loading or unloading and within 500 feet of any transporting conveyance.

**e. Return Shipments**

Outgoing shipments which have been rejected by the consignee or are not deliverable, while:

- (1) In due course of transit, being returned to you; or
- (2) Up to 10 days after delivery or attempted delivery awaiting return shipment to you.

Payment under paragraphs **a., b., c., d. and e.** above will not increase the Transit Coverage Limit of Insurance.

**C. Under this Transit Coverage – Property in the Care of Carriers for Hire, we will not pay for:**

1. Property in the care, custody or control of your salespersons.
2. Mail shipments in the custody of the U.S. Postal Service.
3. Property of Others for which you are responsible as a:
  - a. Carrier for hire; or
  - b. Carloader, consolidator, broker, freight forwarder, shipping association, or other arranger of transportation.
4. Property in or on a motor vehicle you own, lease or operate.

**D. Limit of Insurance**

The Limit of Insurance shown in the Declarations for Transit Coverage – Property in the Care of Carriers for Hire is the most we will pay for all physical loss or physical damage in any one occurrence to property insured under this endorsement.

**E. Deductible**

We will not pay for physical loss or physical damage in any one occurrence until the amount of physical loss or physical damage exceeds \$250. We will then pay the amount of physical loss or physical damage in excess of \$250 up to the applicable Limit of Insurance.

**F. Additional Conditions**

**1. Valuation**

Property Loss Condition **E.5.** is deleted and replaced by the following:

**a. Valuation**

**(1) Property You Own**

The value of Covered Property will be the amount of invoice plus accrued charges, prepaid charges and charges since shipment; or

- (2) In the absence of an invoice, the value of Covered Property will be its actual cash value, with proper deduction for depreciation, at the point of destination on the date of expected arrival.**

**b. Property of Others**

The most we will pay for Covered Property owned by others is the lesser of:

- (1) Your legal liability for direct physical loss or physical damage to such property; or**
- (2) What we would pay if you had owned the property.**

**2. Impairment of Rights of Recovery**

We will not pay for physical loss or physical damage, if you impair our rights to recover damages from any carrier for hire. But you may accept from carriers for hire bills of lading, receipts or contracts of transportation which contain a limitation of value.





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

## **ACCOUNTS RECEIVABLE**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

**A.** When shown in the Declarations as applicable, the Limit of Insurance stated in paragraph **A.5.a.(1)**, **Accounts Receivable**, in the Standard Property Coverage Form and **A.6.a.(1)**, **Accounts Receivable**, in the Special Property Coverage Form is replaced by the Limit of Insurance for Accounts Receivable shown in the Declarations. All other terms and conditions of the Accounts Receivable Coverage Extension apply to this Optional Coverage.

#### **B. Limit of Insurance**

The most we will pay under this coverage extension in any one occurrence is the Limit of Insurance shown in the Declarations for Accounts Receivable.

#### **C. Deductible**

We will not pay for loss in any one occurrence unless the amount of loss exceeds the policy deductible stated in the Declarations. We will then pay the amount of loss in excess of the Deductible, up to the Limit of Insurance.

#### **D. Additional Conditions**

- (1) If you cannot accurately establish the value of accounts receivable outstanding as of the time of direct physical loss or physical damage the following method will be used:
  - (a) Determine the total of the average monthly value of accounts receivable for the 12 months immediately preceding the month in which the direct physical loss or physical damage occurred; and
  - (b) Adjust that total for any normal fluctuations in the value of accounts receivable for the month in which the direct physical loss or physical damage occurred or for any demonstrated variance from the average for that month.
- (2) The following will be deducted from the total value of accounts receivable, however that value is established:
  - (a) The value of the accounts for which there is no loss or damage;
  - (b) The value of the accounts that you are able to reestablish or collect;
  - (c) A value to allow for probable bad debts that you are normally unable to collect; and
  - (d) All unearned interest and service charges.



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

## **COMPUTERS AND MEDIA**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

#### **A. Computer Equipment, Electronic Data and Software**

##### **1. Coverage**

We will pay for direct physical loss of or physical damage, to "computer equipment" and the cost to research, replace or restore physically lost or physically damaged "electronic data" and "software" subject to the Limit of Insurance shown in the Declarations for Computers and Media while anywhere within the coverage territory, and while in transit, but only if:

- a. Owned by you; or
- b. Owned by others but in your care, custody and control regardless of whether you use it for personal or business needs.

##### **2. Property Not Covered**

"Computer Equipment" as used in this optional coverage does not include:

- a. Source documents, other than manuals purchased with hardware or "software";
- b. Worksheets and printouts;
- c. Property held for sale or lease;
- d. Property leased or rented to others; or
- e. "Money", deeds, notes, "securities" or other financial instruments, including such instruments in electronic form.

