



AGREEMENT/CONTRACT COVER SHEET

This form along with the original executed agreement/contract must be submitted to the City Clerk's Office. The Department contact listed below will be notified once the document(s) is available in OpenText.

ASSIGNED CONTRACT NO. C- 20-5492D-A2

REQUEST DATE: 11/22/22

I. ROUTING & APPROVALS

		Initials/Approval	Date
Name & Extension: Heather Saunders			
Department:	Public Works <input type="checkbox"/>		
<input checked="" type="checkbox"/> Legal:	City Attorney	JK	11/23/22
<input checked="" type="checkbox"/> Procurement:	Jacque Behrens	JB	11/22/22
<input type="checkbox"/> City Manager:	Julie Karins (if applicable)		

II. GENERAL INFORMATION

To be completed by Department/Project Manager

Contract Type	Amendment <input type="checkbox"/>	<input checked="" type="checkbox"/> Other
Does this contract need to be recorded with the Maricopa County Recorder's Office?		No
Project Name - Description	Well & Booster Pump Equipment and Maintenance Srv.	
Business Name	Empire Pump Corp	
Name & Phone/Email	Mike Mullin, 480/244-9415; mike@empirepumpcorp.com	
Mailing Address	2849 S. 49th Ave	
City, State, Zip Code	Phoenix, AZ 85043	Contract Amount
Start Date	12/01/22	End Date 11/30/23
Council Meeting Date		Agenda Item AI-
Link contract to -	20-5492D	
Additional Comments	Two optional extensions remaining	

III. PROCUREMENT & INSURANCE REVIEW

All contracts are routed through Finance and Legal Services. Finance will assign a contract number. IGAs, Easements, Lease/Property Acquisition and Development Agreements DO NOT require procurement review. Contracts for Council approval must be reviewed and signed off by Procurement or the City Manager & City Attorney prior to going to Council.

To be completed by Procurement

	Initials	Date
Insurance Certificate <input checked="" type="checkbox"/>	VJ	11/22/22
Bid Bond <input type="checkbox"/>		
Performance Bond <input type="checkbox"/>		
Payment Bond <input type="checkbox"/>		

IV. CITY CLERK REVIEW

Retention		Scanned into OpenText	
Destruction		Completed by	



**Contract Amendment
No. 2
Contract Number: CON-20-5492D-A2**

Office of Procurement
190 N. Litchfield Road
P.O. Box 5100
Goodyear, AZ 85338
Phone: 623-882-7845

Well and Booster Pump Equipment and Maintenance Services

CONTRACT EXTENSION

Pursuant to Section 1 of the Agreement, 1., Term of Contract, contract CON-20-5492 is hereby mutually extended from December 1, 2022 through November 30, 2023 unless terminated, cancelled or extended as otherwise provided in the contract.

There are two (2) extensions remaining on the contract.

No other terms, conditions, or performance standards written or implied are changed.

Procurement Officer: Victoria Jackson, CPM, CPPB

City of Goodyear		Empire Pump Corp	
By: 	11/22/22	By: JoDee M. Turner	11/22/22
Jacquie Behrens, CPPB	Date	Signature	Date
Title: Procurement Manager		JoDee Turner, Office Manager	
		Typed Name and Title	
Attested By: 		Approved as to Form By: 	
Darcie McCracken, City Clerk		Roric Massey, City Attorney	

DESCRIPTIONS (Continued from Page 1)

and Workers Compensation policies provide a Waiver of Subrogation when required by written contract. The General Liability policy includes an endorsement providing that 30 days notice of cancellation will be given to the Certificate Holder by the Insurance Carrier. Per Project Aggregate Applies.

RE: IFB 20-5492 Well and Booster Pump Equip. Maint. Service.

Additional Insureds Include: its elected and appointed boards, officers, officials, agents, employees, and volunteers.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured** is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured for completed operations. Such person or organization is an additional insured only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" performed for that additional insured and included in the "products-completed operations hazard."
- B.** With respect to the insurance afforded to these additional insureds, the following limitations apply:
1. This additional insured status is granted only at the locations listed in the written contract.
 2. Coverage is limited to "your work" that is described in the classifications or schedule of hazards shown in the General Liability Declarations of this policy.
- C.** With respect to the insurance afforded to these additional insureds, the following exclusion applies:
This insurance does not apply to:
"Bodily injury" or "property damage" which occurs prior to the execution of the written contract or the effective date of this endorsement.

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EARLIER NOTICE OF CANCELLATION
PROVIDED BY US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Number of Days' Notice 30

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

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph 2. of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

- c. When the written contract or agreement and certificate of insurance are currently in effect or becoming in effect during the term of the policy and executed prior to the "bodily injury," "property damage," or "personal and advertising injury."
2. The insurance provided to the Additional Insured is limited as follows:
- a. The Additional Insured is only an additional insured for:
- (1) "Bodily injury," "property damage," or "personal and advertising injury" caused in whole or in part by negligent acts or omissions of the Named Insured or anyone directly or indirectly employed by the Named Insured or for whose acts a Named Insured may be liable.
 - (2) Liability arising out of your ongoing operations for the Additional Insured by or for you. A person's or organization's status as an insured under this coverage ends when your operations for that insured are completed.
- b. The Limits of Insurance applicable to the Additional Insured are those specified in the written contract or agreement but not more than the Limits of Insurance specified in the Declarations for this policy. The Limits of Insurance applicable to the Additional Insured are inclusive of and not in addition to the Limits of Insurance shown in the Declarations for the Named Insured.
3. In addition to the other exclusions applicable to **Section I, Coverages A., B. and C.** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**, the insurance provided to the Additional Insured does not apply to:
- a. "Property damage" to:
- (1) Property owned, used, occupied by, loaned or rented to the Additional Insured;
 - (2) Property in the care, custody or control of the Additional Insured or over which the Additional Insured are for any purpose exercising physical control; or
 - (3) "Your work" performed for the Additional Insured.
- b. "Bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's or surveyor's rendering or failure to render any professional services for you, for the Additional Insured or for others, including, but not limited to:
- (1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Supervisory, inspection or engineering services.
- 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 at the site 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.
4. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other Insurance**, is amended to add the following subparagraph:

d. Additional Insured's Other Insurance As Excess Insurance

To the extent required by an "insured contract," this insurance is primary on behalf of the Additional Insured; and any other insurance maintained by the Additional Insured is excess and not contributory with this insurance. If the "insured contract" does not require this provision, then Paragraph a. above will apply.

B. Mobile Equipment Broadened Coverage

V.12.f.(1) of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is replaced by the following:

- (1) Equipment designed primarily for:
- (a) Snow Removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning.

Except the above provisions do not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight which are not intended for use on a highway.

C. Aggregate Limit Per Project

The General Aggregate Limit under **SECTION III – LIMITS OF INSURANCE** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** applies separately to each of your projects away from premises owned by or rented to you.

ARTISANS ADVANTAGE ENHANCED COVERAGE ENDORSEMENT

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
COMMERCIAL PROPERTY CONDITIONS
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

When this endorsement is attached to the policy, insurance under the Building and Personal Property Coverage Form, the Causes of Loss – Special Form, the Commercial Property Conditions and the Commercial General Liability Coverage Form is enhanced to provide the coverages described in this endorsement. All other conditions of the policy continue to apply.

This coverage is subject to the provisions applicable to the Building and Personal Property Coverage Form, Causes of Loss – Special Form, the Commercial Property Conditions and the General Liability Coverage Form.

