

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIER CONTRACTOR

Supplemental Endorsement

(No coverage is provided by this Summary. Actual coverage is in the form.)

SUMMARY OF COVERAGE AND LIMITS - SECTION I

<u>Page</u>	<u>Coverage</u>	<u>Limit</u>
3	Accounts Receivable - On Premises	\$ 25,000
3	- Off Premises	\$ 10,000
3	Appurtenant Structures	\$ 50,000
3	Arson, Theft, and Vandalism Rewards	\$ 7,500
3-5	Water Back-Up and Sump Overflow - Direct Damage	\$ 5,000
	- Business Income & Extra Expense	\$ 5,000
5	Brands and Labels	\$ 25,000
5	Business Income - Dependent Property	\$ 10,000
5-6	Business Income - Extended	90 days
6	Claims Expense	\$ 5,000
6-7	Computer Coverages - "Computers"	\$ 25,000
6-7	- Electronic Data	\$ 20,000
6-7	- Interruption of Computer Operations	\$ 20,000
7	Consequential Loss to "Stock"	\$ 10,000
7	Debris Removal	\$ 25,000
7	Deferred Payments	\$ 5,000
7	Employee Dishonesty	\$ 10,000
8	Fine Arts	\$ 10,000
8	Fire Department Service Charge	\$ 15,000
8	Fire Extinguisher Systems Recharge Expense	\$ 10,000
8-9	Food Spoilage	\$ 25,000
9	Forgery and Alterations	\$ 10,000
9	Increased Cost of Construction	\$ 35,000
10	Limitations - Theft - Furs, Fur Garments, and Garments trimmed with Fur	\$ 3,500
10	- Jewelry, Watches, Watch Movements, Jewels, etc.	\$ 3,500
10	- Patterns, Dies, Molds, and Forms	\$ 2,500
10	Lock and Key Replacement - Premises	\$ 1,000
10	Loss Payment on Merchandise Sold	\$ 10,000
10	Mobile Equipment	\$ 5,000
10	Money Orders and "Counterfeit Money"	\$ 10,000
10	Money, Securities, and Credit Card Slips - Inside the Premises	\$ 10,000
10	- Outside the Premises	\$ 5,000
10-11	Newly Acquired or Constructed Property - Building	\$ 500,000
11	- Business Personal Property	\$ 250,000
11	Non-Owned Detached Trailers	\$ 5,000
11-12	Outdoor Property Limitation of \$1,000 for any one tree, shrub, or plant	\$ 10,000
12	Outdoor Signs	\$ 5,000
12	Period of Restoration	24 hours
12	Personal Effects	\$ 10,000
12	Personal Property - Off Premises	\$ 15,000
12	Pollutant Clean Up and Removal	\$ 20,000
12	Preservation of Property	60 days

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

PREMIER CONTRACTOR

Supplemental Endorsement

SUMMARY OF COVERAGE AND LIMITS - SECTION I

<u>Page</u>	<u>Coverage</u>	<u>Limit</u>
13-14	Utility Service - Direct Damage	\$ 10,000
14-15	- Time Element	\$ 10,000
15	Valuable Papers and Records - On Premises	\$ 25,000
15	- Off Premises	\$ 10,000
15	Contractors' Property Coverages -	
15	Contract Penalty	\$ 5,000
15	Contractors' -	
15-18	1. Installation Coverage	\$ 10,000
18-19	2. Tools (Owned Tools Coverage - Replacement Cost Basis)	\$ 5,000
19-20	3. Employee Tools (Actual Cash Value Basis)	\$ 5,000
20	4. Equipment – Owned (Or In Your Care)	\$ 50,000
20-21	5. Equipment - Newly Purchased	\$ 50,000
21-22	6. Equipment - Rental Reimbursement (72-hour Waiting Period)	\$ 10,000

SUMMARY OF COVERAGE AND LIMITS - SECTION II

<u>Page</u>	<u>Coverage</u>	<u>Limit</u>
22-23	Additional Insured - Automatic Status When Required In An Agreement With You (Applies when the Named Insured is negligent) - Ongoing Operation - Products-Completed Operations	
23	State or Political Subdivisions - Permits Relating to Premises	
24	State or Political Subdivisions - Permits	
24-25	Aggregate Limits - Per Location	
25	Coverage Extension - Supplementary Payments - Bonds	\$ 2,500
25	- Expenses	\$ 500
25	Damage to Premises Rented To You - Fire Legal Liability	\$ 100,000
25	Duties in the Event of Occurrence, Offense, Claim, Or Suit	
25-66	Lost Key Coverage	\$ 5,000
26	Newly Formed or Acquired Organizations	180 days
26	Non-Owned Aircraft	Included
26	Voluntary Property Damage	\$ 1,000
26-27	Water Damage Legal Liability	\$ 25,000

SUMMARY OF COVERAGE AND LIMITS - SECTION III

27	Other Insurance
27	Unintentional Failure to Disclose Hazards

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

PREMIER CONTRACTOR

SUPPLEMENTAL COVERAGE ENDORSEMENT

The Supplemental Coverages and Extensions provided by this endorsement amend the Businessowners Coverage Form, **BP 00 03**.

These Coverages and Extensions are subject to all the terms, deductibles, exclusions, and conditions applicable to this policy, except where otherwise provided.

SECTION I - PROPERTY

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises. Any references in **SECTION I - PROPERTY** to 100 feet that appear in the Businessowners forms are amended to read 1,000 feet.

A. Accounts Receivable

Coverage Extension **A.6.f.(2)** is deleted and replaced by the following:

- (2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, which is in addition to any limit for Accounts Receivable shown in the Declarations.

For Accounts Receivable not at the described premises, the most we will pay is \$10,000.

This Extension is additional insurance.

B. Appurtenant Structures

Additional Coverages **A.5.s.** is added:

s. Appurtenant Structures

Covered Property is extended to include all garages, storage buildings, and appurtenant structures usual to the occupancy of the insured. The most we will pay under this Additional Coverage for any one structure is up to 10% of the Building Coverage limit at the described premises, not to exceed \$50,000.

C. Arson, Theft, and Vandalism Rewards

Additional Coverages **A.5.t.** is added:

t. Arson, Theft, and Vandalism Rewards

(This provision does not apply in New York.)

We will pay for rewards given to any person or persons other than you, your officers, your partners or "members", your "managers", your employees; or public police or fire officials for information leading to a conviction in connection with:

- (1) A fire loss to the described premises caused by arson;
- (2) An actual or attempted theft of "money" or other Covered Property; or
- (3) A vandalism loss to the described premises.

The most we will pay under this Additional Coverage is \$7,500, or the amount of the claim, whichever is less, per loss. This is the most we will pay regardless of the number of persons who provided information.

This coverage is in addition to the Limits of Insurance.

D. Water Back-Up and Sump Overflow

- (1) We will pay for direct physical loss or damage to Covered Property, covered under Section I - Property, caused by or resulting from:
 - (a) Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (b)** Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump, or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph **(1)(b)**, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

- (2)** The coverage described in Paragraph **(1)** above does not apply to loss or damage resulting from an insured's failure to:
 - (a)** Keep a sump pump or its related equipment in proper working condition; or
 - (b)** Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.
- (3)** The most we will pay for the coverage provided herein for all direct physical loss or damage to Covered Property is a Covered Property Annual Aggregate limit of \$5,000 per location.