##### **3. Extended Causes of Loss**

Direct physical loss or physical damage to your "computer equipment", "electronic data" or "software", or "computer equipment", "electronic data" or "software" of others in your care, custody or control is extended to include the following:

- a. Electromagnetic injury caused by:
  - (1) Blackout or brownout;

(2) Power Failure;

(3) Airport security check, or radio or telephone line interference; or

(4) Electromagnetic disturbance outside the "computer system".

b. Head crash, meaning physical damage to disks, tapes or hardware caused by a contact of electromagnetic heads (which read or write information) with such disks or tapes;

c. Damage caused by a "computer virus"; and

d. Theft of "computer equipment" away from the "scheduled premises". Theft means an act of stealing or an attempt to steal. Theft includes loss of property from a known place when it is likely that the property has been stolen.

##### **4. Exclusion**

We will not pay to research, replace or restore physically lost or physically damaged "electronic data" or "software" which is licensed, leased or rented to others.

##### **5. Deductible**

We will not pay for loss or damage in any one occurrence to "computer equipment" until the amount of loss or damage exceeds \$250, unless a separate deductible is stated in the Declarations for Computers and Media Coverage.

#### **B. Additional Coverage**

##### **1. Business Income and Extra Expense Coverage**

If Business Income and Extra Expense Coverage is included in this policy then the following applies.

##### **a. Coverage**

(1) Coverage under this endorsement applies to the following Additional

Coverages and Coverage Extensions in the Standard or Special Property Coverage Form with respect to "computer equipment", "electronic data" and "software":

- (a) Business Income;
- (b) Extra Expense;
- (c) Civil Authority;
- (d) Extended Business Income; and
- (e) Newly Acquired or Constructed Property Coverage.

(2) Coverage under this endorsement does not apply to any other Additional Coverage or Coverage Extension.

**b. Coverage Limitations**

The following limitations apply only if the physical loss or physical damage is a direct result of the **Extended Causes of Loss** for "computer equipment", "software" and "electronic data" as indicated below.

**(1) Limit of Insurance**

This Additional Coverage is included in the Limit of Insurance for Computers and Media shown in the Declarations when the actual loss of business income and extra expense you incur due to the necessary suspension (slowdown or cessation) of your operations is a result of:

- (a) A cause of loss included in **A.3.a.**, **b.** or **c.**, **Extended Causes of Loss**, of this endorsement; or
- (b) Physical damage or physical loss to "computer equipment", "electronic data", and "software" that was away from the scheduled premises at the time of loss.

This is not an additional limit of insurance.

**(2) Waiting Period**

We will not pay for any covered Business Income loss you sustain under this provision due to physical loss or physical damage to "electronic data", or "software" caused by a "computer virus" which results in the necessary suspension (slowdown or cessation) of your business described in the Declarations during the first 12 hours that immediately follow the start of such suspension. This Waiting Period applies independent of the deductible applicable to "Computer Equipment".

**2. Equipment Breakdown Coverage**

The Additional Coverage for Equipment Breakdown applies to "computer equipment",

"electronic data", and "software" when this endorsement is attached to the Special Property Coverage Form and Equipment Breakdown Additional Coverage is included on the policy.

**C. Exclusion of Certain Computer Related Losses**

The provisions of this endorsement do not override or in any way affect the application of the Exclusion of Certain Computer Related Losses if such exclusion is endorsed to or otherwise made a part of this policy. That exclusion addresses the inability of a "computer system" to correctly recognize process, distinguish, interpret or accept one or more dates or times.

**D. Exclusions**

1. Section **B. Exclusions**, of the Standard or Special Property Coverage Form do not apply to coverage provided by this endorsement, except for the exclusions of:

- a. Earth Movement;
- b. Governmental Action;
- c. Nuclear Hazard;
- d. War and Military Action; and
- e. Water.

**2. Additional Exclusions**

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

- a. Input, programming or processing errors;
- b. Mechanical breakdown or failure, however head crash will not be considered as a mechanical breakdown or failure.

This exclusion does not apply to "computer equipment", "electronic data", and "software" when this endorsement is attached to the Special Property Coverage Form and Equipment Breakdown Additional Coverage is included on the policy;

- c. Faulty construction, materials or workmanship;
- d. Error, omission or deficiency in design;
- e. Rust, corrosion, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- f. Dryness or dampness of atmosphere; changes in or extremes of temperature;
- g. Wear and tear, marring or scratching;
- h. Insects, birds, rodents, or other animals;
- i. Obsolescence;
- j. Dishonest or criminal acts by you, any of your partners, employees, trustees, authorized representatives or anyone to whom you entrust the property for any purpose, whether acting alone or in collusion with others;

- k. Unexplained disappearance, however we will cover theft of "computer equipment" as provided in provision **A.3.d.**;
- l. Unlawful trade, or seizure by orders of governmental authority;
- m. Delay or loss of market; and
- n. Theft of laptop, palmtop or similar portable property while in transit as checked baggage.