SCHEDULE

<u>Coverage Enhancements</u>	<u>Limits of Insurance Each Location</u>
<u>Property Coverage</u>	
Premises Boundary	1,000 feet
<u>Property Coverage Extensions</u>	
Newly Acquired or Constructed Property	
Buildings	\$500,000. at Each Building
Business Personal Property	\$250,000. at Each Building
Personal Effects and Property of Others	\$ 25,000. at Replacement Cost
Valuable Papers and Records (Other than Electronic Data)	\$ 25,000.
Property Off-Premises (Including Laptops and Other Electronic Equipment)	\$ 15,000.
Outdoor Property (Named Perils)	\$ 1,000. per tree/shrub, max. limit \$25,000.
Non-Owned Detached Trailers	\$ 10,000.
Accounts Receivable	\$ 50,000.
Property in Transit (Including Laptops and Other Electronic Equipment)	\$ 15,000.
Fine Arts	\$ 25,000.
<u>Property Additional Coverages</u>	
Debris Removal	\$ 25,000.
Fire Department Service Charge	\$ 5,000.
Pollutant Clean-up and Removal	\$ 15,000.
Electronic Data	\$ 25,000.
Interruption of Computer Operations	\$ 15,000.
Arson Reward	\$ 5,000.
Water Back-Up and Sump Overflow	\$ 25,000.
Brands and Labels	\$ 25,000.
Employee Theft	\$ 10,000.
Business Income Including Extra Expense	\$ 25,000.
Business Income from Dependent Properties	\$ 10,000.
Claims Expenses	\$ 10,000.
Inventory or Appraisal Cost	\$ 5,000.
Money and Securities	
Inside	\$ 10,000.
Outside	\$ 5,000.
Off Premises Power Failure – Direct Damage	\$ 10,000.
Ordinance or Law Coverage	
Coverage A	Included within Building Limit.
Coverages B and C Combined	25% of Bldg. Limit, \$150,000. maximum
Outdoor Signs	\$ 10,000.
Recharging of Fire Extinguishers	\$ 5,000.
Unauthorized Business Card Use	\$ 5,000.
Forgery or Alteration	\$ 10,000.
Salespersons Samples	\$ 2,500.

Inland Marine Coverages

Installation Coverage	\$ 10,000.
Contractors Equipment Coverages:	
Small Tools	\$ 5,000. (Maximum limit per item \$1,000)
Employee Small Tools	\$ 1,000. (Maximum limit per item \$250)
Leased and Rented Equipment	\$ 5,000.
Rental Reimbursement	\$ 1,000.

General Liability Additional Coverages

Blanket Additional Insured (Including Primary Non-Contributing Coverage)	Included in Each Occurrence Limit
Mobile Equipment Broadened Coverage	Included in Each Occurrence Limit
Aggregate Limit Per Project	Included in Each Occurrence Limit
Blanket Waiver	Included in Each Occurrence Limit
Voluntary Property Damage Coverage	\$ 2,500.

The following applies to coverages under this endorsement only.

Property Coverage

The phrase 'within 100 feet of the described premises' used in Paragraphs **a.(5)(b)**, **b.** and **c.(2)** under **A.1. Covered Property** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** and Paragraph **2.c.(1)** under **C. Limitations** of the **CAUSES OF LOSS – SPECIAL FORM** is replaced by the phrase 'within 1,000 feet of the described premises'.

Property Coverage Extensions

Paragraph **A.5. Coverage Extensions** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted in its entirety and replaced by the following:

5. Coverage Extensions

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.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. 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 \$500,000 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, 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.

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

(b) 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) 30 days expire after you acquire 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.

b. Personal Effects And Property Of Others

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to:
 - (a) Personal effects owned by you, your officers, your partners or members, your managers or your employees.
 - (b) Personal property of others in your care, custody or control.

This Extension does not apply to employee tools.

- (2) The most we will pay for loss or damage under this Extension is \$25,000 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.

(3) Extension Of Replacement Cost To Personal Property Of Others

- (a) Replacement Cost coverage is extended to apply to personal property of others.
- (b) Paragraphs **3.b.(1)** and **4.** under **G. Optional Coverages** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- (c) With respect to replacement cost on the personal property of others the following limitation applies:

If an item of personal property of others is subject to a written contract which governs your liability for loss or damage to that item, then valuation of that item will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

c. Valuable Papers And Records (Other Than Electronic Data)

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to valuable papers and records that you own, or that are in your care, custody or control, caused by or resulting from a Covered Cause of Loss. This Extension includes the cost to research lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) Coverage under this Extension is limited to the "specified causes of loss" as defined in the **CAUSES OF LOSS – SPECIAL FORM**, and Collapse as set forth in that form.
- (3) This Extension does not apply to:
 - (a) Property held as samples or for delivery after sale;
 - (b) Property in storage away from the premises shown in the Declarations.
- (4) Section **B. Exclusions** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension, except for:
 - (a) Paragraph **B.1.c.** Governmental Action;
 - (b) Paragraph **B.1.d.** Nuclear Hazard;
 - (c) Paragraph **B.1.f.** War And Military Action;
 - (d) Paragraph **B.2.f.**;
 - (e) Paragraph **B.2.g.**; and
 - (f) Paragraph **B.3.**
- (5) The most we will pay under this Extension for loss or damage to valuable papers and records in any one occurrence at each described premises is \$25,000.

For valuable papers and records not at a described premises, the most we will pay is \$5,000 in any one occurrence. Such amounts are additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-Premises (Including Laptops And Other Electronic Equipment)

- (1) 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:
 - (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
 - (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$15,000.

e. Outdoor Property (Named Perils)

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, retaining walls (other than retaining walls that are a part of a building), radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Vandalism;
- (5) Vehicle Damage;
- (6) Riot or Civil Commotion; or
- (7) Aircraft.

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$1,000 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. 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.
- (3) The most we will pay for loss or damage under this Extension is \$10,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

g. Accounts Receivable

- (1) You may extend the insurance that applies to Your Business Personal Property to accounts receivable. We will pay:

- (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 "loss"; and
 - (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable; that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.
- (2) The most we will pay under this Extension for loss or damage in any one occurrence at each described "premises" is \$50,000.
- (3) Section **B.Exclusions** in the **CAUSES OF LOSS – SPECIAL FORM** does not apply to this Extension, except for:
- (a) Paragraph **B.1.c.** Governmental Action;
 - (b) Paragraph **B.1.d.** Nuclear Hazard;
 - (c) Paragraph **B.1.f.** War And Military Action;
 - (d) Paragraph **B.2.f.**;
 - (e) Paragraph **B.2.g.**; and
 - (f) Paragraph **B.3.**
- (4) The following additional exclusion applies to the Extension:
We will not pay for:
- (a) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money," "securities" or other property.
This exclusion applies only to the extent of the wrongful giving, taking or withholding.
 - (b) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
 - (c) Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

h. Property In Transit (Including Laptops And Other Electronic Equipment)

F.1. under **Additional Coverage Extensions** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted and replaced with the following:

1. Property In Transit (Including Laptops And Other Electronic Equipment)

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$15,000.

i. Fine Arts

- (1) You may extend the insurance that applies to Your Business Personal Property to cover "fine arts" owned by you and located on the premises described in the Declarations
- (2) In addition to the exclusions in **CAUSES OF LOSS – SPECIAL FORM** we will not pay for loss or damage caused by or resulting from repairing, restoration, or retouching processes.
- (3) In the event of loss or damage, we will pay the actual cash value of the item. The actual cash value will be the price you paid for the item, or the value as determined by an appraisal of the item not more than 360 days prior to the date of loss or damage. In no event will the actual cash value exceed the amount necessary to repair or replace the item with substantially like property.

