



PREFERRED BUSINESSOWNERS COVERAGE

WHAT WE COVER

In addition to any property or liability coverage otherwise provided by *your* policy, *we* provide the coverages shown in this policy form. These coverages are subject to the *terms* contained in the General Policy Provisions, the Causes of Loss form(s) and, if applicable, the General Liability Coverage form of *your* policy. In the event of a conflict between the provisions contained elsewhere in *your* policy and this policy form, the provisions of this policy form will prevail.

Unless otherwise stated in this policy form, the coverages provided in this policy form are additional insurance.

The amount *we* pay for any one covered property loss will not exceed the amount of insurance specified for that loss by this policy. The amount *we* pay for any one covered liability loss will not exceed the limit of liability specified for that loss by this policy.

Unless otherwise stated in this policy form, a \$500 deductible applies to the property coverages contained in this policy form. If more than one deductible contained in *your* policy is applicable to the loss, then the highest of any applicable deductible will prevail.

The following property coverages apply to this policy form:

- | | |
|---|--|
| A. Accounts Receivable | K. Newly Acquired Or Constructed Property |
| B. <i>Additional Expense</i> | L. Personal Articles |
| C. Building Inflation Protection | M. <i>Pollutant</i> Cleanup And Removal |
| D. Building Ordinance Or Law | N. <i>Refrigerated Property</i> |
| E. Debris Removal | O. Seasonal Variation |
| F. <i>Employee</i> Dishonesty | P. <i>Sprinkler Leakage</i> |
| G. Exterior Signs | Q. Transportation |
| H. <i>Loss Of Income</i> | R. Valuable Papers And Records |
| I. <i>Loss Of Income</i> From <i>Dependent Property</i> | S. While Away From The <i>Insured Premises</i> |
| J. <i>Money And Securities</i> | |

The following liability coverages apply to this policy form:

- A. Fire Legal Liability
- B. Medical Payments
- C. *Personal And Advertising Injury* Liability

DEFINITIONS

The following definitions apply to this policy form:

1. *Additional expense* means expenses *you* incur during the *period of restoration* in order to minimize or avoid a partial or full cessation of *your business* that are necessary to continue *your* operations, either at the *insured premises* or at a temporary location, including expenses to relocate and equip the temporary premises.
2. *Bulletin board* means an electronic board for the posting of bulletins, notices or announcements.
3. *Chat room* means a branch of a computer network in which participants can engage in real-time discussion with one another.
4. *Cyber bullying* means using the internet, cell phones or other digital devices to harm others by name calling, teasing, spreading false rumors or gossip, threats, aggression, or otherwise harm others or their reputation.
5. *Dependent property* means a property *you* do not own, however, *you* depend on:

- a. To deliver materials or services to **you** or others for **your** account;
- b. To accept **your** products or services;
- c. To manufacture **your** products for delivery to **your** customers; or
- d. To attract customers to **your business**.

Dependent property does not include communication or utility services on which **you** depend to run **your business**.

- 6. **Gripe site** means electronic websites that criticize a product, service, person or organization.
- 7. **Loss of income** means the income **your business** could reasonably be expected to have earned during the **period of restoration** if no covered property loss had occurred less any income **your business** actually earned. **Loss of income** does not include charges and expenses which do not necessarily continue during the time of interruption. Coverage also applies to expenses **you** incur to reduce **loss of income**, however, only to the extent that they actually reduce **your loss of income**.
- 8. **Medical expense** means expenses for reasonable and necessary medical, surgical, x-ray, ambulance, hospital, prescriptions, professional nursing, funeral costs, prosthetic devices, dental, eyeglasses, contact lenses, and first aid at the time of an accident.
- 9. **Period of restoration**:
 - a. Means the time period that commences:
 - 1) For **Loss Of Income** coverage, 72 hours from the time when accidental direct physical loss or damage to covered property results from a covered cause of loss at the **insured premises**; or
 - 2) For **Additional Expense** coverage, immediately at the time when accidental direct physical loss or damage to covered property results from a covered cause of loss at the **insured premises**.
 - b. Ends at the earliest of:
 - 1) For **Loss Of Income** coverage:
 - a) The date when the loss or damage at the **insured premises** should be repaired, rebuilt or replaced with reasonable speed with like kind and quality materials;
 - b) The date when **business** is resumed at a new permanent location; or
 - c) The length of time **you** have **Loss Of Income** coverage as stated in the Declarations.
 - 2) For **Additional Expense** coverage:
 - a) The date when the loss or damage at the **insured premises** should be repaired, rebuilt or replaced with reasonable speed with like kind and quality materials; or
 - b) The date when **business** is resumed at a new permanent location.
 - c. Does not include the increased time necessary due to any ordinance or law being enforced.
- 10. **Personal and advertising injury** means injury, including consequential injury, arising out of these offenses:
 - a. False arrest, detention, imprisonment or malicious prosecution;
 - b. Wrongful eviction from, wrongful entry into or invasion of the right of private occupancy of any residential premises or part thereof a person occupies, committed by or on behalf of the owner, landlord or lessor;
 - c. Oral or written publication of any kind and in any manner that defames a person or organization by slander or libel or disparages that person's or organization's reputation, work, goods, products or services;
 - d. Oral or written publication of any kind and in any manner that violates a person's right to privacy;
 - e. The use of another's advertising idea in **your** advertisement; and
 - f. Infringing upon another's copyright, trade dress or slogan in **your** advertisement.
- 11. **Refrigeration breakdown** means a change in temperature or humidity from the failure of a refrigerating unit.
- 12. **Refrigeration power failure** means a change in temperature or humidity of a refrigerating unit resulting from partial or complete lack of electrical power, either on or off the **insured premises** that is beyond **your** control.
- 13. **Refrigerated property** means perishable **stock** maintained under controlled refrigerated conditions to preserve it and which is susceptible to spoilage if the controlled refrigerated conditions change.
- 14. **Social media** means the interaction among people in which they create, share or exchange information and ideas in virtual communities and networks using mobile or web-based technologies.