The applicable Covered Property Annual Aggregate Limit of Insurance is the most we will pay herein for the total of all direct physical loss or damage sustained in any one policy year, regardless of the number of occurrences that cause or result in loss or damage to Covered Property. If loss payment for the first such occurrence does not exhaust the applicable Limit of Insurance, then the balance of that Limit is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

- (4)** The following provisions apply to Section I - Property and supersede any provisions to the contrary:

The most we will pay under:

- (a)** Paragraph **A.5.f.** Business Income Additional Coverage for all loss of Business Income you sustain due to the necessary suspension of your "operations" caused by direct physical loss or damage to Covered Property as described in Paragraph **(1)** herein; and
- (b)** Paragraph **A.5.g.** Extra Expense Additional Coverage for all necessary Extra Expense you incur and that you would not have incurred if there had been no direct physical loss or damage to Covered Property as described in Paragraph **(1)** herein;

is the Business Income And Extra Expense Annual Aggregate Limit of Insurance of \$5,000 per location.

The applicable Business Income And Extra Expense Annual Aggregate Limit of Insurance is the most we will pay herein for the total of all loss of Business Income you sustain and Extra Expense you incur in any one policy year, regardless of the number of occurrences that cause or result in loss or damage to Covered Property as described in Paragraph **(1)** herein. If loss payment during an earlier "period of restoration" in the policy year does not exhaust the applicable Limit of Insurance, then the balance of that Limit is available for loss of Business Income you sustain or Extra Expense you incur during a subsequent "period of restoration" beginning in, but not after, that policy year. With respect to a "period of restoration" which begins in one policy year and continues in a subsequent policy year(s), all loss of Business Income you sustain or Extra Expense you incur is deemed to be sustained or incurred in the policy year in which the "period of restoration" began.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (5) With respect to the coverage provided herein, the **Water** Exclusion in **Section I - Property** is replaced by the following exclusion:

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors, or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows, or other openings; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1. or 3., or material carried or otherwise moved by mudslide or mudflow.

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

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

E. Brands and Labels

Coverage Extension **A.6.g.** is added:

g. Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, and we take all or part of the property at an agreed or

appraised value, you may extend the insurance that applies to your Business Personal Property to pay 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 or its containers to comply with the law.

We will pay reasonable costs you incur to perform the activity described in (1) or (2) above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

The most we will pay for this Additional Coverage is \$25,000.

F. Business Income From Dependent Property

Additional Coverages **A.5.m.(1)** is deleted and replaced by the following:

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

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

The most we will pay under this Additional Coverage is \$10,000 which is in addition to any Limit of Insurance shown in the Declarations.

G. Extended Business Income

Additional Coverages **A.5.f.(2)(a)(ii)** is deleted and replaced by the following:

(2) Extended Business Income

- ii. 90 consecutive days after the date determined in Paragraph **(a)(i)** above,

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

unless a greater number of consecutive days is shown in the Declarations.

H. Claims Expense

Coverage Extension **A.6.h.** is added:

h. Claims Expense

You may extend the insurance provided by this Coverage Form to apply to all reasonable expenses you incur at our request to assist us in the investigation or defense of the claim, including actual loss of earnings up to \$500 a day, because of time off work. This includes the cost of taking inventories and preparing other documentation to show the extent of the loss.

The most we will pay for the preparation of claim data under this Extension is \$5,000. We will not pay for any expenses billed by or payable to insurance adjusters or attorneys, or any costs as provided in the Property Loss Condition, **E.2.** Appraisal.

I. Computer Coverage

Coverage Extension **A.6.i.** is added:

i. Computer Coverages

(1) Computers

Business Personal Property is extended to include \$25,000 of additional coverage on "computer(s)" that you own which are used in your business, and "computer(s)" of others in your care, custody, or control, subject to the perils, terms, and exclusion of the Business-owners policy.

This "computer(s)" coverage extension shall apply only when loss or damage is not covered by Equipment Breakdown Coverage, whether included in this policy or not, or by any other part of this policy, and its endorsements.

(2) Electronic Data

Paragraph **A.5.p.(3)** Electronic Data is deleted and replaced by the following:

The most we will pay under this Additional Coverage - Electronic Data for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or

the number of premises, locations, or computer systems involved is \$20,000, unless a higher Limit of Insurance is shown in the Declarations. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

(3) Interruption of Computer Operations

Paragraph **A.5.q.(3)** Interruption of Computer Operations is deleted and replaced by the following:

The most we will pay under this Additional Coverage - Interruption Of Computer Operations for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations, or computer systems involved, is \$20,000, unless a higher Limit of Insurance is shown in the Declarations. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

(4) Coverage Extensions (2) and (3) above apply only when Equipment Breakdown Coverage is purchased and provides \$40,000 Data Restoration coverage, including actual loss of Business Income you sustain, and necessary Extra

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

Expense you incur, as a result of an insured Data Restoration loss on the Equipment Breakdown Coverage form, whether included in this policy by endorsement or written separately elsewhere. In addition, Coverage Extensions **(2)** and **(3)** shall apply only when loss is not covered by Equipment Breakdown Data Restoration Coverage.

Therefore, if Paragraphs **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

A.5.a.(5) Example #2 is inapplicable to this limit increase.

J. Consequential Loss to "Stock"

Property Loss Conditions **E.9.** is added:

9. Consequential Loss to "Stock"

If a Covered Cause of Loss occurs to covered "stock", we will pay any reduction in value of the remaining undamaged parts of covered "stock".

Payment for any reduced value in "stock" is included within the applicable Limit of Insurance.

As used in this Extension, the term "stock" means merchandise held in storage or for sale, raw materials, and in process or finished goods, including supplies used in their packing or shipping.

The most we will pay for any reduced value in "stock" is \$10,000.

K. Additional Debris Removal

Additional Coverages **A.5.a.(4)** is deleted and replaced by the following:

(4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

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

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

L. Deferred Payments

Additional Coverages **A.5.u.** is added:

u. Deferred Payments

We will pay for expenses you incur due to your interest in Business Personal Property lost or damaged by a Covered Cause of Loss and sold by you under a conditional sale or trust agreement, or any installment or deferred payment plan after delivery to the buyer.

In the event of a loss under this Extension, coverage will be paid based on the value of the amount shown on your books as due from the buyer. In case of a partial loss and the buyer refuses to continue payment, forcing you to repossess, the amount of loss will be determined as follows:

(1) If the realized value of the repossessed property is equal to or greater than the amount shown on your books as due from the buyer, we will make no payment;

(2) If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference; or

(3) If a partial loss occurs and the buyer continues to pay you, there will be no loss payment made under this Extension.

The most we will pay under this Extension is \$5,000 for any one occurrence during the policy period.

M. Employee Dishonesty

Optional Coverages **G.3.** applies.

