

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ELITE PROPERTY ENHANCEMENT:
INTEGRATED TECHNOLOGY**

This endorsement modifies insurance provided under the following:

**PROPERTY COVERAGE FORM
CAUSES OF LOSS FORM****I. Schedule of Coverages and Limits**

The following is a summary of increased Limits of Insurance, additional coverages and/or coverage extensions provided by this endorsement. This endorsement is subject to the provisions of your policy.

Coverage Applicable	Limit of Insurance	Page #
Covered Property		
Business Personal Property	Within 1600 feet	2
Fine Arts	\$50,000	2
Additional Coverages		
Automated External Defibrillators	\$5,000	3
Claim Expenses	\$25,000	3
Contract Penalty	\$50,000	3
Earthquake Sprinkler Leakage	\$30,000	3
Lease Cancellation Moving Expenses	\$5,000	3
Pollutant Clean Up and Removal	\$50,000	3
Coverage Extensions		
Business Income and Extra Expense	\$300,000	3 – 7
Civil Authority	Included in BI/EE limit	
Contingent Business Property	Included in BI/EE limit	
Utility Service Interruption - Business Income Only	\$100,000	
Extended Period of Indemnity - Business Income Only	180 days	
Websites	\$50,000	
Emergency Vacating Expenses	\$25,000	7
Excavations and Landscaping	\$50,000	7
Fire Extinguisher Recharge	\$25,000	7
Garages	\$5,000	8
Lost Key Replacement	\$10,000	8
New Construction	180 Days	8
Ordinance or Law - Demolition Costs	\$500,000	8
Ordinance or Law - Increased Cost of Construction	\$500,000	8
Personal Property of Others	\$25,000	8
Reward Reimbursement	\$50,000	8
Causes of Loss Amendments		
Dampness or Extremes of Temperature	Included	9
Utility Services – Direct Damage	\$25,000	9
Spoilage	\$50,000	9

II. Conditions**A. Applicability of Coverage**

Coverage provided in forms attached to your policy is amended by this endorsement where

applicable.

B. Limits of Insurance

1. When coverage is provided by this form and another coverage form attached to this policy, the greater Limits of Insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy.
2. Limits of Insurance identified in this endorsement are not excess of, or in addition to, Limits of Insurance provided by the **PROPERTY COVERAGE FORM** or **CAUSES OF LOSS FORM** unless otherwise stated.
3. Coverage is considered to be on an occurrence basis (not on a per location basis) unless otherwise stated.

C. Applicability of Exclusions

Specific exclusionary endorsements attached to the policy supersede coverage provisions contained in this coverage enhancement.

D. Requirement for Covered Causes of Loss

Except where a specific Covered Cause of Loss is identified in this coverage enhancement, coverage for the “**losses**” described herein are applicable only for Covered Causes of Loss as designated in the **CAUSES OF LOSS FORM** attached to the policy.

III. Covered Property

A. Your Business Personal Property

Section **A. Coverage, 1. Covered Property, a. Your Business Personal Property**, Paragraph **(1)** in the **PROPERTY COVERAGE FORM** is deleted in its entirety and replaced with the following:

- (1) Located in or on the “buildings” described in the Declarations or within 1,600 feet of the described premises;

B. Fine Arts

1. Section **A. Coverage, 1. Covered Property, a. Your Business Personal Property, (d) “Fine Arts”** in the **PROPERTY COVERAGE FORM** is amended as follows:

If the total value of “**Fine Arts**” is over \$50,000, they must be listed in a schedule on file with us;

2. Section **A. Coverage, 2. Property Not Covered, o. “Fine Arts”** in the **PROPERTY COVERAGE FORM** is amended as follows:

“**Fine Arts,**” if the total value of such property is greater than \$50,000, unless such property is listed in a schedule on file with us;

IV. Additional Coverages

The following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 4. Additional Coverages**:

A. Automated External Defibrillators

Automated external defibrillators (AEDs) are considered covered property.

The most we will pay for “**loss**” or damage under this coverage is limited to \$5,000 for any one occurrence, which is in addition to the Business Personal Property Limit stated in the Declarations.

B. Claim Expenses

Section **A. Coverage, 4. Additional Coverages, o. Claim Expenses** is amended as follows:

The most we will pay under this additional coverage is \$25,000. This limit is in addition to the applicable Limits of Insurance stated in the Declarations.

C. Contract Penalty Clause

Section **A. Coverage, 4. Additional Coverages, n. Contract Penalty Clause** is amended as follows:

The most we will pay for penalties for all contracts in any one occurrence is \$50,000.

D. Earthquake Sprinkler Leakage

We will pay up to \$30,000 for damages resulting from sprinkler leakage which is caused by earth movement.