(4) The most we will pay for "fine arts" at any premises described in the Declarations is \$25,000.

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

Property Additional Coverages

The following are Additional Coverages. The Additional Condition, Coinsurance, does not apply to these coverages.

A. Debris Removal

A.4.a. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- (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.

Therefore, if (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.

(5) Examples

Example #1

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 50,000
Amount of Loss Payable	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense	\$ 10,000
Debris Removal Expense Payable	\$ 10,000
	(\$10,000 is 20% of \$50,000)

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example #2

Limit of Insurance	\$ 90,000
Amount of Deductible	\$ 500
Amount of Loss	\$ 80,000
Amount of Loss Payable	\$ 79,500
	(\$80,000 – \$500)
Debris Removal Expense	\$ 35,500

Debris Removal Expense
Payable

Basic Amount	\$ 10,500
Additional Amount	\$ 25,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500). The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$35,500) exceeds 25% of the loss payable plus the deductible (\$35,500 is 44.375% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$35,500 = \$115,000) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$35,500.

B. Fire Department Service Charge

A.4.c. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

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 \$5,000 for your liability for fire department service charges:

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

No Deductible applies to this Additional Coverage.

C. Pollutant Clean-up And Removal

A.4.d. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

d. 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 under this Additional Coverage for each described premises is \$15,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

D. Electronic Data

A.4.f. of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced as follows:

f. Electronic Data

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data, which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) In addition to the "specified causes of loss" as defined in the **CAUSES OF LOSS – SPECIAL FORM**, and Collapse as set forth in that form, the following are covered causes of loss:
 - (a) A virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
 - (b) Changes in your electrical power supply, including interruption, power surge, blackout or brownout, if the cause of such event originates 100 feet or less from any premises described in the Declarations;
 - (c) Dishonest acts committed by your employees acting alone or in collusion with other persons, except you or your partners, directors or trustees, but theft by employees is not covered;

- (d) Dampness or dryness of atmosphere or changes in or extremes of temperature;
- (e) Floods, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; and
- (f) Earth movement, such as an earthquake, landslide or earth sinking, rising or shifting.

(4) The most we will pay under this **Additional Coverage – Electronic Data** is \$25,000 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.

E. Interruption Of Computer Operations

We will pay your necessary "Extra Expense" to continue normal operations caused by an interruption in computer operations due to destruction or corruption of your electronic data due to a Covered Cause of Loss.

We will also pay for your actual "Business Income" if you must close all or part of your business due to destruction or corruption of your electronic data due to a Covered Cause of Loss.

The most we will pay under this coverage is \$15,000 for any one occurrence.

Under this **Additional Coverage – Interruption Of Computer Operations**, electronic data has the meaning set forth in Paragraph 5. **Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.

F. Arson Reward

We will reimburse you for an arson reward that you give to someone who discloses information that leads to the conviction of a person or persons for arson at the premises described in the Declarations.

The most we will pay under this coverage is \$5,000 each occurrence.

G. Water Back-Up And Sump Overflow

1. We will pay for direct physical loss or damage to Covered Property caused by or resulting from:
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph b. above, 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 under this coverage is \$25,000 each occurrence.
4. With respect to the coverage provided in this **Additional Coverage – Water Back-Up and Sump Overflow**, Paragraph 3. of the **Water Exclusion** included in this Policy does not apply.

H. Brands And Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or part of the property at an agreed or appraised value. If so, you may:

1. Stamp the word 'Salvage' on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
2. Remove the brands and 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 Paragraphs 1. and 2. above. The most we will pay for these costs and the value of the damaged property under this Additional Coverage is \$25,000.

Payments under this Additional Coverage are subject to and not in addition to the Limits of Insurance.

I. Employee Theft

1. We will pay for direct loss of or damage to Your Business Personal Property and your "money" and "securities" resulting from "theft" committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners, members or managers) with the manifest intent to:
 - a. Cause you to sustain loss or damage; and also
 - b. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (1) Any "employee"; or
 - (2) Any other person or organization.

2. We will not pay for loss or damage:
 - a. Resulting from any dishonest or criminal act that you or any of your partners, members, officers, "managers," directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose commit, whether acting alone or in collusion with other persons; or
 - b. The only proof of which as to its existence or amount is one or both of the following:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.
3. The most we will pay under this Additional Coverage for loss or damage in any one occurrence is \$10,000.
4. All loss or damage:
 - a. Caused by one or more "employees"; and
 - b. Involving a single act or series of related acts; is considered one occurrence.
5. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
6. This Additional Coverage does not apply to loss caused by an "employee" after discovery by:
 - a. You; or
 - b. Any of your partners, officers or directors, or members or "managers" not in collusion with the "employee"; of any "theft" or any other dishonest act committed by that "employee" before or after being hired by you.
7. **Extended Period To Discover Loss**
 - a. We will pay for loss that you sustained prior to the effective date of termination or cancellation of this policy, which is discovered by you no later than 1 year from the date of that termination or cancellation.
 - b. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded by this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
8. If you discover a loss or damage during the policy period that you (or any predecessor in interest) sustained during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
 - a. This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - b. The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
9. The insurance under Paragraph 8. above is provided within, and not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
 - a. This Additional Coverage as of its effective date; or
 - b. The prior insurance, had it remained in effect.
10. None of the exclusions in Section B. **Exclusions** of the **CAUSES OF LOSS – SPECIAL FORM** apply to Employee Theft Coverage provided under this endorsement except:
 - a. **B.1.c. Governmental Action;**
 - b. **B.1.d. Nuclear Hazard;** and
 - c. **B.1.f. War And Military Action.**
11. We will not pay for loss as specified below:
 - a. **Acts Committed by You or Your Partners**
Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
 - b. **Indirect Loss**
Loss that is an indirect result of any act or occurrence covered by this insurance including, but not limited to, loss resulting from:
 - (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to "money" and "securities".
 - (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this Additional Coverage.

- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this Additional Coverage.

c. Legal Expenses

Expenses related to any legal action.

12. Ownership Of Property; Interests Covered

The property covered under this Additional Coverage is limited to property:

- a. That you own or lease;
- b. That you hold for others; or
- c. For which you are legally liable, except for property inside the premises of a "client" of yours.

However, this coverage is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this coverage must be presented by you.

13. Valuation – Settlement

Subject to the Limit of Insurance, we will pay for:

- a. Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (1) At face value in the "money" issued by that country; or
 - (2) In the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was discovered.
- b. Loss of "securities" but only up to and including their value at the close of business on the day that loss was discovered. We may, at our option:
 - (1) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";
 - (2) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities." However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - (a) Value of the "securities" at the close of business on the day the loss was discovered; or
 - (b) Limit of Insurance.

J. Business Income Including Extra Expense

1. Coverage

a. Business Income

Business Income means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Business Income includes "Rental Value."

We will pay the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration." The "suspension" must be caused by direct physical loss of or damage to property at the 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.

b. Extra Expense

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.

We will pay Extra Expense (other than the expenses to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the premises described in the Declarations or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location;
- (2) Minimize the "suspension" of business if you cannot continue "operations."

We will pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

2. Additional Coverages

a. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations," the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

b. Civil Authority

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When Civil Authority for Business Income ends;
- whichever is later.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this additional coverage, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations," with reasonable speed, to the level which would generate the "business income" amount that would have existed if no direct physical loss or damage had occurred; or
 - (ii) 30 consecutive days after the date determined in (1)(a) above.