PROPERTY COVERAGES

A. ACCOUNTS RECEIVABLE

1. WHAT WE PAY FOR

We pay up to \$10,000 for accidental direct physical loss or damage to *your* records of accounts receivable on the *insured premises* resulting from a covered cause of loss.

We pay for:

- a. Any amounts due to *you* from *your* customers that *you* are unable to collect;
- b. Interest charges on any loan *you* are required to take out to offset an amount of accounts receivable *you* are unable to collect;
- c. Excess collection expenses that become reasonable and necessary as a result of direct loss or damage to *your* accounts receivable; and
- d. Any other reasonable expenses *you* incur to recreate *your* accounts receivable records.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Loss due to bookkeeping, accounting, billing errors or omissions;
- b. Loss for which the proof is solely dependent upon an audit of records or an inventory computation. This will not prevent the use of such procedures in support of a claim for loss which the *insured* can prove, through evidence wholly apart from an audit of records or an inventory;
- c. Loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of *money, securities* or other property, however, only to the extent of such wrongful giving, taking, obtaining or withholding;
- d. Loss for probable bad debts which would normally have been uncollectible by the *insured*;
- e. Loss for unearned interest and service charges; or
- f. Loss due to electrical or magnetic damage, disturbance or erasure of electronic recordings, except by lightning.

3. DETERMINATION OF RECEIVABLES

When there is proof that an accounts receivable loss covered by this policy form has occurred, but, the *insured* cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount will be based on the *insured's* monthly statements and will be computed as follows:

- a. Determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
- b. Calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve months immediately preceding the month in which the loss occurs, or such part of, for which the *insured* has conducted *business* and has furnished monthly statements to *us*, as compared with such average for the same months of the preceding year;
- c. The amount determined under 3.a. above, multiplied by the percentage calculated under 3.b. above, will be the agreed total amount of accounts receivable as of the last day of the fiscal month in which said loss occurs;
- d. The amount determined under 3.c. above will be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the *business* since the last day of the last fiscal month for which a statement has been rendered.

B. ADDITIONAL EXPENSE

1. WHAT WE PAY FOR

We pay up to \$10,000 per occurrence for necessary *additional expense* during the *period of restoration*, which *you* incur to continue *your business* as usual had no accidental direct physical loss or damage occurred to property at the *insured premises*. The loss or damage must result from a covered cause of

loss.

You must do everything reasonable to reduce the amount of loss. **You** must do everything reasonable to resume operations with the same quality of service which existed immediately before the loss; and **you** must resume partial or complete operation of the property making use of merchandise, **stock** or other property at **your** other locations.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Expenses covered under the **Loss Of Income** or **Loss Of Income From Dependent Property** coverages of this policy;
- b. **Additional expense** resulting from the enforcement of ordinance or law or as a result of civil authority;
- c. **Additional expense** due to interference by strikers or other people with the restoration or replacement of property, or with the resumption or continuation of **your business**;
- d. **Additional expense** caused by the suspension, lapse or cancellation of any lease, license, contract or order; or
- e. **Additional expense** resulting from any other type of consequential loss.

Payments under **Additional Expense** coverage may extend beyond the end of the policy period.

C. BUILDING INFLATION PROTECTION

1. WHAT WE PAY FOR

At the end of each three months this policy is in effect, **we** will increase **your** amount of insurance for Coverage A-Building by the percentage shown in the Declarations.

