



THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

Businessowners Coverage Form

The following is a summary of increased limits of insurance and additional coverage provided by this endorsement. For complete details on specific coverage, refer to the appropriate provisions in this endorsement.

LIMITS	SUBJECTS OF INSURANCE
\$15,000	Debris Removal
\$10,000	Fire Department Service Charge
\$10,000	Fire Extinguisher Systems Recharge Expense
\$25,000	Pollutant Cleanup And Removal
\$25,000	Backup of Sewers & Drains
\$25,000	Building Ordinance
\$25,000	Electronic Data Processing Equipment
\$15,000	Fine Arts
50% of Building Limit	Newly Acquired Buildings
\$5,000	Tree, Shrubs and Other Plants
\$5,000	Exterior Signs
\$25,000	Personal Effects
\$25,000	Valuable Papers and Records
\$25,000	Accounts Receivable
\$10,000 Inside \$10,000 Outside	Money & Securities
\$15,000	Property Temporarily Off-Premises
\$10,000	Property of Others
\$25,000	Spoilage

The Businessowners Coverage Form is amended as follows:

A.5.a Debris Removal is deleted in its entirety and replaced with the following:

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 that we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to Paragraph (a) above, the amount we will pay for debris removal expense is limited to Twenty Five (25%) Percent 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 Fifteen thousand (\$15,000) Dollars 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 Twenty Five (25%) Percent of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore if Paragraphs (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus Fifteen Thousand (\$15,000) Dollars.

(5) Examples

Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of Loss	\$65,000
Amount of Loss Payable	\$64,500
	(\$65,000 - \$500)
Debris Removal Expense	\$15,000
Debris Removal Expense Payable	\$15,000
	(\$15,000 is 23% of \$65,000)

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 (\$64,500 + \$15,000 = \$79,500) 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	\$100,000
Amount of Deductible	\$500
Amount of Loss	\$90,000
Amount of Loss Payable	\$89,500
	(\$80,000 - \$500)
Debris Removal Expense	\$40,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$15,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$90,000 (\$89,500 + \$500) x .25 = \$22,500; capped at \$10,500). The cap applies because the sum of the loss payable (\$89,500) and the basic amount payable (\$89,500) 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 (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$100,000). The additional amount of covered debris removal expense is \$15,000, the maximum payable under paragraph (4). Thus the total payable for debris removal expense in this example is \$25,500, \$14,500 of the debris removal expense is not covered.

A.5.c is deleted in its entirety and replaced with the following:

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, We will pay up to ten thousand (\$10,000) dollars for your liability for fire department service charges:

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

A.5.h. is deleted in its entirety and replaced with the following:

h. Pollutant Clean-up And Removal

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

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

The most we will pay for each location under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

A.5.o is deleted in its entirety and replaced with the following:

o. Fire Extinguisher Systems Recharge Expense

(1) We will pay:

(a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 100 feet of the described premises; and

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

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

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

(4) We will pay up to Ten Thousand (\$10,000) Dollars in any one occurrence for the cost of recharging fire protection devices when foam solutions, dry chemicals, halogen or other fire extinguishing materials have been lost, expended, damaged or destroyed due to a Covered Cause of Loss. No deductible applies to this coverage.

The following is added to A.5.

s. Backup of Sewers and Drains

This insurance is extended to apply to loss or damage to your property caused by:

(1) Water that backs up through sewers or drains; or

(2) Water under the ground surface pressing on, or flowing or seeping through:

(a) Foundations, walls, floors, or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

(3) Water that enters into and overflows from within a:

- (a) Sump pump;
- (b) Sump pump well; or
- (c) Other type system;

designed to remove subsurface water from the foundation area.

- (4) The most we will pay for loss or damage under this extension is Twenty Five Thousand (\$25,000) Dollars in one occurrence. A deductible of One Thousand (\$1,000) Dollars is applicable to this coverage.

t. Building Ordinance

This insurance is extended to apply to Covered Property-Building to:

the increased cost to repair, rebuild or construct the property caused by enforcement of building, zoning or land use law in effect at the time of loss. If the property is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use law.

We will not pay under this extension for the costs associated with the enforcement of any ordinance or law, which requires any insured or other 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 most we will pay for loss or damage under this extension is Twenty Five Thousand (\$25,000) Dollars at each location.

u. Electronic Data Processing Equipment

- (1) We will pay for loss or damage to your electronic data processing equipment and electronic media which you own, lease, or rent from others or for which you are legally responsible, located on insured premises.
- (2) We will pay for loss or damage resulting from or caused by:
 - (a) Machinery malfunction;
 - (b) Short circuit, blowout or other electrical damage or disturbance;
 - (c) Faulty construction, error in design, or actual work upon property covered. (This coverage does not apply to data processing media);

