

# SelectPac Property Extension

COMMERCIAL PROPERTY  
CP 75 73 01 06

## SUMMARY OF COVERAGE AND INDEX

This is a summary of the various coverages and causes of loss provided by this form. No coverage is provided by this summary. Only the provisions of Section I, II and III determine the scope of your insurance protection.

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# SelectPac Property Extension

COMMERCIAL PROPERTY  
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## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CAUSES OF LOSS - SPECIAL FORM  
BUSINESS INCOME COVERAGE FORMS

The insurance provided by this form is primary as respects any other insurance provided by this company. If a loss covered under this form also involves a loss under any other coverage form that is made a part of this policy, then the broadest coverage will apply.

### SECTION I

The **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is amended as follows:

#### COVERAGE EXTENSIONS

The **Coverage Extensions** found under the section titled **COVERAGE** are replaced by the following:

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.

#### Coverage Extensions Deductible:

- (1) Unless otherwise stated in this Endorsement, Coverage Extensions are subject to the Deductible shown in the Commercial Property Coverage Declarations, or \$500, whichever is less.
- (2) If Flood, Earthquake, Earthquake Sprinkler Leakage and/or Difference In Conditions Coverage is provided, the deductible shown in the specific coverage declaration applies.

Each of these Extensions is additional insurance unless otherwise indicated. The **Additional Condition, Coinsurance**, does not apply to these Extensions.

#### Accounts Receivable

- (1) You may extend the insurance provided by this Coverage Form to cover loss at the described premises for:
  - (a) All amounts due from your customers that you are unable to collect;
  - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
  - (c) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and

- (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable;

that result from Covered Causes of Loss to your records of accounts receivable.

- (2) If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss, we will pay for loss while they are:
  - (a) At a safe place away from your described premises.
  - (b) Being taken to and returned from that place.

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

No deductible is applicable to this Extension.

#### Arson, Theft and Vandalism Rewards

You may extend the insurance provided by this Coverage Form to apply to rewards given to any person or persons other than you; your officers; your partners; 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 Extension is \$3,500, 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.

No deductible is applicable to this Extension.

Does not apply to New York.

## **Broadened Water - Direct Damage**

You may extend the insurance provided by this Coverage Form to pay for direct loss or damage caused by:

- (1) Water that backs up or overflows from a sewer, drain or sump; or
- (2) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, wall, floors or paved surface;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings.

The most we will pay for loss or damage to Covered Property under this coverage extension is \$25,000 or the limit of insurance shown in the declaration, whichever is less.

## **Claim Data Expense**

You may extend the insurance provided by this Coverage Form to apply to the expense you incur in preparing claim data when we require it. This includes the cost of taking inventories, making appraisals, and preparing other documentation to show the extent of loss.

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

## **Computers and Media**

You may extend the insurance that applies to Your Business Personal Property to apply to direct loss or damage to computer "equipment" and replaceable "media" that you own, lease, rent, or for which you are otherwise legally responsible.

- (1) "Equipment" means a network of machine components that accepts information, processes it according to a plan and produces a desired result. This includes programmable electronic devices that can store, retrieve, and process data and associated peripheral devices that provide communication, including input and output functions such as printing, or auxiliary functions such as data transmission.
- (2) "Media" means the material on which data is recorded, such as magnetic tapes, disk packs, floppy disks, drums, paper tapes, cards, and programs. This includes the data stored on the media.

This Extension applies to property located anywhere in the Coverage Territory.

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

## **Credit Card Slips**

You may extend the insurance provided by this Coverage Form to apply to amounts you are unable to collect due to loss of or damage to credit card slips while located at the described premises as a result of a Covered Cause of Loss.

It is your responsibility to establish the amount of the loss under this Extension. If it is not possible, the amount of the loss will be determined as follows:

- (1) If you have been in business for more than twelve months at the location of the loss, one-thirtieth (1/30) of the average monthly amount of credit card slips will be considered as average daily credit card slips for that location. The twelve months immediately preceding the discovery of the loss will be used to determine the average monthly amount.
- (2) If you have been in business for less than twelve months at the location of the loss, the average daily credit card slips shall be one-thirtieth (1/30) of the average monthly amount of credit card slips for the number of months you have been in business at that location.
- (3) The average daily credit card slips will be multiplied by the number of days for which slips are lost to determine the amount of the loss, subject to the maximum limit indicated below.

The most we will pay as a result of loss or damage to credit card slips under this Extension is \$1,000.

No deductible is applicable to this Extension.

## **Deferred Payments**

You may extend the insurance provided by this Coverage Form to protect your interest in lost or damaged personal property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers.