**E. Limit of Insurance**

The most we will pay for physical loss or physical damage in any one occurrence is the Limit of Insurance for Computers and Media shown in the Declarations.

**F. Loss Payment**

This Loss Payment condition is applicable to the "computer equipment", "electronic data", and "software" coverage provided by this endorsement. We will determine the value of Covered Property as follows:

1. "Computers," "peripheral devices", "media", and manuals at the full cost to repair or replace the property subject to the Limit of Insurance. However, we will not pay more for physical loss or physical damage on a replacement cost basis than the lesser of and the following:
  - a. The amount necessary to replace the item with similar property possessing the minimum characteristics necessary to perform the same functions when replacement with identical property is not possible or practical.
  - b. The amount necessary to repair or replace the item with one substantially identical to the physically lost or physically damaged item. In the event of a covered total loss to one or more items, we will allow up to 20% over the current replacement cost as described in this provision, as an Optional Upgrade Allowance for the purchase of new

property with upgraded processing or performance characteristics. This Optional Upgrade Allowance will, at our option, be payable after you have purchased the replacement property and have provided us with written proof of such purchases; or

- c. If the item is not repaired or replaced, we will not pay more than the actual cash value of the item at the time of physical loss or physical damage. If you elect this option, you have the right to make further claim within 180 days after loss for any additional payment on a replacement cost basis.

2. In the event of physical loss or physical damage to "electronic data" or "software", we will pay the reasonable amount you actually spend to reproduce, restore, or replace the physically lost or physically damaged "electronic data" or "software". This includes the cost of computer consultation services for restoration and the cost of research to reconstruct lost or damaged information. But we will not pay more than the Limit of Insurance for Computers and Media specified in the Declarations.
3. In the event of physical loss or physical damage to any part of "computer equipment", "electronic data" or "software", we will pay only what it would cost to replace, reproduce, or restore the physically lost or physically damaged part.

**G. Additional Definitions**

1. "Computer Virus" means a program, which is intentionally created to cause damage or disruption in the computer operations of a party using or coming in contact in any way with the program.
2. "Computer System" includes "computer", "peripheral devices", "software", and "electronic data" necessary for the "computer" to function for its intended purpose.



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

## **EMPLOYEE DISHONESTY COVERAGE**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

#### **A. COVERAGE**

1. The following is added to Paragraph **A.5.**, Additional Coverages, of the Special Property Coverage Form:

##### **Employee Dishonesty Coverage**

- (1) We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Causes of Loss.

Covered Property, solely as used in this Additional Coverage, means "money", "securities", and other tangible property of intrinsic value and not otherwise excluded.

Covered Causes of Loss means dishonest acts committed by an "employee", except you, whether identified or not, acting alone or in collusion with other persons, with the manifest intent to:

- (a) Cause you to sustain loss; and also
- (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions or other employee benefits earned in the normal course of employment) for:
  - (i) That "employee"; or
  - (ii) Any person or organization intended by the "employee" to receive that benefit.

##### **(2) Employee Dishonesty Additional Coverages:**

- (a) We will pay for loss of Covered Property arising out of a Covered

Cause of Loss caused by any "employee" while temporarily outside the Coverage Territory for a period of not more than 90 days.

- (b) We will pay for any loss of Covered Property arising out of a Covered Cause of Loss caused by your "employee" while at the premises of your client or customer.

Any claim for loss sustained by any client or customer and covered by this policy may only be made by you in your Proof of Loss. No third party has a direct right against this insurance and no third party may make a direct claim against us as the writer of your insurance.

##### **(3) Coverage under the Employee Retirement Income Security Act of 1974, as amended ("ERISA")**

- (a) We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Causes of Loss.

Covered Property, solely as applicable to ERISA coverage, means the funds or other property of any employee pension benefit plan or employee welfare benefit plan that:

- (i) Is subject to (and not exempt from) the bond requirement set forth in Section 412 of ERISA, and
- (ii) You establish and maintain for your employees (a "Plan")

and which is not otherwise excluded.

Covered Causes of Loss, solely as applicable to ERISA coverage,

means an act of fraud or dishonesty committed by an "employee", except you, whether identified or not, acting alone or in collusion with other persons, that results in a loss to a Plan of funds or other property which is used or may be used to pay benefits under the Plan. "Covered Causes of Loss" does not include investment losses or any other loss resulting from a breach of fiduciary duty under ERISA or a prohibited transaction as defined by ERISA and for which coverage is not required by Section 412 of ERISA.