Optional Coverages **G.3.c.** is deleted and replaced by the following:

c. The most we will pay for loss or damage in any one occurrence is \$10,000, which is in addition to any limit shown in the Declarations.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

N. Fine Arts

Coverage Extensions **A.6.j.** is added:

j. Fine Arts

- (1) We will pay for direct loss of or damage to Fine Arts, whether owned by:
 - (a) You, or
 - (b) Others, and in your care, custody, and control.
- (2) Fine arts includes, but is not limited to, antiques, paintings, etchings, drawings, tapestries, sculptures, and fragile property such as porcelains, china, and marble.
- (3) The most we will pay for loss in any one occurrence under this Coverage Extension is \$10,000 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property. The amount payable under this Coverage Extension is additional insurance over the insurance available for Business Personal Property.

The value of fine arts will be the least of the following amounts:

- (1) The actual cash value of that property at the time of loss;
- (2) The cost of reasonably restoring that property to its condition immediately before loss; or
- (3) The cost of replacing that property with substantially identical property.

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

The Policy Deductible applies.

To Property Loss Conditions **E.** Paragraph **10.** is added:

- 10.** In case of loss to any part of a pair or set, we will:
 - a. Repair or replace any part to restore the pair or set to its value before the loss; or
 - b. Pay the difference between the value of the pair or set before and after the loss.

You must arrange for fine arts to be packed and unpacked by competent packers.

O. Fire Department Service Charge

Additional Coverages **A.5.c.** is deleted and replaced by the following:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$15,000 for your liability for Fire Department Service Charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

We do not pay loss to any responding governmental agency or department other than a fire department.

P. Fire Extinguisher Systems Recharge Expense

Additional Coverages **A.5.o.(3)** is deleted and replaced by the following:

o. Fire Extinguisher Systems Recharge Expense

- (3) The most we will pay under this Additional Coverage is \$10,000 in any one occurrence.

No Deductible applies to this Additional Coverage.

Q. Food Spoilage Coverage

Coverage Extensions **A.6.m.** is added:

m. Food Spoilage Coverage

You may extend the insurance provided under this Coverage Form to insure against direct physical loss or damage by a Covered Cause of Loss, but only with respect to this Coverage Extension, to "Food Stock" or Food Merchandise, meaning property that is:

- (1) Owned by you and held for sale or sold but not delivered, including property of others that is in your care, custody, or control; and
- (2) Which is contained in any refrigeration unit at the premises described in the Declarations.

This Extension does not apply to loss or damage to heating, refrigerating, cooling, or humidity control equipment.

As used in this Extension only, Covered Causes of Loss means:

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (1) Breakdown or contamination, meaning:
 - (a) Change in temperature or humidity resulting from mechanical breakdown or failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and
 - (b) Contamination by the refrigerant.
- (2) Power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

Only with respect to this Food Spoilage Coverage Extension, the following Exclusions are deleted from Paragraph B. Exclusions:

- (1) **B.1.e. Utility Services**
- (2) **B.2.a. Electrical Apparatus**
- (3) **B.2.I.(6) Mechanical Breakdown**
- (4) **B.2.I.(7) Changes in Temperature or Humidity**

The following Exclusions are added, but only with respect to this Coverage Extension:

We will not pay for loss or damage under this Coverage Extension resulting from:

- (1) The disconnection of any refrigerating, cooling, or humidity control system from the source of power; or
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.

If you voluntarily terminate any maintenance agreement you have on refrigeration equipment and do not notify us within 10 days, the insurance provided by this endorsement under the Breakdown or Contamination Covered Cause of Loss will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location.

The most we will pay under this Coverage Extension is \$25,000 in any one occurrence.

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500. We will then pay the amount of loss or damage in excess of \$500, up to the limit of insurance provided by this Extension.

This Extension shall apply only when loss or damage is not covered by Equipment Breakdown Insurance, whether included in this policy or not, or by any other part of this policy, and its endorsements.

R. Forgery Or Alteration

Additional Coverages **A.5.k.(4)** is deleted and replaced by the following:

k. Forgery Or Alteration

- (4) The most we will pay for any loss including legal expenses under this Additional Coverage is \$10,000, which is in addition to any limit shown in the Declarations.

S. Increased Cost Of Construction

Additional Coverages **A.5.I.(6)**, is deleted and replaced by the following:

I. Increased Cost Of Construction

- (6) The most we will pay under this Additional Coverage for each described building insured under Section I - Property is \$35,000. If a damaged building(s) is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage for each damaged building is \$35,000.

The amount payable under this Additional Coverage is additional insurance.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

T. Limitations - Theft

Paragraph **A.4.c.** is deleted and replaced by the following:

- c. For loss of damage by theft, the following types of property are covered only up to the limits shown:
 - (1) \$3,500 for furs, fur garments, and garments trimmed with fur;
 - (2) \$3,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum, and other precious alloys or metals. This limit does not apply to jewelry or watches worth \$100 or less per item; and
 - (3) \$2,500 for patterns, dies, molds, and forms.

U. Lock and Key Replacement - Premises

Coverage Extension **A.6.k.** is added:

k. Lock and Key Replacement - Premises

We will pay for replacement of premises locks or keys caused by the theft of keys from your premises. The most we will pay for loss under this Extension is \$1,000. Each loss for lock replacement covered by this Extension is subject to the Policy Deductible.

V. Loss Payment on Merchandise Sold

Coverage Extension **A.6.n.** is added:

n. Loss Payment on Merchandise Sold

You may extend the coverage that applies to your Business Personal Property to cover loss of or damage to merchandise that you have sold but not yet delivered.

The basis of the valuation of such merchandise shall be the price paid by the customer to the insured, not to exceed the amount for which the insured is legally liable.

The most we will pay under this Extension is \$10,000.

This is additional insurance.

The Policy Deductible applies.

W. Mobile Equipment

Coverage Extension **A.6.o.** is added:

o. Mobile Equipment

You may extend the insurance provided by the Businessowners Coverage Form to apply to your mobile equipment such

as fork lifts, lawn mowers, electric carts, tractors, and similar vehicles, which are used principally on the described premises to service the premises, or in your business. Such equipment must be principally kept on the described premises.

This Extension does not apply to vehicles which are licensed for use on public roads or insured elsewhere.

The most we will pay for loss or damage under this Extension is \$5,000.

The policy deductible applies, except to loss involving solely mobile equipment.

X. Money Orders and "Counterfeit Money"

The last sentence of Additional Coverages **A.j.** is deleted and replaced by the following:

The most we will pay for any loss under this Additional Coverage is \$10,000.

Y. Money, Securities, and Credit Card Slips

Optional Coverages **G.2.** applies.

Optional Coverages **G.2.c.** is deleted and replaced by the following:

- c. The most we will pay for loss in any one occurrence is:

- (1) \$10,000 for Inside the Premises for "money" and "securities" while:

- (a) In or on the described premises; or
- (b) Within a bank or savings institution; and

- (2) \$5,000 for Outside the Premises for "money" and "securities" while anywhere else;

which is in addition to any limit shown in the Declarations.