When a loss occurs and the buyer continues to pay you, there will be no loss payment.

The most we will pay for loss or damage under this Extension is \$1,000.

## **Employee Dishonesty (Including Welfare and Pension Plan ERISA Compliance)**

**(1)** You may extend the insurance provided by this Coverage Form to apply to loss of, and loss from damage to, money, securities and property other than money and securities caused by "Employee Dishonesty"

**(a)** We will not pay for loss as specified below:

**(i)** Loss caused by an "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation; or

**(ii)** Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

**(aa)** An inventory computation; or

**(bb)** A profit and loss computation.

**(iii)** Loss caused by any "employee" immediately upon discovery by:

**(aa)** You; or

**(bb)** Any of your partners, officers or directors not in collusion with the "employee" of any dishonest act committed by that "employee" whether before or after becoming employed by you.

**(b)** "Employee Dishonesty" means only dishonest acts committed by an "employee" whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

**(i)** Cause you to sustain loss; and also

**(ii)** Obtain financial benefit (other than employee benefits earned in the normal course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:

**(aa)** The "employee;" or

**(bb)** Any person or organization intended by the "employee" to receive that benefit.

**(c) (i)** "Employee" means any natural person:

**(aa)** While in your service; and

**(bb)** Whom you compensate directly by salary, wages or commissions; and

**(cc)** Whom you have the right to direct and control while performing services for you; or

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 having care and custody of property outside the premises.

**(ii)** But "employee" does not mean any:

**(aa)** Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

**(bb)** Director or trustee except while performing acts coming within the scope of the usual duties of an "employee."

**(d)** The most we will pay for loss or damage under this Extension is \$2,500 in any one "occurrence."

"Occurrence" means all loss caused by or involving one or more "employees," whether the result of a single act or a series of acts.

**(2)** Welfare and Pension Plan ERISA Compliance:

In compliance with certain provisions of the Employee Retirement Income Security Act (ERISA):

**(a)** Any Employee Welfare Benefit Plan and/or Employee Pension Benefit Plan which is provided by the Insured solely for the benefit of his/her employees is added as an additional insured under Employee Dishonesty coverage.

**(b)** Employee also includes any natural person who is:

**(i)** A trustee, an officer, administrator or a manager, except an administrator or a manager who is an independent contractor, of any Employee Welfare or Pension Benefit Plan (hereafter called Plan) insured under this insurance, and

**(ii)** Your director or trustee while that person is handling funds or other property of any Plan insured under this insurance.

- (c) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of insurance for the Employee Dishonesty coverage 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.
- (d) 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 will be held by that insured for the use and benefit of the Plan(s) sustaining the loss.
- (e) If two or more Plans are insured under this insurance, any payment we make for loss:
  - (i) Sustained by two or more Plans; or
  - (ii) 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.
- (f) No deductible is applicable to loss sustained by any Plan subject to ERISA which is insured under this insurance.

#### **Extra Expense**

You may extend the insurance provided by this Coverage Form to apply to the actual and necessary Extra Expense you sustain due to direct physical loss of or damage to property at the premises described in the Declarations, including personal property in the open (or in a vehicle) within 1,000 feet, caused by or resulting from any Covered Cause of Loss.

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

- (1) We will pay any Extra Expense to avoid or minimize the "suspension" of business and to continue "operations":
  - (a) At the described premises; or
  - (b) At replacement premises or at temporary locations, including:
    - (i) Relocation expenses; and
    - (ii) Costs to equip and operate the replacement or temporary locations.

- (2) We will pay any Extra Expense to minimize the "suspension" of business if you cannot continue "operations".
- (3) We will pay any Extra Expense to:
  - (a) Repair or replace any property; or
  - (b) Research, replace or restore the lost information on damaged valuable papers and records;
 

to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.
- (4) "Operations" means:
  - (a) Your business activities occurring at the described premises; and
  - (b) The tenantability of the described premises.
- (5) "Period of Restoration" means the period of time that:
  - (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
  - (b) Ends on the earlier of:
    - (i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - (ii) The date when business is resumed at a new permanent location.
- (6) "Period of Restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
  - (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
  - (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
 

The expiration date of this policy will not cut short the "period of restoration".
- (7) "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**(8)** "Rental Value" means the:

- (a)** Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and
- (b)** Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and
- (c)** Fair rental value of any portion of the described premises which is occupied by you.

**(9)** "Suspension" means:

- (a)** The slowdown or cessation of your business activities; or
- (b)** That a part or all of the described premises is rendered untenable, if coverage for Business Income including "Rental Value" or "Rental Value" applies.

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

No deductible is applicable to this Extension.