**(b) Welfare and Pension Plan ERISA Compliance**

In compliance with certain provisions of the ERISA:

- (i) For the purposes of this insurance, the Plans you establish and maintain for the benefit of your employees shall be Named Insureds under this Employee Dishonesty Coverage.
- (ii) "Employee" includes any natural person you employ and any owner, officer, trustee or director of your company who "handles" the funds or other property of the Plan (as defined in 29 C.F.R. 2580.412-6) including, but not limited to, the Plan Administrator. "Employee" does not include any third party (including but not limited to a broker, independent contractor, record keeper, payroll provider, trustee or other fiduciary) who provides services to you or to a Plan.
- (iii) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance under this Employee Dishonesty Coverage Form that is sufficient to provide an amount of insurance for each Plan that is at least equal to that required if each Plan were separately insured.
- (iv) If the insured first named in the Declarations is an entity other than a Plan, any payment we make to that insured for loss sustained by any Plan must be

paid promptly into such plan for the use and benefit of the Plan(s) sustaining the loss.

- (v) If two or more Plans are insured under this insurance, any payment we make for loss either sustained by two or more plans, or of commingled funds or other property of two or more Plans that arises out of one occurrence, is to be shared by each Plan sustaining loss in the proportion that the amount of insurance required for each such Plan under ERISA provisions bears to the total of those amounts.

**(4) Theft Limitation Exception**

Limitation **A.4.c.**, of the Special Property Coverage Form does not apply to coverage provided by this endorsement.

**(5) Additional Exclusions**

**(a) Employee Terminated Under Prior Insurance**

We will not pay for loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been terminated and not reinstated since the last such termination.

**(b) Insurance Operations**

We will not pay for direct or indirect loss resulting from contractual or extra-contractual liability sustained by you in connection with the issuance of contracts or purported contracts of insurance, indemnity or suretyship.

**(c) Inventory Shortages**

We will not pay loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

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

**(d) Partners**

We will pay only for loss caused by any partner or member of a limited liability corporation that is in excess of the sum of:

- (i) Any amounts you owe that partner or member; and
- (ii) The value of that partner's or member's ownership interest determined by the closing of

you organization's books on the date of discovery of the loss by anyone in your organization not involved in the Employee Dishonesty; and

(iii) Any applicable deductible amount.

**(e) Trading Loss**

We will not pay for loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account if such loss does not result from dishonesty or fraud.

**(6) Additional Conditions**

**(a) Termination As To Any "Employee"**

This insurance is terminated as to any "employee":

(i) Immediately upon discovery by you, or any of your partners, officers or directors not in collusion with the "employee", of any dishonest or fraudulent act committed by that "employee" whether before or after becoming employed by you; or

(ii) On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last mailing address known to us will be sufficient proof of notice. Delivery of notice is the same as mailing.

**(7) Limit of Insurance**

The most we will pay for each occurrence of loss under this Additional Coverage is the Employee Dishonesty Limit of Insurance stated in the Declarations.

**(8) Deductible**

We will not pay for loss in any one occurrence unless the amount of loss exceeds the Deductible shown Paragraph **D.5.** the Special Property Coverage Form, unless a separate Deductible for Employee Dishonesty applies and is stated in the Declarations. We will then pay the amount of the loss in excess of the Deductible, up to the Limit of Insurance.

No deductible applies to the coverage granted in Paragraph **A.1.(3)** of this endorsement.

**(9) Occurrence Definition**

As used in this Additional Coverage, occurrence means all loss caused by, or involving, one or more "employees", whether the result of a single act or series of acts.



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

## **OUTDOOR SIGNS**

This endorsement modifies insurance provided under the following:

**STANDARD PROPERTY COVERAGE FORM  
SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

**A.** We will pay for direct physical loss of or physical damage to all outdoor signs at the “scheduled premises”:

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

**B.** Paragraph **A.3.**, Covered Causes of Loss, and Section **B.**, Exclusions, do not apply, to this Optional Coverage, except for:

- (1) Governmental Action;
- (2) Nuclear Hazard; and
- (3) War and Military Action.

**C. Additional Exclusion**

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

- (1) Wear and tear;
- (2) Hidden or latent defect;
- (3) Rust;
- (4) Corrosion; or
- (5) Mechanical breakdown.

**D. Limit of Insurance**

The most we will pay for physical loss or physical damage in any one occurrence is the Limit of Insurance for Outdoor Signs shown in the Declarations.