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

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this additional coverage, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and

(b) Ends on the earlier of:

- (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or
- (ii) 30 consecutive days after the date determined in (2)(a) above.

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

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

3. Limits of Insurance

The most we will pay for loss under this **Additional Coverage - Business Income Including Extra Expense** in any one occurrence is \$25,000.

Payments under the following additional coverages will not increase the applicable Limit of Insurance:

- a. Alterations and New Buildings;
- b. Civil Authority; or
- c. Extended Business Income.

4. Valuation

The following is added to **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

g. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no loss or damage occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (b) Deeds, liens or contracts.

h. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

i. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Additional Coverage and:

- (1) We have reached an agreement with you on the amount of loss; or
- (2) An appraisal award has been made.

j. Resumption of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations," in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense. If you do not resume "operations," or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

5. Limitation – Interruption of Computer Operations

- a. Coverage for Business Income does not apply when action is taken to avoid or minimize a “suspension” of “operations” caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the **Additional Coverage – Interruption Of Computer Operations**.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a “suspension” of “operations” caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the **Additional Coverage – Interruption Of Computer Operations**.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

K. Business Income From Dependent Properties

1. We will pay for the actual loss of Business Income you sustain due to the necessary “suspension” of your “operations” during the coverage period. The “suspension” must be caused by direct physical loss of or damage at the premises of a dependent property caused by or resulting from a 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. Electronic data has the meaning set forth in Paragraph 5. **Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.

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

2. We will reduce the amount of your Business Income loss, other than Extra Expense, to the extent you can resume “operations,” in whole or in part, by using any other available:
 - a. Source of materials; or
 - b. Outlet for your products.
3. If you do not resume “operations,” or do not resume “operations” as quickly as possible, we will pay based on the length of time it would have taken to resume “operations” as quickly as possible.
4. Business Income, as it pertains to this **Additional Coverage – Business Income From Dependent Properties**, means:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred, but not including any net income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss; and
 - b. Continuing normal operating expenses incurred, including ordinary payroll.
5. Dependent property means property operated by others whom you depend on to:
 - a. Deliver materials or services to you, or to others for your account. But services does not mean water, communication or power supply services;
 - b. Accept your products or services;
 - c. Manufacture your products for delivery to your customers under contract for sale; or
 - d. Attract customers to your business.

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

6. The coverage period for Business Income under this Additional Coverage:
 - a. Begins 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the dependent property; and
 - b. Ends on the date when the property at the premises of the dependent property should be repaired, rebuilt or replaced with reasonable speed and similar quality.
7. The Business Income coverage period, as stated in Paragraph 6., does not include any increased period required due to the enforcement of any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down, of any property; or
 - b. Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of “pollutants”.

The expiration date of this policy will not reduce the Business Income coverage period.

L. Claims Expenses

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

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

M. Inventory Or Appraisal Cost

We will pay up to \$5,000 each occurrence for the cost of any inventory or appraisal required as a result of direct physical loss or damage to covered property caused by or resulting from a Covered Cause of Loss.

N. Money And Securities

1. We will pay for loss of "money" and "securities" used in your business caused by "theft," disappearance or destruction. The most we will pay for loss in any one "occurrence" under this coverage is:
 - a. \$10,000 for "money" and "securities" while inside the "premises" or a "banking premises."
 - b. \$5,000 for "money" and "securities" while in the care and custody of a "messenger."

2. Additional Exclusions Applicable to Money And Securities

We will not pay for loss as specified below:

- a. Loss resulting from accounting or arithmetical errors or omissions;
- b. Loss resulting from the giving or surrendering of property in any exchange or purchase.
- a. Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
- d. Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
- e. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises."
 - (1) On the basis of unauthorized instructions; or
 - (2) As a result of a threat to do:
 - (a) Bodily harm to any person; or
 - (b) Damage to any property.
 - (3) But, this exclusion does not apply to loss of "money" and "securities" while outside the "premises" or "banking premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
- f. Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

3. Additional Conditions

- a. The reference to "money" and "securities" in Subparagraph **A.2.a. Property Not Covered** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** does not apply to the coverage provided by this form.
- b. You must keep records of all "money" and "securities" so we can verify the amount of loss or damage.

O. Off Premises Power Failure – Direct Damage

1. With respect to coverage provided in this **Additional Coverage – Off Premises Power Failure – Direct Damage**, Exclusion **B.1.e.** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted in its entirety and replaced as follows:

e. Utility Services

The failure of utility service (other than Power Supply Service) supplied to the described premises, however caused, if the failure occurs away from the described premises. Failure includes lack of sufficient capacity and reduction in supply.

But if the failure of utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply to the Business Income coverage or to Extra Expense coverage. Instead, the Special Exclusion in Paragraph **B.4.a.(1)** applies to these coverages.

2. The following Additional Coverage is added:

Off Premises Power Failure – Direct Damage

- a. We will pay for loss of or damage to Covered Property caused by an interruption in Power Supply Service to the described premises. The interruption in Power Supply Service must result from direct physical loss or damage by a Covered Cause of Loss to property that is located off the described premises.
- b. Coverage under this Additional Coverage does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in Paragraph 5. **Limitation – Interruption of Computer Operations** included in **Additional Coverage – Business Income Including Extra Expense** of this form.
- c. Power Supply Service means the following types of property supplying electricity, steam or gas to the described premises:
 - (1) Utility generating plants;
 - (2) Switching stations;
 - (3) Substations;
 - (4) Transformers; and
 - (5) Transmission lines, including overhead transmission lines.
- d. The most we will pay for any one occurrence is \$10,000.

P. Ordinance Or Law Coverage

Exclusion **B.1.a. Ordinance Or Law** of the **CAUSES OF LOSS – SPECIAL FORM** is deleted and the following coverage applies:

1. Ordinance or Law Coverage applies only if the following is satisfied.
 - a. The ordinance or law:
 - (1) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - (2) Is in force at the time of loss.But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.
 - b.
 - (1) The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
 - (2) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
 - (3) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this additional coverage even if the building has also sustained covered direct physical damage.
 - c. In the situation described in **1.b.(2)** above, we will not pay the full amount of loss otherwise payable under the terms of **Coverage A** and/or **Coverage B and C Combined** of this additional coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.
However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of **Coverages A** and/or **B and C Combined** of this endorsement.
2. Under this coverage, we will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.
3. Under this coverage, we will not pay for:
 - a. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by “pollutants” or due to the presence, growth, proliferation, spread or any activity of “fungus,” wet or dry rot or bacteria; or
 - b. 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,” “fungus,” wet or dry rot or bacteria.

4. Coverage A: Coverage for Loss to the Undamaged Portion of the Building

- a. If a Covered Cause of Loss occurs to covered building property at the premises described in the Declarations, we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.
- b. **Coverage A** is included within the Limit of Insurance applicable to the covered building property at the premises described in the Declarations. **Coverage A** does not increase the Limit of Insurance.
- c. Loss will be determined as follows:
 - (1) If the Replacement Cost Coverage Option applies and the property is repaired or replaced, on the same premises or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building property.
 - (2) If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:
 - (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building property.