Credit card slips are included in this Optional Coverage, as defined in "Securities".

The Policy Deductible applies to each loss under this Optional Coverage.

Z. Newly Acquired or Constructed Property

Coverage Extension **A.6.a.** is deleted and replaced by the following:

(1) Buildings

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

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

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

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

(2) Business Personal Property

- (a) If this policy covers Business Personal Property, you may extend that insurance to apply to:
 - (i) Business Personal Property, including such property that you newly acquire, at any location you acquire;
 - (ii) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
 - (iii) Business Personal Property that you newly acquire, located at the described premises.

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

The most we will pay for loss or damage under this Extension is \$250,000 at each premises.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;

- (b) 180 days expire after you acquire the property or begin construction of that part of the building that would qualify as Covered Property; or
- (c) You report values to us.

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

AA. Non-Owned Detached Trailers

Business Personal Property is extended to cover detached trailers that you do not own provided that:

1. The trailer is used in your business;
2. The trailer is in your care, custody or control at the insured's premises described in the Declarations; and
3. You have a contractual responsibility to pay for loss or damage to the trailer.

We will not pay for any loss or damage that occurs:

1. While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
2. During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

We will pay up to \$5,000 for any one Covered Cause of Loss to non-owned trailers.

This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

The policy deductible applies, except to loss involving solely a non-owned detached trailer.

BB. Outdoor Property

Coverage Extension **A.6.c.** is deleted and replaced by the following:

- c. You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs, and plants, including debris removal expense. Loss of damage must be caused by or result from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (3) Explosion;
- (4) Riot or civil commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$10,000, unless a higher Limit of Insurance for Outdoor Property is shown in the Declarations, but not more than \$1,000 for any one tree, shrub, or plant.

This Extension is Additional Insurance.

CC. Outdoor Signs

Optional Coverages **G.1.** applies.

Optional Coverages **G.1.d.** is deleted and replaced by the following:

- d. The most we will pay for loss or damage in any one occurrence is \$5,000, which is in addition to any limit shown in the Declarations.

DD. Period of Restoration

Property Definitions **H.9.a.(1)(a)** is deleted and replaced by the following:

- (a) 24 hours after the time of direct physical loss or damage for Business Income Coverage; or

EE. Personal Effects

Coverage Extensions **A.6.d.** is deleted and replaced by the following:

d. Personal Effects

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or "members", your "managers", or your employees. This extension does not apply to:

- (1) Tools or equipment used in your business; or
- (2) Loss or damage by theft.

The most we will pay for loss or damage under this Extension is \$10,000 at each described premises.

This Extension is Additional Insurance.

FF. Personal Property Off Premises

Coverage Extensions **A.6.b.** is deleted and replaced by the following:

b. Personal Property Off Premises

You may extend the insurance provided by this policy to apply to your Covered Property, other than "money" and "securities", "valuable papers and records", or

accounts receivable, while it is in the course of transit or at a premises you do not own, lease, or operate.

The most we will pay for loss or damage under this Extension is \$15,000.

GG. Pollutant Clean Up and Removal

Additional Coverages **A.5.h.** is deleted and replaced by the following:

h. Pollutant Clean Up and Removal

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

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

The most we will pay for each location under this Additional Coverage is \$20,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

HH. Preservation Of Property

Additional Coverages **A.5.b.** is deleted and replaced by the following:

b. Preservation Of Property

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

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 60 days after the property is first moved.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

II. Utility Service

Coverage Extension **A.6.I.** is added:

(1) Direct Damage

SCHEDULE

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Water Supply (Check if Applies)	Communication Supply (Check if Applies)	Power Supply (Check if Applies)
				X	X
Enter Either "Includes" Or "Not Includes" Overhead Transmission Lines (If Applicable)					
All	All	\$10,000	X	Not Includes	Not Includes
Covered Property: Buildings and Business Personal Property					

(a) We will pay for loss of or damage to Covered Property described in the Schedule, caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph **(c)** if such property is indicated by an "X" in the Schedule.

(b) Exceptions
Coverage under this extension for loss of damage to Covered Property does not apply to loss or damage to "electronic data" including destruction or corruption of "electronic data".

(c) Utility Services

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

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

(ii) Communication Supply Services, meaning property supplying communication services, including

telephone, radio, microwave, or television services to the described premises, such as:

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

It does not include overhead transmission lines.

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

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

It does not include overhead transmission lines.

(d) The Utility Services Limit of Insurance shown in the Schedule is part of, not in addition to,

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

the Limit of Insurance stated in the Declarations as applicable to the Covered Property.

The Schedule above is the most we will pay for loss or damage under this Extension.

(2) Time Element

SCHEDULE

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Water Supply (Check if Applies)	Communication Supply (Check if Applies)	Power Supply (Check if Applies)
				X	X
Enter Either "Includes" Or "Not Includes" Overhead Transmission Lines (If Applicable)					
All	All	\$10,000	X	Not Includes	Not Includes
Covered Property: Buildings and Business Personal Property					

- (a) We will pay for loss of Business Income or Extra Expense at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph (c) of this endorsement if such property is indicated by an "X" in the Schedule.
- (b) **Exceptions**
Coverage under this extension for loss of damage to Covered Property does not apply to loss or damage to "electronic data" including destruction or corruption of "electronic data".
- (c) **Utility Services**
 - (i) Water Supply Services, meaning the following types of property supplying water to the described premises:
 - a) Pumping stations; and
 - b) Water mains.
 - (ii) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave, or television services to the described premises, such as:
 - a) Communication transmission lines, including optic fiber transmission lines;
 - b) Coaxial cables; and
 - c) Microwave radio relays except satellites.
 It does not include overhead transmission lines.
 - (iii) Power Supply Services, meaning the following types of property supplying electricity, steam, or gas to the described premises:
 - a) Utility generating plants;
 - b) Switching stations;
 - c) Substations;
 - d) Transformers; and

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

e) Transmission lines.

It does not include over-head transmission lines.

- (d)** The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the Schedule as applicable to the Covered Property.

A 48-hour waiting period applies.

The coverage limits shown for Direct Damage and for Time Element under Utility Services are **not** an additional amount of coverage.

JJ. Valuable Papers and Records

Coverage Extensions **A.6.e.(3)** is deleted and replaced by the following:

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

For "valuable papers and records" not at the described premises, the most we will pay is \$10,000.

This Extension is Additional Insurance.

KK. Contract Penalty

1. Coverage

We pay for the cost of contractual penalties for non-completion that you are assessed or are required to pay because you are unable to complete construction of a covered building or structure in accordance with the terms or conditions of the building contract.

2. Coverage Limitation

Your inability to complete construction on time must be as a direct result of a Covered Cause of Loss to a covered building or structure.

3. Limit

The most we pay in any one occurrence for all contractual penalties is \$10,000.

4. Penalties

Except as provided in Paragraphs **1.**, **2.**, and **3.** above, we do not pay for loss caused by penalties.