- (d) Electrical or magnetic injury, disturbance, or erasure of electrical recordings.
- (3) The most we will pay for loss in any one occurrence is Twenty Five Thousand (\$25,000) Dollars.
- (4) We will not pay for loss or damage resulting from:
 - (a) Loss to property loaned, leased or rented to others while away from the premises listed in the Declaration;
 - (b) Data or media which cannot be replaced with others of the same kind and quality;
 - (c) Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents. But we will cover such property when it is converted to data form and then only in that form;
 - (d) Error or omission in machine programming or incorrect instruction to a machine;
 - (e) Interruption of power supply, power surge, blackout or brown-out if the cause of such occurrence took place more than one hundred (100 ft.) feet from an insured premises.
- (5) Under Paragraph B.3., Exclusions, the Negligent Work exclusion is replaced by the following:
- (6) Electronic Data Processing Equipment means data processing systems, component parts and related peripheral equipment including air conditioning and fire protection equipment used solely for data processing operations. But electronic data processing equipment does not include electronic systems that control production machinery nor the production machinery itself.
- (7) Electronic Data Processing Media means punchcards, tapes, discs, drums, cells or other magnetic recording or storage devices, including the information recorded on the media. It also includes the original source material used to enter data and/or programs.

v. Fine Arts

We will cover loss or damage to Fine Arts, meaning: paintings; etching; pictures; tapestries; statuary; marbles; bronzes; antique furniture; rare books; antique

silver, porcelains; rare glassware; bric-a-brac or other articles of art rarity or antiquity.

The most we will pay in any one occurrence is Fifteen Thousand (\$15,000) Dollars.

If loss or damage applies to Fine Arts the basis of adjustment will be as follows:

- (1) The limit of insurance shown in the schedule for each fine arts item. This will be the agreed value for each item; or
- (2) If the item is newly acquired the value will be the fair market value; or
- (3) The most we will pay in the event of loss or damage to unscheduled Fine Arts items is the lesser of the following:
 - (a) The cost of restoring the property to its condition immediately before the loss or damage;
 - (b) The cost of replacing the property with substantially identical property; or
 - (c) The fair market value;at the time and place of the loss or damage.

A.6.a is deleted in its entirety and replaced with the following:

a. Newly Acquired Buildings

(1) Buildings

You may extend the insurance that applies to Building 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 similar use as the building described in the Declarations.

The most we will pay for loss or damage under the extension is Fifty (50%) Percent of the Limit of Insurance for Building shown in the Declarations, but not more than Two Hundred Fifty Thousand (\$250,000)

Dollars. Insurance under this extension for each newly acquired or constructed property will end when any of the following first occurs:

- (a) This policy expires.
 - (b) Ninety (90) days expire after you acquire or begin to construct the property.
- (2) Business Personal Property

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

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

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

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

(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 the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

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

A.6.c is deleted in its entirety and replaced with the following.

c. Outdoor Property

Your insurance is extended to apply to your outdoor fences, radio and television antennas (including satellite dishes), including debris removal expense, caused by or resulting from any of the following causes of loss:

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

(a) Trees, Shrubs and Other Plants

The most we will pay for all losses to outdoor trees, shrubs, and other plants as a result of any one event is the amount shown on the Declaration for Trees, Shrubs and Plants, or, if none is shown, up to Five Thousand (\$5,000) Dollars, but not more than Two Hundred Fifty (\$250) Dollars for any one tree, shrub and plant.

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, this coverage is excess over any other insurance.

(b) Exterior Signs

We cover signs that you own and that are on the Insured Location, whether attached to building(s). We also cover such signs that others own but which are in your care, custody and control. We cover direct physical loss to such signs except loss due to:

- (i) wear and tear;
- (ii) latent defects;
- (iii) corrosion or rust; or
- (iv) mechanical breakdown.

Our limit of insurance for this coverage is Five Thousand (\$5,000) Dollars or the limit shown in the Declarations for signs, whichever is more.

A.6.d is deleted in its entirety and replaced with the following:

d. Personal Effects

Your insurance is extended to cover your Personal Effects and those of your officers, partners and employees while such effects are in or on the building, or in the open (including within vehicles) within One Thousand (1000 ft.) feet of the Insured Location. But we will not pay more than Two Hundred Fifty (\$250) Dollars for the personal effects of any one person, lost or damaged as a result of any one event. The most we will pay for loss or damage under this extension is Twenty Five Thousand (\$25,000) Dollars. However, we will not cover a loss to personal effects if that loss is covered by another insurance policy, even if you or the owner of the personal effects cannot collect under that policy for any reason.

A.6.e is deleted in its entirety and replaced with the following:

e. Valuable Papers and Records

- (1) You may extend the insurance that applies to 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 Coverage Extension includes the cost to research, replace or restore the lost information on "valuable papers and records" for which duplicates do not exist.
- (2) This Coverage Extension does not apply to:
 - (a) Property held as samples or for delivery after sale; and
 - (b) Property in storage away from the premises shown in the Declaration.
- (3) Business Personal Property is extended to apply to your costs to research, replace or restore the lost information on lost or damaged valuable papers and records, including those which exist on electronic or magnetic media, for which duplicates do not exist. The most we will pay under this extension is Twenty Five Thousand (\$25,000) at each described premises.