5. Coverages B: Demolition Cost and C: Increased Cost of Construction (Combined)

If a Covered Cause of Loss occurs to covered building property, we will pay up to 25 percent (25%) of the Limit of Insurance applicable to building property at the premises described in the Declarations, subject to a maximum limit of \$150,000, for the total of all covered losses (combined) for Demolition Cost and Increased Cost of Construction. Subject to these limits of coverage, the following conditions will apply:

a. Demolition Cost

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (2) The Coinsurance Additional Condition does not apply to Demolition Cost.
- (3) We will not pay more than the amount you actually spend to demolish and clear the site of the premises described in the Declarations.

b. Increased Cost of Construction

- (1) With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:
 - (a) Repair or reconstruct damaged portions of that building property; and/or
 - (b) Reconstruct or remodel undamaged portions of that building property, whether or not demolition is required; when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (a) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
 - (b) We will not pay for increased cost of construction if the building is not repaired, reconstructed or remodeled. The Coinsurance Additional Condition does not apply to Increased Cost of Construction.
- (2) When covered building property is damaged or destroyed by a Covered Cause of Loss and Increased Cost of Construction applies to that property in accordance with **b.(1)** above, coverage for the Increased Cost of Construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **b.(1)**:
 - (a) The cost of excavations, grading, backfilling and filling;
 - (b) Foundation of the building;
 - (c) Pilings; and
 - (d) Underground pipes, flues and drains.

The items listed in **(2)(a)** through **(2)(d)** above are deleted from Property Not Covered, but only with respect to the coverage described in this provision **5.b**.

- (3) Loss Payment will be determined as follows:

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

Q. Outdoor Signs

1. We will pay for direct physical loss of or damage to all Outdoor Signs at the premises described in the Declarations:
 - a. owned by you; or
 - b. owned by others but in your care, custody or control.
2. None of the exclusions in Section **B. Exclusions** of the **CAUSES OF LOSS – SPECIAL FORM** apply to Outdoor Signs provided under this coverage except:
 - a. **B.1.c. Governmental Action;**
 - b. **B.1.d. Nuclear Hazard;** and
 - c. **B.1.f. War and Military Action.**
3. We will not pay for loss or damage caused by or resulting from:
 - a. wear and tear;
 - b. hidden or latent defect;
 - c. rust;
 - d. corrosion; or
 - e. mechanical breakdown.

The most we will pay for loss of or damage in any one occurrence is \$10,000.

R. Recharging Of Fire Extinguishers

We will pay for expenses you incur for the recharging of Fire Extinguishers made necessary by the fighting of a fire at the premises described in the Declarations or adjacent to such property.

The most we will pay for any one occurrence is \$5,000.

S. Unauthorized Business Card Use

We will pay for the loss of "money" resulting from theft, forgery or unauthorized use of credit, debit or charge cards issued in the business name to you, your partners or officers, including:

1. Fund transfer cards;
2. Charge plates; and
3. Telephone cards.

The most we will pay under this Additional Coverage during each 12 month period of this policy (including any extension of less than one year), is \$5,000.

We will not pay for loss resulting from the use of any credit, debit or charge card if not customarily used in your business.

T. Forgery Or Alteration

1. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
 - (a) Made or drawn by or drawn upon you; or
 - (b) Made or drawn by one acting as your agent;
 or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

2. If you are sued for refusing to pay any instrument covered in Paragraph 1. above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense.
3. The most we will pay for any loss in any one "occurrence" including legal expenses is \$10,000.

U. Salespersons Samples

1. We will pay for loss of or damage to Covered Property from a Covered Cause of Loss to samples (including their containers) of your stock in trade that are:
 - (a) Owned by you; or

(b) The property of others for which you are legally liable.

But this coverage applies only while such property is:

(a) In the custody of your salespersons or authorized sales representatives;

(b) In your custody, if you are an individual, while you are acting as a salesperson; or

(c) In due course of transit to or from your premises and your salespersons or authorized sales representatives.

3. **Additional Exclusion Applicable to Salespersons Samples**

We will not pay for loss as specified below:

Theft from an unattended vehicle unless at the time of theft, its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

4. The most we will pay under this coverage is \$2,500 in any one occurrence.

Inland Marine Coverages

The following coverages are added under **4. Additional Coverages** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**. The Additional Condition, Coinsurance, does not apply to these coverages.

A. Installation Coverage

1. Coverage

a. We will pay for loss of or damage to the following property:

(1) 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 direction; and

(2) Temporary structures built or assembled by you on site, including cribbing, scaffolding and construction forms.

This property is covered while:

(1) At any job site you do not own, lease or operate;

(2) Awaiting and during installation, or awaiting acceptance by the purchaser;

(3) At a "temporary storage location."

But property in transit is not covered except as provided under Property Extension – Property In Transit.

b. This Additional Coverage does not apply to:

(1) An existing building or structure to which an addition, alteration, improvement or repair is being made;

(2) Property stored at a permanent warehouse or storage yard that you own;

(3) A plan, blueprint, design or specification; and

(4) Machinery, tools, equipment, supplies or similar property that will not become a permanent part of the project. This includes contractors equipment and other tools belonging to a contractor or sub-contractor.

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

(1) The cost to make good or replace faulty or defective materials or workmanship;

(2) Penalties for noncompletion or non-compliance with any contract terms or conditions;

(3) Testing including stand-up performance, stress, pressure, overload testing of the covered property;

(4) A fault, defect, deficiency, error or omission in a plan, blueprint, design or specification; or

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

2. The following is added to **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

f. As respects your materials, supplies, machinery, fixtures and equipment and similar property of others in your care, custody or control which will become a permanent part of your installation, fabrication or erection project, the value of covered property may be valued as follows:

(1) **Actual Cost to Repair, Replace or Rebuild.** The value of covered property will be based on the lesser of the following accounts:

(a) The actual cost to repair, replace or rebuild the covered property with materials of like kind and quality. The actual cost may include material, labor and reasonable overhead expenses; or

(b) The amount you actually spend to repair, replace or rebuild the covered property.

This valuation provision does not apply to Paragraphs (2) or (3) below.

(2) **Pair or Set.** The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

(3) **Loss to Parts.** The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

3. Limit of Insurance

The most we will pay for loss or damage to property covered under this Additional Coverage is \$10,000 per occurrence. This is the most we will pay regardless of:

- a. The number of job sites you do not own, lease or operate; or
- b. "Temporary storage locations."

4. With respect to this coverage, **Installation Coverage**, Section **D. Deductible** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:

D. Deductible

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 applicable limit of insurance.

5. Paragraph **e.** of **C.1. Limitations** of the **CAUSES OF LOSS – SPECIAL FORM** is replaced by the following:

- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
But, this limitation does not apply to covered property in the custody of a carrier for hire.

6. The following are added to **F. Additional Conditions** of the **BUILDING AND PERSONAL COVERAGE FORM**:

3. Carriers for Hire

You may accept bills of lading or shipping receipts issued by carriers for hire that limit their liability to less than the actual cash value of the covered property.

4. Coverage provided under the Installation Coverage will end when one of the following first occurs:

- (1) This policy expires or is cancelled;
- (2) The property covered under this Additional Coverage is accepted by the purchaser;
- (3) Your interest in the property covered under this Additional Coverage ceases;
- (4) You abandon the project to be performed by you for the purchaser, with no intention to complete it;
- (5) 90 days after the project to be performed by you for the purchaser is completed, unless we specify a different date in writing.