LL. Contractors' Installation, Tools, and Equipment Coverage Extensions

SCHEDULE

Item	Limit of Insurance	
Coverage 1 - Contractors' Installation Coverage		
1. Property at each covered job site	\$	10,000
2. Property in transit	\$	10,000
3. Property at a "temporary storage location"	\$	10,000
4. Property at all covered job sites combined	3 times the Limit of Insurance for property at each covered job site described in Item 1.	
Coverage 2 - Contractors' Tools		
Blanket Basis		
All Covered Property	\$	5,000 not in excess of \$2,000 for any one item
Coverage 3 - Employees' Tools		
All Covered Property	\$	5,000 not in excess of \$2,000 for any one item
Coverage 4 - Contractors' Equipment		
Blanket Basis		
All Covered Property (other than Newly Purchased)	\$	50,000
Newly Purchased	\$	50,000
Coverage 5 - Contractors' Equipment - Rental Reimbursement Coverage		
	\$	10,000

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

Section I - Property is amended as follows:

1. With respect to this coverage, Extension **LL**, the provisions of the Businessowners Coverage Form apply, unless modified herein.

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

b. Personal Property Off Premises

The Personal Property Off Premises Coverage Extension is amended by adding the following:

This extension does not apply to loss or damage to property covered under the following Coverage Extensions:

- (1) Coverage 1 - Contractors' Installation Coverage;
- (2) Coverage 2 - Contractors' Tools;
- (3) Coverage 3 - Employees Tools;
- (4) Coverage 4 - Contractors' Equipment Coverage; and
- (5) Coverage 5 - Contractors' Equipment - Rental Reimbursement Coverage.

3. The following is added to Paragraph **A.4.** Limitations:

d. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

Miscellaneous tools and equipment including their:

- (1) Accessories, whether or not attached; and
- (2) Spare parts, that are specifically designed and intended for use in the maintenance and operation of the miscellaneous tools and equipment;

that you own, or that you do not own but that are in your care, custody, or control, other than miscellaneous tools and equipment covered under the following Coverage Extensions:

- (1) Coverage 1 - Contractors' Installation Coverage;
- (2) Coverage 2 - Contractors' Tools;
- (3) Coverage 3 - Employees Tools;
- (4) Coverage 4 - Contractors' Equipment Coverage; and

(5) Coverage 5 - Contractors' Equipment - Rental Reimbursement Coverage.

e. We will not pay for loss of or damage to materials, supplies, equipment, machinery, and fixtures:

- (1) Owned by you; or
- (2) In your care, custody, or control; intended for installation:

- (1) By you; or
- (2) At your direction;

caused by or resulting from theft. In addition, we will not pay for any loss that is a consequence of loss or damage to such property.

However, this limitation does not apply to:

- (1) Property insured under Coverage Extension 1 - Contractors' Installation Coverage described in Paragraph **4.a.**;
- (2) Materials, supplies, equipment, machinery, and fixtures held for sale by you; or
- (3) Business Income Coverage or Extra Expense Coverage.

4. Coverage Extensions

a. Coverage 1 - Contractors' Installation Coverage

(1) The following is added to Paragraph **A.1.b.(2)** Business Personal Property:

This coverage also includes property sold under an installation agreement where your insurable interest continues until the property is accepted by the purchaser for whom the project is to be performed.

(2) In addition to Covered Property listed in Paragraph **A.1.b.**, you may extend the insurance that applies to Business Personal Property to apply to loss of or damage to the following property:

- (a) Materials, supplies, equipment, machinery, and fixtures owned by you or in your care, custody, or control, and which are to be installed by you or at your directions; and

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (b) Temporary structures built or assembled on site, including cribbing, scaffolding, and construction forms.

This property is covered while:

- (a) At any job site you do not own, lease, or operate;
 - (b) Awaiting and during installation, or awaiting acceptance by the purchaser;
 - (c) In transit; or
 - (d) At "temporary storage location".
- (3) Coverage provided under this Extension will end when one of the following first occurs:
- (a) This policy expires or is cancelled;
 - (b) The property covered under this Extension is accepted by the purchaser;
 - (c) Your interest in the property covered under this Extension ceases;
 - (d) You abandon the project to be performed by you for the purchaser, with no intention to complete it; or
 - (e) 90 days after the project to be performed by you for the purchaser is completed, unless we specify a different date in writing.
- (4) In addition to Property Not covered in Paragraph **A.2.** of the Business-owners Coverage Form, the following property is not covered with respect to this Extension:
- (a) An existing building or structure to which an addition, alteration, improvement, or repair is being made;
 - (b) Property stored at a permanent warehouse or storage yard that you own;
 - (c) A plan, blueprint, design, or specification;
 - (d) Trees, grass, sod, shrubbery, or plants; and
 - (e) Machinery, tools, equipment, supplies, or similar property that does not become a permanent

part of the project. This includes "contractors' equipment" and other tools belonging to a contractor or sub-contractor.

- (5) With respect to this Extension, the following additional exclusions apply:

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

- (a) The cost to make good or replace faulty or defective materials or workmanship;
- (b) Testing or commissioning except as provided by Paragraph (6);
- (c) A fault, defect, deficiency, error, or omission in a plan, blueprint, design, or specification;
- (d) The weight of a load when it exceeds the designed capacity of any property covered under this Extension to lift, move, or support the load from any position; or
- (e) Collision, upset, or overturn to any property covered under this Extension to the extent of any loss of or damage to the tires or inner tubes of such property. But we will pay for the loss of or damage to the tires or inner tubes if the same accident causes other covered loss to the same property covered under this Extension.

(6) Testing Coverage Supplement

We cover direct physical loss to covered property caused by or resulting from "cold testing", "hot testing", or "commissioning".

We only cover loss:

- a. To covered property that is part of an installation project; and
- b. Caused by or resulting from one of the types of testing listed under Additional Definitions below.

The most we will pay for loss caused by or resulting from "cold testing", "hot testing", or "commissioning" is \$10,000. The policy deductible applies.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

Additional Definitions applicable to this **Testing Coverage Supplement**:

- a. "Cold testing" means the checking of the component parts of equipment or machinery by mechanical, electrical, hydrostatic, or other forms of testing under dry run conditions. "Cold testing" does not include:
- (1) The firing of furnaces or any application of direct or indirect heat;
 - (2) The use of feedstock or other materials for processing; or
 - (3) The connection of electrical generating, transforming, converting, or rectifying equipment to a power grid or other load circuit.
- b. "Hot testing" means the checking of the component parts of machinery or equipment under load or operational conditions. "Hot testing" includes:
- (1) The firing of furnaces or any application of direct or indirect heat;
 - (2) The use of feedstock or other materials for processing or other means to simulate working conditions; or
 - (3) The connection of electrical generating, transforming, converting, or rectifying equipment to a power grid or other load circuit for the purposes of checking the equipment or machinery.
- c. "Commissioning" means the operation of equipment or machinery with feedstock or other materials for processing under production conditions for the purposes of attaining specification requirements or for training operational personnel.