**E.** The provisions of this Optional Coverage supersede all other references to outdoor signs in this policy.





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

## **PERSONAL PROPERTY OF OTHERS**

This endorsement modifies insurance provided under the following:

**STANDARD PROPERTY COVERAGE FORM  
SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

We will pay, on replacement cost basis, for direct physical loss or physical damage by a Covered Cause of Loss to Personal Property of Others that is in your care, custody and control.

The most we will pay for direct physical loss or physical damage in any one occurrence is the Limit of Insurance applicable to Personal Property of Others shown in the Declarations.



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

## **TEMPERATURE CHANGE**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

**A.** We will pay for direct physical loss of or physical damage to "perishable stock" at the "scheduled premises" caused by or resulting from:

1. A change in temperature or humidity resulting from:

(a) Mechanical breakdown or failure of:

- (1) Stationary heating plants; or
- (2) Refrigerating, cooling or humidity control apparatus or equipment;

But only while such plants, equipment or apparatus are at the "scheduled premises".

(b) Complete or partial failure of electric power, either on or away from your "scheduled premises". Such failure of power must be due to conditions beyond your control; or

2. Contamination by a refrigerant.

### **B. SELLING PRICE**

We will determine the value of finished "perishable stock" in the event of direct physical loss or physical damage at the selling price, as if no physical loss or physical damage had occurred less discounts and expenses you otherwise would have had.

**C.** We will not pay for direct physical loss of or physical damage to "perishable stock" located:

1. On buildings;
2. In the open; or
3. In vehicles, other than trailers used for storage located within 1000 feet of the "scheduled premises".

### **D. EXCLUSIONS**

1. The following exclusions under SECTION **B** - EXCLUSIONS are deleted:

(a) Ordinance or Law;

(b) Power Failure; and

(c) Mechanical Breakdown in the Standard Property Coverage Form.

2. The following exclusions are added:

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

(a) The disconnecting of any of the following systems from the source of power:

(1) Refrigerating;

(2) Cooling; or

(3) Humidity control.

(b) The loss of electrical power caused by the shutting off of any switch or other device used to control the flow of electric power or current.

(c) The inability of an electrical utility company, your stationary heating plant or any other power source to provide sufficient heat or power due to:

(1) Lack of fuel;

(2) Lack of capacity to make enough heat or power; or

(3) Order of the government.

(d) Breaking of any glass that is a permanent part of a refrigerating, cooling or humidity control unit.

### **E. DEDUCTIBLE**

We will not pay for loss in any one occurrence unless the amount of loss exceeds the deductible stated in paragraph **D.5.** of the Standard Property Coverage Form or **D.5.** of the Special Property Coverage Form., unless a different deductible is stated in the

Declarations for Temperature Change. We will then pay the amount of loss in excess of the deductible, up to the Limit of Insurance.

**F. LIMIT OF INSURANCE**

The most we will pay for direct physical loss or physical damage in any one occurrence is the Limit of Insurance for Temperature Change shown in the Declarations.

**G. ADDITIONAL CONDITIONS**

1. We will pay for direct physical loss or physical damage under this Optional Coverage only when:
  - (a) Such physical loss or physical damage is not covered elsewhere in this policy or any other policy that insures the "perishable stock" at the "scheduled premises"; and
  - (b) This Temperature Change coverage is shown as a specific item of insurance in the Declarations.
2. In the event of physical loss or physical damage, none of the other coverages under this policy or any other policy will share in its payment unless the provisions of the policy are similar to the provisions of this Optional Coverage.
3. We will not pay more than the Limit of Insurance shown in the Declarations for the Temperature Change.

**H. ADDITIONAL DEFINITIONS**

For the purpose of this insurance:

1. "Mechanical breakdown" means:
  - (a) Breaking or separation of any mechanical part(s) other than gas pipes or lines; or
  - (b) Burning out of any electrical motor servicing such unit; andrequiring replacement of the damaged parts to become functional.

But "mechanical breakdown" does not mean faulty operation or failure of equipment which results in temperature change but does not require replacement of broken parts.

We will not pay for direct physical loss or physical damage to "perishable stock" caused by such faulty operation or failure of equipment.
2. "Perishable stock" means personal property:
  - (a) Maintained under controlled conditions for its preservation; and
  - (b) Susceptible to direct physical loss or physical damage if the controlled conditions change.



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

## **VALUABLE PAPERS AND RECORDS**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

**A.** We will pay for direct physical loss of or physical damage to the following types of property at the "scheduled premises" that is your property or property of others in your care, custody or control:

Valuable Papers and Records, meaning inscribed, printed or written:

- (1) Documents;
- (2) Manuscripts;
- (3) Records including patient records; or
- (4) X-Rays

including abstracts, books, deeds, drawings, films, maps or mortgages.