B. Contractors Equipment Coverage

1. Your "Small Tools" and "Small Tools" Owned by Your Employees

We will pay for your "small tools" and "small tools" owned by your employees. The most we will pay is as follows:

Limit for Your "Small Tools": \$5,000. (maximum limit per item \$1,000)

Limit for "Small Tools" Owned by Your Employees: \$1,000. (maximum limit per item \$250)

Leased and Rented Equipment

We will pay for contractors' equipment that is leased or rented from others to you. Contractors' equipment means machinery, equipment, and tools of a mobile nature that you use in your contracting, installation, erection, or moving operations or projects. The most we will pay for property leased or rented from others is \$5,000.

a. Coverage applies only to covered property while:

- (1) At the described premises;
- (2) On a "client's" premises; or
- (3) In transit directly between the described premises and a "client's" premises and while in a motor vehicle owned, leased or operated by the named insured.

b. The coverage provided by this Additional Coverage applies only to loss caused by or resulting from the following causes of loss and only if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Aircraft;

(5) Vandalism and malicious mischief; or

(6) Theft.

c. The following is added to **A.2. Property Not Covered** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**:

r. Property while stored or operated underground in connection with any mining operations.

d. The following is added to Paragraph 2. of **B. Exclusions** of the **CAUSES OF LOSS - SPECIAL FORM**:

n. We will not pay for loss or damage caused by puncture, blowout and road damage to tires and tubes mounted on vehicles. However, we do pay for puncture, blowout or road damage caused by a specified peril.

o. We will not pay for loss caused by humidity, dampness, dryness or changes in or extremes of temperature.

p. We will not pay for loss caused by the weight of a load which, under the operating conditions at the time of a loss, exceeds the registered lifting capacity of any equipment or machine.

q. We will not pay for loss due to theft or mysterious disappearance from any vehicle or attached container. We will pay for loss due to burglary when there are signs of forcible entry to a locked vehicle or container.

e. **E.7. Valuation** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:

7. Valuation

We will determine the value of covered property in the event of loss or damage as follows:

a. At actual cash value at the time of the loss (with a deduction for depreciation) except as provided in Paragraphs b. and c. following.

b. **Pair or Set.** The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

c. **Loss to Parts.** The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

2. Rental Reimbursement

In the event of loss by a covered peril to covered contractors' equipment that you own, we will reimburse you for your expense to rent similar equipment while your equipment is inoperable. The most we will reimburse you for rental reimbursement expenses is \$1,000. 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.

We will not reimburse you:

a. If you can continue or resume your operations with similar 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 covered loss occurs.

3. With respect to this Additional Coverage, **Contractors Equipment Coverage**, Section **D. Deductible** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** is deleted and replaced by the following:

D. Deductible

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 applicable limit of insurance.

We will not reimburse you for the rental of equipment until after 72 hours have passed since the covered property was rendered inoperable. After 72 hours have passed, we will only reimburse you for the rental expense that you actually incur.

The deductible of \$500 does not apply to rental reimbursement expenses.

General Liability Additional Coverages

The following Additional Coverages are added to the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM**.

A. Blanket Additional Insured Coverage

1. **SECTION II – WHO IS AN INSURED** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is amended to include as an insured any person or organization (referred to as Additional Insured) whom you are required to add as an Additional Insured on this policy under:

a. A written contract or agreement; and

b. Where a certificate of insurance showing that person or organization as an additional insured has been issued; and

- c. When the written contract or agreement and certificate of insurance are currently in effect or becoming in effect during the term of the policy and executed prior to the "bodily injury," "property damage," or "personal and advertising injury."
2. The insurance provided to the Additional Insured is limited as follows:
 - a. The Additional Insured is only an additional insured for:
 - (1) "Bodily injury," "property damage," or "personal and advertising injury" caused in whole or in part by negligent acts or omissions of the Named Insured or anyone directly or indirectly employed by the Named Insured or for whose acts a Named Insured may be liable.
 - (2) Liability arising out of your ongoing operations for the Additional Insured by or for you. A person's or organization's status as an insured under this coverage ends when your operations for that insured are completed.
 - b. The Limits of Insurance applicable to the Additional Insured are those specified in the written contract or agreement but not more than the Limits of Insurance specified in the Declarations for this policy. The Limits of Insurance applicable to the Additional Insured are inclusive of and not in addition to the Limits of Insurance shown in the Declarations for the Named Insured.
3. In addition to the other exclusions applicable to **Section I, Coverages A., B. and C. of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM**, the insurance provided to the Additional Insured does not apply to:
 - a. "Property damage" to:
 - (1) Property owned, used, occupied by, loaned or rented to the Additional Insured;
 - (2) Property in the care, custody or control of the Additional Insured or over which the Additional Insured are for any purpose exercising physical control; or
 - (3) "Your work" performed for the Additional Insured.
 - b. "Bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's or surveyor's rendering or failure to render any professional services for you, for the Additional Insured or for others, including, but not limited to:
 - (1) The preparing, approving or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Supervisory, inspection or engineering services.
 - 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 at the site 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.
4. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 4. **Other Insurance**, is amended to add the following subparagraph:

d. Additional Insured's Other Insurance As Excess Insurance

To the extent required by an "insured contract," this insurance is primary on behalf of the Additional Insured; and any other insurance maintained by the Additional Insured is excess and not contributory with this insurance. If the "insured contract" does not require this provision, then Paragraph a. above will apply.

B. Mobile Equipment Broadened Coverage

V.12.f.(1) of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is replaced by the following:

- (1) Equipment designed primarily for:
 - (a) Snow Removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning.

Except the above provisions do not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight which are not intended for use on a highway.

C. Aggregate Limit Per Project

The General Aggregate Limit under **SECTION III – LIMITS OF INSURANCE** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** applies separately to each of your projects away from premises owned by or rented to you.

D. Blanket Waiver Of Transfer Of Rights Of Recovery Against Others To Us

The **Transfer Of Rights Of Recovery Against Others To Us** Condition (**SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**) is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization to whom you by written contract or written agreement have waived your own right or recovery for loss caused by that person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or written agreement with that person or organization and included in the "products-completed operations hazard."

This provision does not apply unless the written contract or written agreement has been executed prior to the "occurrence" or offense giving rise to the "bodily injury" or "property damage."

E. Voluntary Property Damage Coverage

1. We will, at your request, pay but not defend any claim for "property damage" to the property of others otherwise excluded under **A.2.j.(4), (5) and (6)** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** provided that:
 - a. Such "property damage" takes place while such property is in your care, custody or control, or is property of others over which you, for any purpose, are exercising or have exercised physical control; and
 - b. Such "property damage" takes place away from any premises you own, rent or lease; and
 - c. Such "property damage" takes place within the "coverage territory" and during the policy term; and
 - d. Such "property damage" takes place only during your operations that are known to us, are scheduled on the policy and for which a premium has been charged.
2. The insurance under this additional coverage does not apply to "property damage" to property:
 - a. Held by you for servicing, repair, storage or sale at premises owned by, rented or leased to you;
 - b. While being transported by or caused by the ownership, maintenance, operation, use, "loading or unloading" of any "auto," watercraft or aircraft; or
 - c. Owned or occupied by or rented to you.

3. Deductible

This additional coverage will apply only to that amount of any loss in each "occurrence" that exceeds \$500.

The terms of the policy with respect to your duties in the event of "occurrence," claim or "suit" and the Company's right to investigate, negotiate and settle any claim or "suit" apply irrespective of the application of the deductible amount of \$500.

We may pay any part or all of the deductible amount of \$500 to effect settlement of any claim or "suit." Upon notification of the action taken, you must promptly reimburse us for such part of the deductible amount as has been paid by us.

4. Limits of Liability

The Limit of Liability for this additional coverage shall not exceed \$2,500 for each "occurrence" and is the limit of the Company's liability for all damages on account of each claim or "suit" covered herein. The annual aggregate Limit of Liability is \$2,500 and is, subject to the above provisions respecting each claim, the total limit of the Company's liability for all damages.