(7) Limits Of Insurance

- (a) The most we will pay under Coverage Extension 1 - Contractors' Installation Coverage for direct physical loss of or damage to Covered Property described in the Schedule caused by or resulting from any Covered Cause of Loss:

- (i) At each covered job site;
 - (ii) On property in transit;
 - (iii) On property at a "temporary storage location"; or
 - (iv) At all covered job sites;
- is the Limit of Insurance shown in the Schedule.

b. Coverage 2 - Contractors' Tools

- (1) You may extend the insurance that applies to Business Personal Property in Paragraph **A.1.b.** to apply to miscellaneous tools including their:

- (a) Accessories, whether or not attached; and
- (b) Spare parts, that are specifically designed and intended for use in the maintenance and operation of property covered under this Extension;

that you own, or that you do not own but that are in your care, custody, or control, including non-owned tools leased or rented from others that are in your care, custody, or control.

- (2) With respect to this Extension, Paragraph **A.2.a.** is replaced by the following:

- a. Aircraft, watercraft, their equipment, or parts; automobiles; dealers' demonstration equipment, machinery, and vehicles; dirt bikes, house trailers, mobile homes, mopeds, motorcycles, motorized bicycles, tricycles, or all-terrain vehicles; snowmobiles, trucks, and vehicles primarily designed and licensed for road use;

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- (3) In addition to Property Not Covered in Paragraph **A.2.**, the following property is not covered with respects to this Extension:
- (a) Property while in caissons or underwater or while being used in underground mining, tunneling, or similar operations;
 - (b) Property you have loaned, rented, or leased to others;
 - (c) Property that is or will become a permanent part of any building or structure; or
 - (d) Property held for sale.
- (4) With respect to this Extension, Paragraph **(1)** of Exclusion **B.1.b.** Earth Movement does not apply to loss or damage caused directly or indirectly by earthquake.
- (5) With respect to this Extension, Exclusion **B.1.g.** Water does not apply to loss or damage caused directly or indirectly by flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.
- (6) With respect to this Extension the following additional exclusions apply:
We will not pay for loss or damage caused by or resulting from any of the following:
- (a) Theft of any property covered under this Extension from any unattended vehicle unless, at the time of theft, the vehicle's windows, doors, and compartments were closed and locked, and there are visible signs that the theft was a result of forced entry. But this exclusion does not apply to property in the custody of a carrier for hire.
- (7) **Limits of Insurance**
The most we will pay under Coverage Extension **2** - Contractors' Tools for the direct physical loss or damage to Covered Property on or away from the described premises caused by or resulting from any Covered Cause of Loss is \$5,000, subject to a limit for any one tool or piece of equipment of \$2,000.

(8) Valuation

With respect to Contractors' Tools, **E.6.** Property Loss Conditions - Loss Payment is deleted and replaced by the following:

6. Replacement Cost

The value of Contractors' Tools will be based on the replacement cost at the time of the loss without any deduction for depreciation.

a. Replacement Cost Limitation

The replacement cost is limited to the cost of repair or replacement with similar equipment and used for the same purpose. The payment will not exceed the amount you spend to repair or replace the damaged or destroyed property, subject to the limits of insurance.

b. Replacement Cost Does Not Apply Until Repair or Replacement

Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.

c. Time Limitation

You may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if you notify us of your intent within 180 days after the loss.

(9) Deductible Waiver

The policy deductible does not apply to Coverage Extension **2** - Contractors' Tools if, in a covered loss, you also incur an auto physical damage loss which we insure.

c. Coverage 3 - Employees' Tools Coverage

Covered Property includes your Employees' Tools which are used in connection with your operations.

The most we will pay under Coverage Extension **3** - Employees' Tools for the direct physical loss or damage to Covered Property on or away from the

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

described premises caused by or resulting from any Covered Cause of Loss is \$5,000, subject to a limit for any one tool or piece of equipment of \$2,000.

Coverage for Employees' Tools is on an actual cash value basis.

d. Coverage 4 - Contractors' Equipment Coverage

(1) You may extend the insurance that applies to Business Personal Property in Paragraph **A.1.b.** to apply to "contractors' equipment", including their:

- (a) Accessories, whether or not attached; and
- (b) Spare parts, that are specifically designed and intended for use in the maintenance and operation of property covered under this Extension;

that you own, or that you do not own but that are in your care, custody, and control.

(2) With respect to this Extension, Paragraph **A.2.a.** is replaced by the following:

a. Aircraft, watercraft, their equipment, or parts; automobiles; dealers' demonstration equipment, machinery, and vehicles; dirt bikes, house trailers, mobile homes, mopeds, motorcycles, motorized bicycles, tricycles, or all-terrain vehicles; snowmobiles, trucks, and vehicles primarily designed and licensed for road use;

(3) In addition to Property Not Covered in Paragraph **A.2.**, the following property is not covered with respect to this Extension:

- (a) Property while in caissons or underwater or while being used in underground mining, tunneling, or similar operations;
- (b) Property you have loaned, rented, or leased to others;
- (c) Property that is or will become a permanent part of any building or structure; or

(d) Property held for sale.

(4) With respect to this Extension, Paragraph (1) of Exclusion **B.1.b.** Earth Movement does not apply to loss or damage caused directly or indirectly by earthquake.

(5) With respect to this Extension, Exclusion **B.1.g. Water** does not apply to loss or damage caused directly or indirectly by flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

(6) With respect to this Extension the following additional exclusions apply: We will not pay for loss or damage caused by or resulting from any of the following:

(a) The weight of a load when it exceeds the designed capacity of any property covered under this Extension to lift, move, or support the load from any position.

(b) Collision, upset, or overturn of any property covered under this Extension to the extent of any loss of or damage to the tires or inner tubes of such property. But we will pay for the loss of or damage to the tires or inner tubes if the same accident causes other covered loss to the same property covered under this Extension.

(7) Newly Purchased Property

(a) Coverage

"Contractors' equipment" includes "contractors' equipment" that you purchase during the policy period.

(b) Time Limitation

We extend coverage to the additional "contractors' equipment" that you purchase for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- (i) This policy expires;

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

(ii) 60 days after you obtain the additional "contractors' equipment"; or

(iii) "You report the additional "contractors' equipment" to us.

(c) Additional Premium

You must pay any additional premium due from the date you purchase the additional "contractors' equipment".

(8) Limits of Insurance

(a) The most we will pay under Contractors' Equipment Coverage for the direct physical loss of or damage to Covered Property you own, or that you do not own but that are in your care, custody, or control, on or away from the described premises caused by or resulting from any Covered Cause of Loss is the actual cash value of the equipment at the time of the loss payment, subject to a limit of \$50,000 for all covered property.

(b) The most we will pay under Contractors' Equipment Coverage for the direct physical loss of or damage to Newly Purchased Property on or away from the described premises caused by or resulting from any Covered Cause of Loss is the actual cash value of the equipment at the time of the loss payment, subject to a limit of \$50,000 for all covered property..

e. Coverage 5 - Contractors' Equipment - Rental Reimbursement Coverage

(1) Coverage

In the event of a direct physical loss by a Covered Cause of Loss to your "contractors' equipment", we reimburse you for your expense to rent similar equipment while your equipment is inoperable. No deductible applies to a loss covered under this supplemental coverage.