**But Valuable Papers and Records does not include:**

- (1) Property that cannot be reproduced, replaced or restored;
- (2) "Money" and "Securities";
- (3) Converted data; or
- (4) Programs or instructions used in your data processing operations, including the material on which the data is recorded.

**B. Limit of Insurance**

The most we will pay for direct physical loss or physical damage in any one occurrence is the Limit of Insurance for Valuable Papers and Records shown in the Declarations.

**C. Deductible**

We will not pay for loss in any one Occurrence unless the amount of loss exceeds the policy deductible stated in the Declarations. We will then pay the amount of loss in excess of the Deductible, up to the Limit of Insurance.

**D.** Under this Optional Coverage we will not pay for property:

- (1) Held as samples or for delivery after sale;
- (2) In storage away from the premises shown in the Declarations; or
- (3) If such property can not be replaced with other property of like kind and quality.

**E.** With respect to this Optional Coverage, Coverage Extension **A.5.h.**, Property Off-Premises in the Standard Property Coverage Form and Coverage Extension **A.6.h.**, Property Off-Premises in the Special Property Coverage Form are replaced by the following:

1. You may apply the insurance provided under this Optional Coverage to Valuable Papers and Records while such property is not at the "scheduled premises", including while in transit. The most we will pay for direct physical loss or physical damage under this Coverage Extension is 25% of the Limit of Insurance shown in the Declarations for Valuable Papers and Records but not more than \$25,000.
2. However, if Valuable Papers and Records – Off-Premises is scheduled in the Declarations, then the limit in E.1. above is replaced by the limit of insurance shown in the Declarations for Valuable Papers and Records – Off-Premises.

**F.** The Valuable Papers and Records Coverage Extension, paragraph **A.5.i.** in the Standard Property Coverage Form and paragraph **A.6.i.** in the Special Property Coverage Form., do not apply to any premises where this Optional Coverage applies.

**G.** With respect to coverage provided by this endorsement, paragraph **E.5.d.(6)** in the Standard Property Coverage Form and in the Special Property Coverage Form are replaced by the following:

- (6) We will determine the value of "Valuable Papers and Records" at the cost of:
  - a. Blank materials for reproducing the records; and

- b. The reasonable cost to research, replace or restore the lost information.

**H. Section B. Exclusions** does not apply to this Optional Coverage except for:

- (1) Governmental Action;
- (2) Nuclear Hazard; and
- (3) War and Military Action.

**I. Additional Exclusions**

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

- (1) Dishonest acts by:
  - (a) You, or your employees or authorized representatives;
  - (b) Anyone else with an interest in the property, or their employees or authorized representatives; or

- (c) Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

But this exclusion does not apply to a carrier for hire.

- (2) Errors or omissions in processing or copying.  
But we will pay for direct physical loss or physical damage caused by resulting fire or explosion.
- (3) Electrical or magnetic injury, disturbance or erasure of electronic recordings.  
But we will pay for direct physical loss or physical damage caused by lightning.
- (4) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (5) Unauthorized instructions to transfer property to any person or to any place.



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

## **CRIME COMMON CONDITIONS AND EXCLUSIONS**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

The following conditions are added the **Standard Property Coverage Form** and the **Special Property Coverage Form**.

#### **A. CRIME COMMON CONDITIONS**

##### **1. Consolidation - Merger**

If through consolidation or merger with, or purchase of assets of, some other entity:

- a. Any additional persons become "employees" ;  
or
- b. You acquire the use and control of any additional premises;

any insurance afforded for "employees" or premises also applies to those additional "employees" and premises, but only if you:

- (1) Give us written notice within 60 days thereafter; and
- (2) Pay us an additional premium.

##### **2. Discovery Period for Loss**

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

Discovery of loss occurs when you first become aware of facts which would cause a reasonable person to assume that a loss covered by this policy has been, or may be incurred even though the exact amount or the details of the loss may not then be known.

Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts, which if true, would be a covered loss under this policy.

##### **3. Joint Insured**

- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- c. An "employee" of any Insured is considered to be an "employee" of every Insured.
- d. If this insurance or any of its coverages is canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all the loss had been sustained by one Insured.

##### **4. Legal Action Against Us**

The following replaces the Legal Action Against Us in the Property Loss Conditions:

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

- a. There has been full compliance with all of the terms of this Coverage Part; and
- b. The action is brought within 2 years after the date on which you discover the loss .

## 5. Loss Sustained During Prior Insurance

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

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

b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

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

## 6. Non-Cumulation of Limit of Insurance

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

## 7. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate

If any loss is covered under this policy and under any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest, we will not pay more than the highest single Limit of Insurance. We will settle such claim as follows:

- a. We will first pay the Limit of Insurance applicable under this policy subject to this policy's applicable deductible; then
- b. If the Limit of Insurance under that prior policy is equal to or less than the Limit of Insurance under this policy, we will make no further payment; or
- c. If the Limit of Insurance under that prior policy is higher than the Limit of Insurance under this policy, we will then pay for any remaining part of the loss.