E. Lease Cancellation Moving Expenses

We will reimburse you for any moving expenses necessitated by your need to relocate due to the cancellation of the lease at your premises listed in the Declarations. The lease cancellation must occur as a result of a Covered Cause of Loss.

The limit for this coverage will be \$5,000 for all insureds combined. No deductible applies to this coverage.

F. Pollutant Clean Up and Removal

Section **A. Coverage, 4. Additional Coverages, f. Pollutant Clean Up and Removal** is amended as follows:

The Limit of Insurance for this additional coverage for each described premises is increased to \$50,000 for the sum of all covered expenses arising out of a Covered Cause of Loss occurring during each separate 12 month period of this policy.

V. Coverage Extensions

The following are added to or amend the **PROPERTY COVERAGE FORM** under Section **A. Coverage, 5. Coverage Extensions**:

A. Business Income and Extra Expense

1. Coverage is extended to include the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when your covered **“building”** or business personal property listed in the Declarations is damaged by a Covered Cause of Loss.

We pay any Extra Expense you incur:

- a. To continue your normal **“operations”** at the described premises; or
 - b. To continue your normal **“operations”** at replacement premises or temporary locations; including:
 - (1) Relocation expenses; and
 - (2) The costs to equip or operate the replacement premises or temporary locations; or
 - c. To minimize the suspension of your normal **“operations”** if you cannot continue them.
2. **Civil Authority**

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur that is caused by action of civil authority that prohibits access to the described premises due to direct physical **“loss”** of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. The coverage for Business Income will begin 72 hours after the time of that action and will apply for a period of up to 4 consecutive weeks after coverage begins. The coverage for Extra Expense will begin immediately after the time of that action and will end:

- a. 4 consecutive weeks after the time of that action; or
 - b. When your Business Income coverage ends; whichever comes first.
3. **Contingent Business Property**

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur when Contingent Business Property is damaged by a Covered Cause of Loss. 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.

The most we will pay under these sections **A. 1., 2., and 3.** combined is \$300,000 for any one occurrence.

5. **Utility Service Interruption**

- a. We will pay for the actual **“loss”** of Business Income you sustain at the premises described in the Declarations, caused by an interruption in utility service to such premises. The interruption in utility service must result from direct physical **“loss”** or damage by a Covered Cause of Loss to the Utility Services property described below, not on a premises described in the Declarations.
- b. Utility Services

(1) Water Supply Services means the following types of property supplying water to the described premises:

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

(2) Communication Supply Services means property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

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

Communication Supply Services does not include overhead transmission, distribution, or communication lines.

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

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

Power Supply Services does not include overhead transmission, distribution, or power lines.

c. We will only pay for “**loss**” you sustain after the first 24 hours following loss of service caused by the direct physical “**loss**” or damage to the utility services property described above.

The most we will pay under this section is \$100,000 for any one occurrence. This limit is in addition to the Business Income and Extra Expense limit provided above.

6. Extended Period of Indemnity

We will pay for the actual “**loss**” of Business Income you sustain 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:

- (1) 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 occurred; or

- (2) 180 consecutive days after the date determined in **a.** above.

The **“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.

7. Websites

We will pay for the actual **“loss”** of Business Income you sustain, and necessary Extra Expense you incur due to the necessary interruption of business **“operations”** caused by or resulting from direct physical **“loss”** to your website operation at the premises of a vendor acting as your service provider.

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

This coverage applies only if you have a back-up of your web page stored at a location other than the site of the website vendor, and to the extent that Business Income is permanently lost.

The coverage for Business Income will begin 12 hours immediately after the **“loss”** and will apply for a period of up to 7 days after the **“loss.”** The coverage for Extra Expense will begin immediately after the **“loss”** and will end:

- a. 7 days after the **“loss”**; or
- b. When your Business Income coverage ends; whichever comes first.

The most we will pay under this extension is \$50,000 in any one occurrence. This limit is in addition to the Business Income and Extra Expense limit provided above.

8. The following, when used in this section, are defined as follows:

- a. Business Income means Net Income (net profit or loss before income taxes) that would have been earned or incurred during the period of restoration and continuing normal operating expenses including payroll.
- b. 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.
- c. Contingent Business Property means property operated by others whom you depend on to:
 - (1) Deliver materials or services to you, or to others for your account (Contributing Locations);
 - (2) Accept your products or services (Recipient Locations);
 - (3) Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
 - (4) Attract customers to your business (Leader Locations).
- d. Period of restoration means the period of time that:

- (1) Begins with the date of physical “**loss**” or damage caused by or resulting from any Covered Cause of Loss; and
- (2) Ends on the date when the property 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 or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “**pollutants.**”

The expiration date of this policy will not cut short the period of restoration.