(2) Waiting Period

We will not reimburse you for the rental of equipment until after the first 72 hours following the direct physical loss to "your" "contractors' equipment" caused by a Covered Cause of Loss.

(3) Incurred Rental Expenses

After the waiting period has passed, we will only reimburse you for the rental expenses that you actually incur.

(4) Coverage After Expiration Date

We will continue to reimburse you for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.

(5) Rental Reimbursement Expenses

The most we will pay for rental reimbursement expenses from a Covered Cause of Loss is \$10,000.

(6) Coverage Limitations

We will not reimburse you:

(a) If you can continue or resume your operations with similar "contractors' equipment" that is available to you at no additional expense to you; or

(b) For the rental expense of any equipment unless you make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.

5. The following is added to Section H. Property Definitions:

a. "Temporary storage location" means a location where property that is to become a permanent part of a completed project is stored while waiting to be delivered to a job site:

(1) That you do not own, lease, or operate; and

(2) Where work is in progress, or will begin in 30 days.

b. "Contractors' equipment" means machinery and equipment of a mobile nature that you use in your contracting, installation, erection, repair, or moving operations or projects.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

"Contractors' equipment" includes:

- (1) self-propelled vehicles designed and used primarily to carry mounted equipment; or
- (2) vehicles designed for highway use that are unlicensed and not operated on public roads.

6. For the coverage provided by Paragraph **LL.**, the definition of "specified causes of loss" in Paragraph **H.12.** Property Definitions is amended to include theft.

SECTION II - LIABILITY

A. Additional Insureds

Under Who Is An Insured, Paragraphs **C.4.**, **5.**, **6.**, and **7.** are added:

4. Additional Insured - Automatic Status When Required In An Agreement With You - Ongoing Operations

Any person or organization when you and such person or organization, other than a state or political subdivision, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. These persons or organizations include engineers, architects, surveyors, lessors, and controlling interests. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by:

- a. (1) Your acts or omissions; or
(2) The acts or omissions of those acting on your behalf;
in the performance of your ongoing operations for that additional insured or by your lease of an additional insured's premises; or
- b. Your maintenance, operation, or use of equipment leased to you by such person or organization; or
- c. A controlling interest's:
 - (1) Financial control of you; or
 - (2) Premises they own, maintain, or control while you lease or occupy the premises.

A person's or organization's status as an additional insured under this endorsement ends when the first of the following occurs:

- a. Your ongoing operations for that additional insured are completed; or

b. The contract or agreement is terminated.
With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

- a. "Bodily injury", "property damage", or "personal and advertising injury" which takes place after an equipment lease expires.
- b. "Bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by the rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:
 - (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or
 - (2) Supervisory, inspection, architectural, or engineering activities.
- c. "Bodily injury" or "property damage" occurring after:
 - (1) All work, including materials, parts, or equipment furnished in connection with such work, on the project (other than service, maintenance, or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

- d. "Bodily injury", "property damage", or "personal and advertising injury" arising out of structural alterations, new construction, and demolition operations performed by or for any person or organization that is a controlling interest.

5. Additional Insured - Automatic Status When Required In An Agreement With You - Products-Completed Operations

Any person or organization when you and such person or organization, other than a state or political subdivision, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy but only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused by "your work" performed for that additional insured and included in the "products-completed operations" hazard. These persons or organizations include engineers, architects, surveyors, lessors, and controlling interests. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by:

- a. (1) Your acts or omissions; or
(2) The acts or omissions of those acting on your behalf;
- b. Your maintenance, operation, or use of equipment leased to you by such person or organization; or
- c. A controlling interest's:
 - (1) Financial control of you; or
 - (2) Premises they own, maintain, or control while you lease or occupy the premises.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to:

- a. "Bodily injury", "property damage", or "personal and advertising injury" which takes place after an equipment lease expires.
- b. "Bodily injury", "property damage", or "personal and advertising injury" caused, in whole or in part, by the rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:

- (1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or
- (2) Supervisory, inspection, architectural, or engineering activities.

- c. "Bodily injury", "property damage", or "personal and advertising injury" arising out of structural alterations, new construction, and demolition operations performed by or for any person or organization that is a controlling interest.

6. Additional Insured - State or Political Subdivisions - Permits Related to Premises

Any state or political subdivision with whom you agree in a written contract or agreement to include as an additional insured is also an insured, subject to the following additional provision:

The insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with premises you own, rent, or control and to which this insurance applies:

- a. The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decoration and similar exposures;
- b. The construction, erection, or removal of elevators; or
- c. The ownership, maintenance, or use of any elevators covered by this insurance.

No coverage is provided for the sole negligence of a state or political subdivision.

7. Additional Insured - State or Political Subdivisions - Permits

Any state or political subdivision with whom you agree in a written contract or agreement to include as an additional insured is also an insured, subject to the following provisions:

- a. This insurance applies only with respect to operations performed by you or on your behalf for which the state of political subdivision has issued a permit.

- b. This insurance does not apply to:
- (1) "Bodily injury", "property damage", or "personal and advertising injury" arising out of operations performed for the state or municipality;
 - (2) "Bodily injury" or "property damage" included within the "products-completed operations hazard"; or
 - (3) "Bodily injury" or "property damage" arising out of operations included in **6. Additional Insured - State or Political Subdivisions - Permits Related to Premises**

No coverage is provided for the sole negligence of a state or political subdivision.

B. Aggregate Limits - Per Location

1. For all sums which the insured becomes legally obligated to pay as damages for "bodily injury" or "property damage" caused by "occurrences" covered under Paragraph **A.1. Business Liability**, and for all medical expenses caused by accidents covered under Paragraph **A.2. Medical Expenses**, which can be attributed only to ongoing operations at a single designated "location" as shown in the Declarations:
 - a. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the Other Than Products/Completed Operations Aggregate Limit shown in the Declarations.
 - b. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Paragraph **A.1. Business Liability**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Paragraph **A.2. Medical Expenses**, regardless of the number of:
 - (1) Insureds;
 - (2) Claims made or "suits" brought; or
 - (3) Persons or organizations making claims or bringing "suits".
 - c. Any payments made under Paragraph **A.1. Business Liability** for damages or under Paragraph **A.2. Medical Expenses** for medical expenses shall reduce the Designated Location General Aggregate

Limit for that designated "location". Such payments shall not reduce the Other Than Products/Completed Operations Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" as shown in the Declarations.

- d. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You, and Medical Expenses continue to apply. However, instead of being subject to the Other Than Products/Completed Operations Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

2. For all sums under Paragraph **A.1. Business Liability** which the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" caused by "occurrences" and medical expenses caused by accidents under Paragraph **A.2. Medical Expenses**, which cannot be attributed only to operations at a single designated "location" shown in the Declarations:
 - a. Any payments made under Paragraph **A.1. Business Liability** for damages or under Paragraph **A.2. Medical Expenses** for medical expenses shall reduce the amount available under the Other Than Products/Completed Operations Aggregate Limit or the Products/Completed Operations Aggregate Limit, whichever is applicable; and
 - b. Such payments shall not reduce any Designated Location General Aggregate Limit.
3. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products/Completed Operations Aggregate Limit, and not reduce the Other Than Products/Completed Operations Aggregate Limit nor the Designated Location General Aggregate Limit.
4. For the purposes of this coverage, the Liability And Medical Expenses Definitions Section is amended by the addition of the following definition:

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway, or right-of-way of a railroad.