#### **Fine Arts**

You may extend the insurance provided by this Coverage Form to apply to paintings, etchings, pictures, tapestries, and any other bona fide works of art with rarity or historical value caused by or resulting from any of the Covered Causes of Loss.

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

#### **Fire Extinguisher Recharge Expense**

You may extend the insurance provided by this Coverage Form to apply to the cost to recharge your fire extinguishers discharged as a result of a Covered Cause of Loss.

The most we will pay for loss under this Extension is \$500.

Each loss for fire extinguisher recharge expense covered by this Extension is subject to a \$50 deductible.

#### **Installation Property**

You may extend the insurance provided by this Coverage Form to apply to "installation property":

- (1)** While at a "job site";
- (2)** While at any temporary storage location you do not own, lease or operate; or

**(3)** While in transit.

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

Each loss covered by this Extension is subject to a \$250 deductible.

#### **Lock Replacement Coverage**

You may extend the insurance provided by this Coverage Form to apply to Replacement of Locks necessitated by the theft of keys to your premises.

The most we will pay for loss under this Extension is \$500.

Each loss for lock replacement covered by this Extension is subject to a \$50 deductible.

#### **Money, Securities and Stamps**

You may extend the insurance provided by this Coverage Form to apply to loss or damage to money, securities and stamps.

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

- (1)** \$2,500 per occurrence for money, securities and stamps while located at the described premises; and
- (2)** \$2,500 per occurrence for money, securities and stamps while being conveyed outside the described premises by you, your officers, your partners or your employees.

#### **Newly Acquired or Constructed Property**

##### **(1) Buildings**

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

- (a)** Your new buildings while being built on the described premises; and
- (b)** Buildings you acquire at locations, other than the described premises, 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 \$250,000 at each building.

## (2) Your Business Personal Property

- (a) If this policy covers Your 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 other than at fairs, trade shows or exhibitions;
  - (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.
- (b) The most we will pay for loss or damage under this Extension is \$100,000 at each building.
- (c) This Extension does not apply to:
  - (i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
  - (ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

## (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.

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

### Non-Owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
  - (a) The trailer is used in your business;

- (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
- (c) You have a contractual responsibility to pay for loss or damage to the trailer.

## (2) We will not pay for any loss or damage that occurs:

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

The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.

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

### Ordinance or Law

You may extend the insurance that applies to Building as follows:

- (1) If a Covered Cause of Loss occurs to covered Building property, we will pay:
  - (a) For loss or damage caused by enforcement of any ordinance or law that:
    - (i) Requires the demolition of part of the same property not damaged by a Covered Cause of Loss;
    - (ii) Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
    - (iii) Is in force at the time of loss.
  - (b) The increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use ordinance or law. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use ordinance or law.
  - (c) The cost to demolish and clear the site of undamaged parts of the property caused by enforcement of the building, zoning or land use ordinance or law.



- (2) However, we will not pay under this Extension for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria; or any costs associated with the enforcement of an ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants", "fungi", wet or dry rot or bacteria.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

- (3) We will not pay for increased construction costs under this endorsement:

(a) Until the property is actually repaired or replaced, at that same premises or elsewhere; and

(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years. We may extend this period in writing during the 2 years.

- (4) We will not pay more:

(a) If the property is repaired or replaced on the same premises, than the amount you actually spend to:

(i) Demolish and clear the site; and

(ii) Repair, rebuild or construct the property but not for more than property of the same height, floor area and style on the same premises.

(b) If the property is not repaired or replaced on the same premises, than:

(i) The amount you actually spend to demolish and clear the site of the described premises; and

(ii) The cost to replace, on the same premises, the damaged or destroyed property with other property:

(aa) Of comparable material and quality;

(bb) Of the same height, floor area and style; and

(cc) Used for the same purpose.

(c) Than \$25,000 in any one occurrence for increased construction costs under this Extension.

(d) Than \$25,000 in any one occurrence for demolition costs under this Extension.

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

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

#### **Outdoor Fences**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$2,500.

#### **Outdoor Signs**

You may extend the insurance provided by this Coverage Form to apply to your outdoor signs, whether or not attached to buildings, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$2,500.

#### **Outdoor Trees, Shrubs and Plants**

You may extend the insurance provided by this Coverage Form to apply to your outdoor trees, shrubs and plants (other than "stock" of trees, shrubs or plants) including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$2,500.

#### **Personal Effects**

You may extend the insurance that applies to Your Business Personal Property to apply to personal effects owned by you, your officers, your partners or members, your managers or your employees, including your employees' tools.

This Extension applies to personal effects located anywhere in the Coverage Territory.