But in no event will our total payment for loss be more than would be payable under the policy with the highest Limit of Insurance.

We will also apply any deductible under that prior policy to the extent it exceeds the deductible under this policy.

## 8. Ownership of Property, Interests Covered

The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

## 9. Policy Period

- a. The Policy Period is stated in the Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, **A.5.** above, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

## 10. Recoveries

The following replaces the Recovered Property in the Property Loss Conditions:

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

## B. CRIME COMMON EXCLUSIONS

The following are Exclusions replace the Exclusions in Section B:

### 1. Governmental Action

We will not pay for loss resulting from seizure or destruction of property by order of governmental authority.

## 2. Indirect Loss

We will not pay for loss that is an indirect result of any act or occurrence covered by this insurance including, but not limited to, loss resulting from:

- a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
- b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

## 3. Legal Expenses

We will not pay for expenses related to any legal action.

## 4. Nuclear Hazard

We will not pay for loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

## 5. War and Similar Actions

We will not pay for loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

## C. CRIME COMMON DEFINITIONS

The following is added to Definitions

**"Employee"** means:

1. Any natural person:
  - a. While in your service (and for 60 days after termination of service); and
  - b. Whom you compensate directly by salary, wages or commissions; and
  - c. Whom you have the right to direct and control while performing services for you;
2. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding, however, any such person while having care and custody of property outside the premises;

3. Any natural person who is your partner or member of a limited liability corporation.
4. Any natural person, whether or not compensated, while performing services for you as the chairman or a member of any committee;
5. Any natural person who is a non-compensated officer;
6. Any natural person who is a director or trustee while acting as a member of any of your elected or appointed committees or while acting within the scope of the usual duties of an "employee";
7. Any natural person who is a non-compensated volunteer, other than one who is a fund solicitor, while performing services for you that are usual to the duties of an "employee";
8. Any natural person who is a former employee, director, partner, member, representative or trustee retained as a consultant while performing services for you;
9. Any natural person who is a student intern who is pursuing studies or acting within the scope of the usual duties of an "employee" ;
10. Any natural person, who is a student enrolled in your facility, while handling or has possession of property or funds in connection with sanctioned student activities;
11. The spouses of and children over 18 years old who reside with any "employee" who is a building manager, superintendent or janitor.

Each family is deemed to be, collectively, one "employee" for the purposes of this insurance, except that any Termination Condition applies individually to the spouse and children.

### **"Employee" does not mean:**

- (1) An agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (2) Any manager, director, partner, member or trustee, except while acting within the scope of the usual duties of an "employee" .





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

## **FORGERY COVERAGE**

**(Including Credit Cards, Currency and Money Orders)**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

**The following is added to Additional Coverages:**

#### **A. FORGED OR ALTERED INSTRUMENTS COVERAGE**

##### **1. Covered Property**

Covered Property means the following instruments:

- a. Checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you;
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn; and

- b. Written instruments required in conjunction with any credit, debit or charge card issued to you or any "employee" for business purposes.

##### **2. Covered Causes of Loss**

Covered Causes of Loss means forgery or alteration.

##### **3. Legal Expense Additional Coverage**

If you are sued for refusing to pay any Covered Instrument 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 and pay in that defense. This payment is in addition to the applicable Limit of Insurance. The Deductible does not apply to this Coverage Extension.

##### **4. Additional Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Crime Common Conditions and Exclusions Form.

- a. We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.
- b. You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.
- c. The Coverage Territory is revised to cover loss you sustain anywhere in the world.

##### **5. Exclusion**

The following Exclusion applies in addition to the Exclusions in the Crime Common Conditions and Exclusions.

We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, or trustees:

- a. Acting alone or in collusion with other persons; or
- b. While performing services for you or otherwise.

## **B. COUNTERFEIT CURRENCY AND MONEY ORDERS COVERAGE**

### **1. Covered Property**

Covered Property means the following:

We will pay for loss directly resulting from

- a. Money orders, including counterfeit money orders, of any United States or Canadian post office, express company or national or state (or Canadian) chartered bank that are not paid upon presentation; and
- b. Counterfeit United States or Canadian paper currency.

### **2. Covered Causes of Loss**

Covered Causes of Loss means the acceptance of Covered Property in good faith, in exchange for merchandise, money or services, during the regular course of business.

### **3. Exclusions**

The following Exclusion applies in addition to the Exclusions in the Crime Common Conditions and Exclusions.