5. Settlement

In the event of loss covered by this additional coverage, you shall, if requested by us, replace the property or furnish the labor and materials necessary for repairs thereto at actual cost to you, excluding prospective profit or overhead charges of any nature. Any property so paid for or replaced shall, at our option, become the property of the Company. Payment hereunder shall not constitute an admission of liability of you or, except as stated herein, of the Company.

Additional Conditions

A. Insurance Under Two Or More Coverages

The following is added to Paragraph **C. Insurance under Two or More Coverages** of the **COMMERCIAL PROPERTY CONDITIONS**:

If a Coverage Form is attached to this policy that provides a limit for any coverage provided by this endorsement; the limit shown in the **SCHEDULE** and the coverage provided by this endorsement are deleted and replaced by the limit and coverage provided by the Coverage Form.

B. Limits Of Insurance

Regardless of the number of buildings at a location covered by this endorsement, the most we will pay under this Coverage Enhancement endorsement in any one occurrence is the applicable Limits of Insurance shown in the **SCHEDULE** on page 1 of this endorsement.

C. Deductibles

The Deductible described in section **D.** of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** applies to each of the Coverage Enhancements except as shown below:

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 applicable Limit of Insurance for the following enhancements:

1. Personal Effects and Property of Others
2. Valuable Papers and Records (Other than Electronic Data)
3. Property Off-Premises (Including Laptops and Other Electronic Equipment)
4. Outdoor Property (Named Perils)
5. Accounts Receivable
6. Property in Transit (Including Laptops and Other Electronic Equipment)
7. Fine Arts
8. Electronic Data
9. Water Back-Up and Sump Overflow
10. Employee Theft
11. Money and Securities
12. Forgery or Alteration

No deductible provisions apply to the following enhancements:

1. Fire Department Service Charge
2. Arson Reward
3. Claims Expenses
4. Inventory or Appraisal Cost
5. Recharging of Fire Extinguishers
6. Rental Reimbursement

D. Additional Definitions

The following **Additional Definitions** apply to this endorsement only:

1. **"Banking Premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. **"Business Income"** means the:
 - a. Net income (Net Profit or Loss before income taxes) that would have been earned had no loss occurred; and
 - b. Continuing normal operating expenses incurred, including payroll.For manufacturing risks, Net Income includes the net sales value of production.
3. **"Client"** as used in **Employee Theft** Coverage means any entity for whom you perform services under a written agreement.
4. **"Client"** as used in **Contractors Equipment** Coverage means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and have billed for your services.
5. **"Employee"** as used in **Employee Theft** and **Money And Securities** Coverages means:
 - a. **"Employee"** means:
 - (1) Any natural person:
 - (a) While in your service or for 30 days after termination of service;
 - (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you;
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent **"employee"** as defined in Paragraph (1) above, who is on leave; or
 - (b) To meet seasonal or short-term work load conditions;while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **"premises"**;

- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph (2) above;
 - (4) Any natural person who is your director or trustee while that person is handling **"money"** or **"securities."**
 - (5) Any natural person who is a former **"employee,"** director, partner, member (an owner of a limited liability company represented by its membership interest, who also may serve as a manager), manager (a person serving in a directorial capacity for a limited liability company), representative or trustee retained as a consultant while performing services for you; or
 - (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of **"money"** or **"securities"** outside the **"premises."**
- b. **"Employee"** does not mean:
- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Any manager (a person serving in a directorial capacity for a limited liability company), director or trustee except while performing acts coming within the scope of the usual duties of an **"employee."**
6. **"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. Coverage pertains to expenses (other than the expense to repair or replace property) which are incurred to
- a. Avoid or minimize the **"suspension"** of business and to continue **"operations"** at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
 - b. Minimize the **"suspension"** of business if you cannot continue **"operations."**
7. **"Fine Arts"** means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property of rarity, historical value or artistic merit.
8. **"Finished Stock"** means stock you have manufactured. Finished stock also includes whiskey and alcoholic products being aged.
9. **"Forgery"** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
10. **"Loss"** as used in the **Accounts Receivable** Extension means accidental loss or damage.
11. **"Manager"** as used in **Employee Theft** Coverage means a person serving in a directorial capacity for a limited liability company.
12. **"Messenger"** means you, any of your partners or any employee while having care and custody of the property outside the **"premises."**
13. **"Money"** means:
- a. Currency, coins and bank notes whether or not in current use; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
14. **"Occurrence"** as used in the **Money And Securities** Coverage means an act or series of related acts involving one or more persons; or an act or event, or a series of related acts or events not involving any person.
15. **"Occurrence"** as used in the **Forgery Or Alteration** Coverage means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
16. **"Operations"** as used in the **Business Income Including Extra Expense** and **Business Income From Dependent Properties** Coverages **"Extra Expense"** Definition means your business activities occurring at the address shown in the Declaration that you occupy for your business.
17. **"Period of Restoration"** means the period of time that:
- a. Begins with the date 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 date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- "Period of Restoration"** does not include any increased period required due to the enforcement of any ordinance of law that:
- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or

- (2) 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.**"
18. "**Pollutants**" as used in the **Business Income From Dependent Properties** Coverage and the "**Period of Restoration**" Definition 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.
19. "**Premises**" as used in the **Money And Securities** Coverage and "**Employee**" and "**Messenger**" Definitions means the interior of that portion of any building you occupy in conducting your business.
20. "**Premises**" as used in the **Accounts Receivable** Extension means that interior of the building at the address shown in the Declarations that you occupy for your business.
21. "**Rental Value**" means the:
- Total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, and
 - Amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations, and
 - Fair rental value of any portion of the described premises which is occupied by you.
22. "**Securities**" means negotiable and non-negotiable instruments or contracts representing either "**money**" or other property and include:
- Tokens, tickets, revenue and other stamps whether or not in current use; and
 - Evidences of debt issued in connection with credit or charge cards, which are not of your own issue but does not include "**money.**"
23. "**Small Tools**" means any tool which can be moved easily by one person without mechanical assistance and/or can be hand held for the purpose of doing labor.
24. "**Suspension**" means the slowdown or cessation of your business activities.
25. "**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 the job site:
- That you do not own, lease or operate; and
 - Where work is in progress, or will begin in 30 days.
26. "**Theft**" as used in the **Employee Theft** and **Money And Securities** Coverages means the unlawful taking of "**money**" or "**securities**" to the deprivation of the insured.

All Other Conditions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL AUTO COVERAGE FORM ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. SECTION II – LIABILITY COVERAGE, A.1. Who Is An Insured, is amended by the addition of the following:

1. Broadened Named Insured

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, and there is no other similar insurance available to that organization.

However, insurance provided by this provision:

- a. 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. Does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization;
- c. Does not apply to an insured under any other automobile liability policy, or would be an insured under such a policy but for the exhaustion of such policy's limits of insurance or the termination of such policy; and
- d. No newly acquired or formed organization is an insured with respect to any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

2. Blanket Additional Insured

Any person or organization with respect to the operation, maintenance, or use, of a covered "auto" that you are required to include as additional insured on the Coverage Form in a written agreement or written "insured contract" that is signed and executed by you before the "bodily injury" or "property damage" occurs.