The most we will pay for loss or damage under this Extension is \$2,500 but not more than \$500 for personal effects owned by any one individual.

Our payment for loss of or damage to personal effects will only be for the account of the owner of the property. Each loss for Personal Effects covered by this extension is subject to a \$25 deductible.

### **Personal Property of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to personal property of others in your care, custody or control, other than "installation property."

The most we will pay for loss or damage under this Extension is the applicable Limit of Insurance for Your Business Personal Property shown in the Declarations. Payments under this Extension will not increase the Limit of Insurance for Your Business Personal Property. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

### **Property in Transit (Including F.O.B. Shipments and Return Shipments)**

(1) You may extend the insurance provided by this Coverage Form to apply to loss of or damage to personal property used in your business, including salespersons' samples, that is in transit at your risk more than 1,000 feet from the described premises.

We cover property shipped:

- (a) By any type of carrier you do not own, lease, or operate;
  - (b) In or on any vehicle you own, lease, or operate; or
  - (c) In the care, custody, or control of your salesperson.
- (2) We will also pay for loss of or damage to property you ship on a F.O.B., meaning Free On Board, basis if you cannot collect the loss from the consignee. But we will only pay the amount of your interest in the property.
- (3) We will also pay for loss of or damage to property you ship which has been rejected by the consignee, or is not deliverable, while in transit being returned to you.

This Extension does not apply to "installation property."

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

### **Property Off-Premises**

You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (1) Temporarily at a location you do not own, lease or operate;
- (2) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
- (3) At any fair, trade show or exhibition.

This Extension will also apply to Covered Property in or on a vehicle that you do not own, lease or operate.

This Extension does not apply to property in or on a vehicle you do own, lease or operate.

This Extension also does not apply to "installation property."

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

### **Radio and Television Receiving Equipment**

You may extend the insurance provided by this Coverage Form to apply to loss or damage to your radio and television antennas, satellite dishes and similar audio/visual receiving equipment; their lead-in wiring, masts or towers, including debris removal expense, caused by or resulting from any of the Covered Causes of Loss.

The most we will pay for loss or damage under this Extension is \$2,500.

### **Refrigerated Property**

You may extend the insurance that applies to Your Business Personal Property to apply to food spoilage resulting from utility failure to the described premises. This Extension does not apply to food spoilage resulting from mechanical failure of your refrigeration equipment.

The most we will pay for loss or damage under this Extension is \$2,500.

### **Tenant's Building Glass Liability**

If you are a tenant and no Limit of Insurance is shown in the Declarations for Building coverage you may extend the insurance provided for Your Business Personal Property to cover direct physical loss of or damage to building glass that is part of the exterior or interior walls, floors or ceilings of the building or structure occupied by you at the premises shown in the Declarations.

We will also pay for necessary:

- (1) Expenses incurred to put up temporary plates or board up openings;
- (2) Repair or replacement of encasing frames; and
- (3) Expenses incurred to remove or replace obstructions.

This extension only applies to glass owned by you or glass owned by others in your care, custody or control and for which you are legally, or have contractually agreed to be, responsible. Our payment for glass owned by others will only be for the account of the owner of the glass.

Payments under this Extension will not increase the applicable Limit of Insurance for Your Business Personal Property.

This Extension is subject to the deductible in the Commercial Property Coverage Declarations.

#### **Valuable Papers and Records - Cost of Research**

You may extend the insurance that applies to Your Business Personal Property to apply to your costs to research, replace, or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist.

When duplicates exist, we will determine the value of Valuable Papers and Records, including those which exist on electronic or magnetic media (other than prepackaged software programs) at the cost of:

- (1) Blank materials for reproducing the records; and
- (2) Labor to transcribe or copy the records.

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

#### **PROPERTY NOT COVERED AMENDMENT**

The following paragraphs under Property Not Covered do not apply:

- Foundations of buildings, structures etc.
- Personal property while airborne or waterborne
- Electronic Data etc.

The paragraph dealing with "The cost to replace or restore the information on valuable papers and records" etc. under Property Not Covered does not apply and is replaced by:

The cost to replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media, except as provided in the Coverage Extensions. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems.

#### **ADDITIONAL CONDITIONS AMENDMENT**

The **Additional Condition, Coinsurance**, does not apply to Foundations Coverage.

#### **ADDITIONAL COVERAGES AMENDMENT**

##### **Electronic Data**

The **Electronic Data Additional Coverage** does not apply. Coverage is provided under **Valuable Papers and Records - Cost of Research Coverage** Extension.