- a. We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, trustees or authorized representatives:
  - (1) Acting alone or in collusion with other persons; or
  - (2) While performing services for you or otherwise.

- b. We will not pay for loss resulting from the giving or surrendering of property in any exchange or purchase.
- c. We will not pay for loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

## **C. DEDUCTIBLE**

We will not pay for loss in any one Occurrence unless the amount of loss exceeds the **Deductible** stated in the Declarations. We will then pay the amount of loss in excess of the Deductible, up to the Limit of Insurance.

## **D. LIMIT OF INSURANCE**

The most we will pay for each Occurrence of loss under this Endorsement is the Forgery Limit of Insurance stated in the Declarations.

The Additional Coverages are included in this Limit of Insurance.

## **E. OCCURRENCE DEFINITION**

1. For Forged or Altered Instruments Coverage, **Occurrence** means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments of Covered Property.
2. For Counterfeit Currency and Money Order Coverage, **Occurrence** means an:
  - a. Act or series of related acts involving one or more persons; or
  - b. Act or event, or series of related acts or events not involving any person.



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

## **OFF-PREMISES UTILITY SERVICES – DIRECT DAMAGE**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

#### **A. DIRECT DAMAGE EXTENSION FOR OFF-PREMISES UTILITY SERVICES**

This Coverage Extension applies only to the "scheduled premises" shown in the Declarations with a Utility Services Limit of Insurance. The Utility Services Limit of Insurance is part of, not in addition to, the Limit of Insurance stated in the Declarations as applicable to the Covered Property.

We will pay for direct physical loss of or physical damage to Covered Property described in the Declarations caused by the interruption of utility service to the "scheduled premises". The interruption must result from direct physical loss or physical damage by a Covered Cause of Loss to the following property, not on the "scheduled premises":

1. "Water Supply Services";
2. "Communication Supply Services"; or
3. "Power Supply Services".

#### **B. ADDITIONAL DEFINITIONS**

1. **"Water Supply Services"**, meaning the following types of property supplying water to the "scheduled premises":
  - a. Pumping stations; and
  - b. Water mains.
2. **"Communication Supply Services"**, meaning property supplying communication services, including telephone, radio, microwave or television services, including overhead transmission lines to the "scheduled premises", such as:
  - a. Communication transmission lines, including optic fiber transmission lines;
  - b. Coaxial cables; and
  - c. Microwave radio relays except satellites.
3. **"Power Supply Services"**, meaning the following types of property supplying electricity, steam or gas, including overhead transmission lines to the "scheduled premises":
  - a. Utility generating plants;
  - b. Switching stations;
  - c. Substations;
  - d. Transformers; and
  - e. Transmission Lines.



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

## **FOOD CONTAMINATION COVERAGE**

This endorsement modifies insurance provided under the following:

### **STANDARD PROPERTY COVERAGE FORM SPECIAL PROPERTY COVERAGE FORM**

This coverage applies only when it is indicated in the Declarations. The provisions of this policy apply to the coverage stated in this endorsement, except as indicated below.

This insurance applies only when Business Income and Extra Expense Additional Coverage is included in the policy.

#### **A. COVERAGE**

We will pay the actual loss of Business Income and Extra Expense if your "operations" at any "scheduled premises" are ordered by a government authority to be suspended due to the discovery of or the suspicion of "food contamination".

"Food Contamination" means the incidence of food poisoning to one or more of your patrons that is caused by or results from tainted food you purchased, improperly stored, handled or prepared, or a communicable disease that was transmitted by you or one or more of your employees.

Extra Expense coverage is limited to the following:

1. The cost to clean and sanitize your equipment as required by the government authority;
2. The cost to replace food which is or is suspected of being contaminated; and
3. The cost of necessary medical tests or inoculations for your employees to prevent the spread of identified or suspected communicable diseases to your patrons through the ingestion of your food product.

Coverage begins at the time you were notified by the government authority to suspend your "operations" at a "scheduled premises" and ends with the notification to resume "operations" at that same "scheduled premises" from the same government authority.

#### **B. ADDITIONAL COVERAGE**

We will pay up to \$2,500 for the cost of advertising to regain customers following the notification to resume "operations" at that same "scheduled premises" by the same government authority.

This coverage ends 30 days after the government authority provides you with the notification to resume "operations" at that same "scheduled premises".

#### **C. LIMIT OF INSURANCE**

The most we will pay under this Additional Coverage, regardless of the number of patrons or locations involved in any one order by a governmental authority, is the Limit of Insurance shown in the Declarations for Food Contamination Coverage.

#### **D. EXCLUSIONS**

We will not pay any fines or penalties levied against you by the government authority as the result of the order of suspension due to the discovery of or the suspicion of "food contamination" at your "scheduled premises".