However, such person or organization is an insured:

- a. Only for "bodily injury" or "property damage" caused by an "accident" which takes place after you executed the written agreement or written "insured contract";
- b. Is in effect during the policy period; and
- c. Only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

B. Employee Hired Autos

1. SECTION II – LIABILITY COVERAGE, A.1. Who Is An Insured, is amended by the addition of the following:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. Under SECTION IV – BUSINESS AUTO CONDITIONS, B.5., Other Insurance, Paragraph **b.** is deleted and replaced with the following:

- b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:
 - (1) Any covered "auto" you lease, hire, rent or borrow; and

- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

If Employee Hired Autos Coverage Form **CA 20 54** is attached to this policy, then the Employee Hired Autos coverage described above does not apply.

C. Supplementary Payments

Under **SECTION II – LIABILITY COVERAGE, A.2., Coverage Extensions, a. Supplementary Payments**, Paragraphs **a.(2)** and **a.(4)** are deleted and replaced by the following:

- (2) Up to \$2,500 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 a day because of time off from work.

D. Transportation Expenses

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions, a. Transportation Expenses** is deleted in its entirety and replaced with the following:

a. Transportation Expenses

We will pay up to \$50 per day to a maximum of \$1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage, including Theft Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

E. Loss Of Use Expenses

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions**, the last paragraph under **b. Loss Of Use Expenses** is replaced as follows:

However, the most we will pay for any expenses for loss of use is \$65 per day, to a maximum of \$1,000.

F. Theft Expense

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions**, the following is added:

If Comprehensive Coverage is purchased on a covered "auto", and that covered "auto" is stolen, we will pay the expense of returning that stolen auto to you. The limit for this coverage extension is \$1,000.

G. Rental Agency Expense

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions**, the following is added:

We will pay the following expenses that you or any of your "employees" are legally obligated to pay because of a written contract or written agreement entered into for use of a rental vehicle in the conduct of your business:

Maximum amount we will pay for any one written contract or written agreement:

1. \$2,500 for loss of income incurred by the rental agency during the period of time that vehicle is out of use due as a result of actual damage to, or "loss" of, that vehicle, including income lost due to absence of that vehicle for use as a replacement;
2. \$2,500 for decrease in trade-in value of the rental vehicle because of actual damage to that vehicle arising out of a covered "loss"; and
3. \$2,500 for administrative expenses incurred by the rental agency, as stated in the written contract or written agreement.
4. Maximum total amount payable under Paragraphs **1.**, **2.** and **3.** combined is \$7,500.

H. Hired Auto Physical Damage

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, A.4., Coverage Extensions**, the following is added:

If hired "autos" are covered "autos" for Liability Coverage, and if Comprehensive, Specified Causes Of Loss, or Collision Coverage as provided under this Coverage Part, then coverage is extended to "autos" you hire without a driver, subject to the following:

1. The most we will pay for "loss" to any hired "auto" is \$35,000 or the actual cash value or cost to repair or replace, whichever is less, minus a deductible.
2. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage.

Coverage provided by this extension applies only to "autos" you hire of the private passenger type or light truck (gross vehicles weight 10,000 pounds or less) type vehicles.

If a limit for Hired Auto – Physical Damage is shown in the Declarations, then that limit replaces, and is not added to, the \$35,000 limit indicated above.

I. Airbag Coverage

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, B. Exclusions**, Paragraph 3.a. is replaced as follows:

- a. Wear and tear, freezing, mechanical or electrical breakdown. However, mechanical or electrical breakdown does not apply to the unintended discharge of an airbag. Any loss covered under this provision is excess over any other collectible insurance or warranty.

J. Glass Breakage

Under **SECTION III – PHYSICAL DAMAGE COVERAGE, D., Deductible**, the following is added:

However, if Comprehensive or Specified Causes Of Loss Coverage is purchased on a covered "auto", any deductible shown in the Declarations as applying to the covered "auto" will not apply to glass breakage if the damaged glass is repaired in a manner acceptable to us rather than replaced.

K. Rental Reimbursement

SECTION III – PHYSICAL DAMAGE COVERAGE is amended by the addition of the following:

If Physical Damage Coverage for which a premium is shown, is designated in the Declarations for a covered "auto" we will provide Rental Reimbursement Coverage.

1. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductible applies to this coverage.
2. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
 - a. 30 days; or
 - b. The number of days reasonably required to repair or replace the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
3. Our payment is limited to the lesser of the following amounts:
 - a. \$40 any one day; or
 - b. Necessary and actual expenses incurred.
4. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
5. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under Paragraph **A.4. Coverage Extensions, a. Transportation Expenses**.

If Rental Reimbursement Coverage Form **CA 99 23** is attached to this policy, then the Rental Reimbursement Coverage described above does not apply.

L. Blanket Waiver of Subrogation

Under **SECTION IV – BUSINESS AUTO CONDITIONS, A. Loss Conditions**, Paragraph 5., **Transfer Of Rights Of Recovery Against Others To Us**, is amended by the addition of the following:

We will, however, waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract".

This provision does not apply unless the permit has been issued or the written contract or written agreement has been executed, prior to the "bodily injury" or "property damage".

M. Unintentional Failure To Disclose Hazards

Under **SECTION IV – BUSINESS AUTO CONDITIONS, B. General Conditions, Paragraph 2. Concealment, Misrepresentation Or Fraud**, is amended by the addition of the following:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

N. Duties In The Event Of Accident, Claim, Suit Or Loss

Under **SECTION IV – BUSINESS AUTO CONDITIONS, A.2. Duties In The Event Of Accident, Claim, Suit Or Loss, Paragraph 2.a.**, is deleted and replaced with the following:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss" after it becomes known to:
- (1) You, if you are an individual;
 - (2) A partner or member, if you are a partnership or joint venture;
 - (3) A member or manager, if you are a limited liability company; or
 - (4) An executive officer or insurance manager if you are an organization other than a partnership, joint venture or limited liability company.

Notice should include the following:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

Your "employees" may know of an "accident", claim, "suit" or "loss". This will not mean that you have such knowledge of an "accident", claim, "suit" or "loss".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Endorsement Effective: 01/05/2021
Named Insured: Empire Pump Corporation

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

The following is added to **SECTION II – LIABILITY COVERAGE**, Paragraph **A.1. Who Is An Insured** Provision:

Any person or organization with respect to the operation, maintenance, or use, of a covered “auto” that you are required to include as additional insured on the Coverage Form in a written agreement or written “insured contract” that is signed and executed by you before the “bodily injury” or “property damage” occurs.

However, such person or organization is an insured:

1. Only for “bodily injury” or “property damage” caused by an “accident” which takes place after you executed the written agreement or written “insured contract”;
2. Only during the policy period; and
3. Only for damages to which this insurance applies and only to the extent that person or organization qualifies as an “insured” under the Who Is An Insured provision contained in Section II.

A person’s or organization’s status as an additional insured under this provision ends when your operations for that additional insured are completed.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION – BLANKET

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A. The following is added to the **Other Insurance General Condition** in the Business Auto and Garage Coverage Forms and the **Other Insurance – Primary And Excess Insurance Provisions** in the Motor Carrier and Truckers Coverage Forms and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

1. Such "insured" is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured".

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Any person or organization for which the employer has agreed by written contract, executed prior to, may execute a waiver of subrogation.

The following statement only applies to policies or exposure in Missouri: Any person or organization for which the employer has agreed by written contract, executed prior to loss, may execute a waiver of subrogation. However, for purposes of work performed by the employer in Missouri, this waiver of subrogation does not apply to any construction group of classifications as designated by the waiver of right to recover from others (subrogation) rule in our manual.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 09/01/2022

Policy No. AMWC291405

Endorsement No.

Insured Empire Pump Corporation

Premium \$

Insurance Company Berkley Casualty Company

Countersigned by _____

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