B. Emergency Vacating Expense

1. The coverage provided by this policy is extended to apply to the reasonable expenses that you incur in the emergency vacating of the premises of your facility described in the Declarations, provided that vacating is necessary due to an emergency situation resulting from a Covered Cause of Loss.
2. We will not pay for any expenses under this extension arising out of:
 - a. A strike, bomb threat or false fire alarm, unless vacating is ordered by a civil authority;
 - b. A planned vacating drill; or
 - c. The vacating of one or more individuals that is solely due to their individual medical condition.
3. The most we will pay for Emergency Vacating Expenses in any one occurrence under this Extension is \$25,000. The deductible for Emergency Vacating Expenses is \$250 per occurrence.
4. For the purpose of this extension, “emergency” means imminent danger arising from an external event or a condition in the facility which would cause loss of life or harm to occupants.

C. Excavations and Landscaping

Section A. Coverage, 5. Coverage Extensions, f. Excavations and Landscaping is amended as follows:

The most we will pay under this Coverage Extension in any one occurrence is \$50,000.

D. Fire Extinguisher Recharge

Coverage is extended to cover expenses you incur to recharge portable fire extinguishers, dry chemical, carbon dioxide, or liquid automatic fire extinguishing systems and the cost of resetting automatic fuel shut-off connections, if any of the above are discharged to fight a fire or are discharged due to a mechanical malfunction.

The most we will pay for loss or damage under this extension is \$25,000.

No deductible shall apply to this coverage.

E. Garages

“**Building**” coverage is extended to apply to any garage or storage shed located at the premises described in the Declarations.

The most we will pay under this extension is \$5,000.

F. Lost Key Replacement

Section **A. Coverage, 5. Coverage Extensions, k. Lost Key Replacement** is amended as follows:

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

G. New Construction

Section **A. Coverage, 5. Coverage Extensions, b. New Construction** is amended as follows:

This Additional Coverage will end when any of the following first occurs:

- (1) This policy expires;
- (2) 180 days expire after construction begins; or
- (3) You report the new construction to us;

H. Ordinance or Law

Section **A. Coverage, 5. Coverage Extensions, j. Ordinance or Law** is amended as follows:

1. The Limit of Insurance for demolition costs is increased to \$500,000 in any one occurrence.
2. The Limit of Insurance for increased cost of construction is increased to \$500,000 in any one occurrence.

I. Personal Property of Others

We will pay for personal property of others that is in your care, custody, or control, and located in or on the “**building**” described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

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.

J. Reward Reimbursement

We will pay a reward for information that leads to a criminal conviction in connection with “**loss**” or damage to covered property by a Covered Cause of Loss; provided that the reward is pre-

approved by us.

The most we will pay for this additional coverage is \$50,000 regardless of the number of persons involved who provide information. No deductible shall apply to this coverage.

This extension does not include arson reward, as arson reward is included in Section 4. **Additional Coverages** in the **PROPERTY COVERAGE FORM**.

VI. Causes of Loss Amendments

The following are added to or amend the **CAUSES OF LOSS FORM**:

A. Dampness / Extremes of Temperature

Section **B. Exclusions**, 2.d.(7) is deleted in its entirety.

Dampness or dryness of atmosphere; and changes in, or extremes of temperature; freezing or thawing are now considered Covered Causes of Loss to personal property.

B. Utility Services – Direct Damage

Section **E. Additional Coverage Extensions**, 2. **Utility Services – Direct Damage** is amended as follows:

The most we will pay under this Coverage Extension for the sum of all occurrences at all premises during each separate 12 month period of this policy is \$25,000.

C. Spoilage

1. We will pay for direct physical “**loss**” or damage to your perishable business personal property, and perishable personal property of others while at or within 1600 feet of the described premises caused by spoilage due to changes in temperature or humidity resulting from:
 - a. Complete or partial interruption of electrical power to the described premises due to conditions beyond your control; or
 - b. Mechanical breakdown or failure of heating, cooling or humidity control equipment or apparatus at the described premises.
2. Coverage does not apply to:
 - a. The disconnection of any heating, cooling or humidity control equipment or apparatus from the source of power.
 - b. The deactivation of electrical power or current caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
 - c. The inability of an electric utility company or other power source to provide sufficient power due to:
 - (1) Lack of fuel; or
 - (2) Governmental order.

- d. The inability of a power source at the described premises to provide sufficient power due to insufficient generating capacity to meet demand.
- 3. The most we will pay for “**loss**” or damage in any one occurrence is \$50,000.

SPECIMEN