For "valuable papers and records" not at the described premises, the most we will pay is \$25,000.

- (4) Loss or damage to "valuable papers and records" will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent that the contents of the "valuable papers and records" are not restored, the "valuable papers and records" will be valued at the cost of replacement with blank materials of substantially identical type.

- (5) Paragraph B. Exclusions in Section I – Property does not apply to this Coverage Extension except for:
- (a) Paragraph B.1.c., Government Action;
 - (b) Paragraph B.1.d., Nuclear Hazard;
 - (c) Paragraph B.1.f., War And Military Action;
 - (d) Paragraph B.2.f., Dishonesty;
 - (e) Paragraph B.2.g., False Pretense;
 - (f) Paragraph B.2.m.(2), Errors Or Omissions; and
 - (g) Paragraph B.3.

A.6.f is deleted in its entirety and replaced with the following:

f. Accounts Receivable

- (1) Coverage under the Businessowners Special Property Coverage Form is extended to:

- (a) All amounts due from your customers that you are unable to collect;
- (b) Collection expense above normal collection cost because of such loss or damage;
- (c) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts; and
- (d) Other reasonable expenses you may have in reestablishing your records of accounts receivable,

that result from direct physical loss or damage by any covered causes of loss to your records of accounts receivable.

- (2) We will not pay for loss or damage caused by:

- (a) 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;
- (b) Bookkeeping, accounting or billing errors or omissions;
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings (but we will pay for the direct loss or damage caused by lightning);

- (d) Unauthorized instructions to transfer property to any person or to any place;
 - (e) Any audit of records or any inventory computation.
- (3) This insurance applies to accounts receivable while:
- (a) On premises scheduled in the Declarations of this policy;
 - (b) While being conveyed outside the premises; or
 - (c) While temporarily at other premises for any reason except storage.
- (4) The most we will pay under this extension is Twenty Five Thousand (\$25,000) Dollars per occurrence.

The following is added to A.6:

g. Money and Securities

Your insurance is hereby extended to include limits of Ten Thousand (\$10,000) Dollars inside, Ten Thousand (\$10,000) Dollars outside subject to the terms and conditions as described in the Money and Securities section Paragraph 2.a. through 2.e.

h. Property Temporarily Off-Premises

Your insurance is extended to cover, Property Temporarily Off-Premises:

For losses to property temporarily off your premises for cleaning, repairing or restoration, we will pay for the smaller of the following for losses from any one accident or event:

Fifteen Thousand (\$15,000) Dollars or two (2%) percent of the building value shown on the Declaration for Buildings at the premises from which the property was removed.

i. Property of Others

Your insurance is extended to apply to property of others that is not otherwise covered under Coverage A.1.b(2) Business Personal Property, while such property is on the premises described in the declarations. We will also cover the property of others which is in your care, custody or control for repairs, processing or adjustment while such property is in transit or in the custody of others to whom you have sent the property for such repairs, processing or adjustment. The most

we will pay for loss or damage under this extension is Ten Thousand (\$10,000) Dollars.

j. Spoilage, Contamination, Change in Temperature or Humidity

This insurance is extended to apply to Spoilage, Contamination, Change in Temperature or Humidity.

The most we will pay for this coverage is Twenty Five Thousand (\$25,000) Dollars per occurrence.

- (1) The insurance provided by this endorsement applies to loss or damage to stock owned by you or by others in your care, custody or control at:
 - (a) Your described premises; or
 - (b) Premises of a cold storage warehouse; or
 - (c) Premises of a consignee; and
- (2) As the result of contamination. Contamination means loss or damage to stock caused by a foreign substance accidentally entering or coming into contact with the stock. Contamination does not include the wrongful addition or omission of ingredients or substances as part of the production process; nor improper processing or preparation; or
- (3) As the result of spoilage or change in temperature or humidity arising out of a complete or partial interruption of power either:
 - (a) On premises if interruption is caused by a Covered Cause of Loss; or
 - (b) Sudden and accidental electrical or mechanical breakdown of refrigeration equipment located on the described premises; or
 - (c) Off premises if interruption is caused by a Covered Cause of loss to property of power supply companies which includes the following property:
 - (i) Utility generating plants;
 - (ii) Switching stations;
 - (iii) Substations;
 - (iv) Transformers; and

(v) Transmissions lines.

(4) We will pay only if the loss or damage to the property of the power supply company prevents the delivery of services for twelve (12) hours or more. We will not pay for loss or damage caused by or resulting from:

- (a) The inability of a power supply company or other power source to provide sufficient power due to lack of fuel or governmental order.
- (b) The inability of a power supply company to provide sufficient power due to the lack of generating capacity to meet demand.
- (c) The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- (d) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (e) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

B.1.a. Ordinance or Law Exclusion is deleted in its entirety.

B.1.g., Exclusion is deleted in its entirety and replaced with the following:

g. **Water**

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or
- (2) Mudslide or mudflow.

But if Water, as described in Paragraphs (1) through (2), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

B.2.b. Money and Securities Exclusion is deleted in its entirety.