##### **DEDUCTIBLE**

The following replaces the **DEDUCTIBLE** section:

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less. If multiple deductibles apply to the covered loss, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

If a loss covered under this coverage form also involves a loss under an Inland Marine Coverage Form or the Physical Damage Section of a Business Auto Coverage Form issued by any member company of the Selective Insurance Group for this insured, the most we will deduct from the "loss" is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

## VALUATION

The following new items are added to **Valuation** under **LOSS CONDITIONS**:

1. We will pay the reduction in value of the remaining parts of "stock" when the reduction is caused by direct physical loss or damage from a Covered Cause of Loss to other parts of "stock" at the described premises.
2. Fine Arts at market value at the time of loss or damage.
3. Personal Property of others at the amount for which you are liable, not to exceed the replacement cost.

## BUSINESS PERSONAL PROPERTY SEASONAL INCREASE

The following is added to the **Limits of Insurance section**:

The Limit of Insurance for Business Personal Property will automatically increase by 10% to provide for seasonal variation as long as the Limit of Insurance for Business Personal Property shown in the declarations of the policy meets the requirements of the Coinsurance Condition or the Agreed Value Optional Coverage.

## DEFINITIONS

The following additional definition is added:

"Installation property" means property of others for which you are liable or in which you have an interest, which is intended for installation, such as, but not limited to, materials, supplies, fixtures, machinery and equipment, and including labor or services furnished in connection with the installation.

"Job site" means the premises where you or sub-contractors working on your behalf are currently performing operations and where the "installation property" will be permanently located at the completion of the construction, erection, fabrication or installation.

## SECTION II

The **CAUSES OF LOSS - SPECIAL FORM** is amended as follows:

### EXCLUSIONS

(1) The following **EXCLUSIONS**:

- Earth Movement;
- Smoke, vapor or gas from agricultural smudging or industrial operations;

- Explosion of steam boilers, steam pipes, steam engines or steam turbines owned by you, etc.;
- Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more;
- Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment, etc.; and
- Rain, snow, ice or sleet to personal property in the open,

do not apply to:

- The Valuable Papers and Records - Cost of Research Coverage Extension;
- The Property Off-Premises Coverage Extension;
- The Accounts Receivable Coverage Extension;
- The Computers and Media Coverage Extension;
- The Property in Transit Coverage Extension;
- The Fine Arts Coverage Extension;
- The Personal Effects Coverage Extension; or
- The Installation Property Coverage Extension.

(2) The **Water EXCLUSION** does not apply to:

- The Valuable Papers and Records - Cost of Research Coverage Extension;
- The Property Off-Premises Coverage Extension;
- The Accounts Receivable Coverage Extension;
- The Computers and Media Coverage Extension;
- The Property in Transit Coverage Extension;
- The Fine Arts Coverage Extension;
- The Personal Effects Coverage Extension; or
- The Installation Property Coverage Extension.

**(3) The following EXCLUSIONS:**

- Utility Services;
- Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;
- Collapse, etc.; and
- Faulty, inadequate or defective planning, etc.,

do not apply to the Computers and Media Coverage Extension.

The exclusion which begins with wear and tear is replaced by the following, but only for Computers and Media Extension:

- Wear and Tear

**(4) The following EXCLUSIONS:**

- The following causes of loss to personal property:

Dampness or dryness of atmosphere, changes in or extremes of temperature, or marring and scratching, etc.; or

- Voluntary parting with any property, etc.

do not apply.

**(5) The EXCLUSION stating:**

- Dishonest or criminal act by you, any of your partners, etc.,

does not apply to Covered Property that is entrusted to others who are carriers for hire.

**LIMITATIONS**

The following **Limitations:**

- Building materials and supplies not attached, etc.;
- Property that has been transferred to a person, etc.;
- We will not pay for loss or damage to the following types of property unless, etc.; and
- \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit (for loss or damage by theft),

do not apply.

**SECTION III**

The **BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM**, when made a part of this policy, is amended as follows:

**COVERAGE**

**Premises Boundary Increased Distance**

The references in the **BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM** to distances from the described premises are increased to 1,000 feet.

**Additional Coverages**

The following change is made to the Extended Business Income **Additional Coverage:**

The reference to 30 consecutive days is changed to 180 consecutive days.

**Broadened Water - Business Income**

We will pay for the actual loss of Business Income you sustain due to necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by:

- (1)** Water that backs up or overflows from a sewer, drain or sump; or
- (2)** Water under the ground surface pressing on, or flowing or seeping through:
  - (a)** Foundations, wall, floors or paved surface;
  - (b)** Basements, whether paved or not; or
  - (c)** Doors, windows or other openings.

The most we will pay for loss of Business Income under this Additional Coverage is \$25,000.