5. The provisions of Paragraph **D. Liability And Medical Expenses Limits Of Insurance**, not otherwise modified by this coverage, shall continue to apply as stipulated.

C. Coverage Extension - Supplementary Payments

Business Liability, Paragraphs **A.1.f.(1)(b)** and **A.1.f.(1)(d)** are deleted and replaced by the following:

- (1) (b) Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.
- (1) (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

D. Damage to Premises Rented To You - Fire Legal Liability

Liability and Medical Expenses Limits of Insurance, Paragraph **D.3.** is amended as follows:

3. Damage to Premises Rented To You - Fire Legal Liability

The most we will pay under Business Liability Coverage for damages because of "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner is \$100,000, which is in addition to any Damage to Premises Rented To You limit shown in the Declarations.

E. Duties In The Event of Occurrence, Offense, Claim, or Suit

Liability and Medical Expense General Conditions, Paragraph **E.2.a.** is deleted and replaced with the following:

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim.

To the extent possible, notice should include:

- (1) How, when, and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

This condition will not apply until after the "occurrence" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An "executive officer" or insurance manager, if you are a corporation; or
- (4) Your "members", "managers", or insurance manager, if you are a limited liability company.

F. Lost Key Coverage

Coverages, Paragraph **A.4.** is added:

4. Lost Key Coverage

We will pay those sums that you become legally obligated to pay as "damages" due to loss of keys by an insured in the course of your business. The keys must be loaned to the insured or in the care, custody, or control of the insured.

The additional insurance provided does not apply to liability arising from:

- a. Misappropriation;
- b. Secretion;
- c. Conversion;
- d. Infidelity; or
- e. Any dishonest act on the part of the insured.

"Damages" means:

- a. The actual cost of the keys;
- b. Adjustment of locks to accept new keys; and
- c. The cost of new locks, including the cost of their installation.

The most we will pay for loss or damage resulting from any one "occurrence" under this coverage is \$5,000.

A \$100 Deductible applies to this Coverage Extension.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

This Coverage Extension is subject to the following:

1. EXCLUSIONS

Exclusions, Paragraphs **B.1.k.(3)** and **B.1.k.(4)** do not apply to the loss of keys by an insured.

2. WHO IS AN INSURED

Who Is An Insured, Paragraph **C.2.a.(1)(c)** does not apply to this additional insurance.

G. Newly Formed or Acquired Organizations

Who Is An Insured, Paragraph **C.5.** is added:

5. Newly Formed or Acquired Organizations

Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. This coverage does not apply if the newly formed or acquired organization's coverage is excluded either by the provisions of this Policy or by endorsement;
- c. This coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;
- d. This coverage does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization; and
- e. No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

H. Non-Owned Aircraft

Exclusion, Paragraph **B.1.g.(6)** is added:

(6) Non-Owned Aircraft

Any aircraft not owned or operated by any insured that is hired, chartered, or loaned with a paid crew.

If the insured has any other insurance for "bodily injury" or "property damage" that would be

covered under this provision, or on any other basis, this coverage is then excess, subject to the Other Insurance provisions of this policy for Excess Insurance.

I. Voluntary Property Damage

Coverages, Paragraph **A.3.** is added:

3. Voluntary Property Damage

At your request, we will pay for unintentional "loss" to the personal property of others caused by your business operations.

- a. We will pay the cost to repair or replace the damage to property of others subject to a \$500 deductible per "occurrence".
- b. "Loss" means unintended damage or destruction. "Loss" does not mean disappearance or theft.
- c. This coverage does not apply to:
 - (1) Motor vehicles;
 - (2) Property on your premises for sale, service, repair, cleaning, or storage; or
 - (3) Dishonest acts, committed by you, your partners, members, or managers.
- d. Exclusions **B.1.k.(3)** and **B.1.k.(4)** do not apply to this Voluntary Property Damage coverage.

The most we will pay for a loss covered by this extension is \$1,000 per "occurrence" subject to a maximum annual aggregate of \$5,000. All "loss" involving a single act or series of related acts, whether caused by one or more persons, is one "occurrence".

J. Water Damage Legal Liability

1. Insuring Agreement

We will pay those sums the insured becomes legally obligated to pay as damages because of "property damage" arising out of water damage to premises that are both rented to and occupied by you.

The most we will pay for damages under Water Damage Legal Liability for all "property damage" arising out of any one "occurrence" is \$25,000.

2. Exclusions

Coverage for Water Damage Legal Liability does not apply to:

- a. "Property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or

Includes copyrighted material of Insurance Services Office, Inc. with its permission.

agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

b. "Property damage" caused by or resulting from any of the following:

- (3) Wear and tear;
- (4) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect, or any quality in property that causes it to damage or destroy itself;
- (5) Smog or smoke;
- (6) Settling, cracking, shrinking, or expansion;
- (7) Insects, birds, rodents, or other animals; or
- (8) Mechanical breakdown including rupture or bursting caused by centrifugal force.

c. "Property damage" caused directly or indirectly by any of the following:

- (1) Any earth movement, such as an earthquake; landslide; mine subsidence; or earth sinking, rising, or shifting;
- (2) Volcanic eruption, explosion, or effusion;
- (3) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- (4) Mudslide or mudflow;
- (5) Water that backs up from a sewer or drain; or
- (6) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors, or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors windows, or other openings.

d. "Property damage" caused by or resulting from any of the following:

- (1) Water that leaks or flows from any plumbing, heating, air conditioning, or fire protection system caused by or resulting from freezing, unless:

- (a) You make a reasonable effort to maintain heat in the building or structure; or
- (b) You drain the equipment and shut off the water supply if the heat is maintained.

e. "Property damage" to:

- (1) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or
- (2) The interior or the premises caused by or resulting from rain or snow.

SECTION III - COMMON POLICY CONDITIONS (APPLICABLE TO SECTION I - PROPERTY AND SECTION II - LIABILITY)

A. Other Insurance

Paragraph **H.1.** is deleted and replaced by the following:

- 1. If you have other insurance covering the same loss as the insurance provided under this endorsement, unless otherwise restricted by specific terms in this endorsement, we will pay only the excess over what you should have received from the other insurance. We will pay the excess whether you can collect on the other insurance or not. But we will not pay more under this endorsement than the limits of insurance for loss covered herein.

The insurance provided by this endorsement is subject to Section **III** - Common Policy Conditions **F.**

B. Unintentional Failure to Disclose Hazards

The following is added to Paragraph **C.** Concealment, Misrepresentation, Or Fraud:

It is agreed that based on our reliance on your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this policy, we shall not deny coverage under this Policy because of such failure.

Includes copyrighted material of Insurance Services Office, Inc. with its permission.