D. BUILDING ORDINANCE OR LAW

1. WHAT WE PAY FOR

When there is accidental direct physical loss or damage from a covered cause of loss to Coverage A-Building, **we** pay up to \$10,000 per covered building for increased costs of construction that result from a minimum requirement of an applicable ordinance or law. This coverage includes:

- a. The adjustment of covered loss in accordance with any ordinance or law which governs repair, restoration or demolition of the covered building;
- b. The reasonable costs for demolition and removal of standing, undamaged portions of a covered building when required by state or municipal ordinance; and
- c. The reasonable costs to repair, restore or reconstruct the covered damages to the covered building. The increased costs must be incurred to comply with ordinance or law governing such repair, restoration or reconstruction of a building of similar size and use intended for the same or similar occupancy.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. More than the costs actually and necessarily incurred for demolition or the costs actually and necessarily incurred to repair or restore in accordance with ordinance or law;
- b. The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination of **pollutants**, wet rot or dry rot;
- c. Any costs incurred in testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing or otherwise responding to or assessing the effects of **pollutants**, wet rot or dry rot;
- d. Any costs due to an ordinance or law **you** were required to comply with prior to the loss, even when the building was undamaged, and with which **you** failed to comply;
- e. More than the actual cash value of loss or damage until the property is repaired or replaced with an

identical or similar occupancy at the same or another premises;

- f. The repair or replacement unless they are made as soon as reasonably possible after the loss or damage occurs, not to exceed two years, including any claim for any additional amount payable under this coverage; or
- g. More than the increased cost of construction at the original premises, if **you** elect to rebuild at another premises. If ordinance or law requires relocation to another premises, the most **we** will pay is the increased cost of construction at the new premises.

This coverage is not subject to the Ordinance Or Law exclusion in the applicable Causes of Loss form, to the extent the exclusion would conflict with this coverage.

E. DEBRIS REMOVAL

1. WHAT WE PAY FOR

The amount of insurance for Debris Removal coverage is increased an additional 5% from what is provided in the Removal provision of the Incidental Coverages of the General Policy Provisions, when the debris removal expense exceeds 25% of the amount **we** pay for the direct loss or damage, or when the loss to property and debris removal combined exceeds the amount of insurance for the property.

Refer to the Incidental Coverages of the General Policy Provisions of **your** policy for applicable **terms**, conditions and exclusions. All other provisions relating to this coverage as described in the General Policy Provisions remain the same.

F. EMPLOYEE DISHONESTY

1. WHAT WE PAY FOR

We pay up to \$10,000 per occurrence for the loss to tangible **business** property and **money** and **securities** which results from any fraudulent or dishonest act committed by any of **your employees**, whether identified or not, and whether acting alone or in collusion with others, except **you** or **your** partners. This coverage is subject to the following:

- a. **You** must sustain a loss as a result of the act or acts committed, and the **employee** who caused **you** to sustain a loss must have intended to receive a financial benefit not earned in the regular scope of employment with **your business** for his or herself, any other **employee**, or any other person or organization;
- b. For any loss, **our** payment will not exceed the replacement value of the property. **Securities** may be determined by market value at the time of settlement;
- c. All loss caused by, or involving, one or more people, whether the result of a single act or a series of acts, is considered to be one occurrence and is subject to only one payment under this coverage;
- d. **We** will only pay for loss sustained during the policy period and discovered no later than one year following the end of the policy period;
- e. **Our** payment is not increased regardless of the number of **insureds**, policies or claims; and
- f. Regardless of the numbers of years the policy is in force, the amount of insurance is not cumulative from year to year.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

Loss or damage resulting directly or indirectly from the following:

- a. Any dishonest or criminal act by **you**, **your** partners, members, officers, directors, trustees or joint venturers, whether acting alone or in collusion with others;
- b. Loss for which **your** only evidence is an inventory computation;
- c. Loss for which **your** only evidence is a profit and loss computation;
- d. **Your** inability to generate income;
- e. Payment of compensatory or punitive damages to third parties for which **you** are legally liable;
- f. Payment of costs, fees or expenses **you** incur in proving **your** loss under this coverage;
- g. Payment of attorneys' fees, filing fees or costs for any related legal action;

- h. Loss caused by an *employee* for whom similar insurance has been previously canceled;
- i. The failing to sign, issue or cancel a warehouse receipt or any documents connected with it;
- j. Dishonest or fraudulent signing, issuance or cancellation of a warehouse receipt or any documents connected with it;
- k. Mysterious disappearance or unexplained shortage of property;
- l. Trading;
- m. *Electronic data* security breach;
- n. Any claim for *Additional Expense* coverage;
- o. Any claim for *Loss Of Income* coverage; or
- p. Any claim for consequential loss.

This coverage is applicable only when there is no other valid and collectible insurance.

G. EXTERIOR SIGNS

1. WHAT WE PAY FOR

The amount of insurance for Exterior Signs coverage is increased an additional \$2,500 from what is provided in the Incidental Coverages of the General Policy Provisions of *your* policy.

Refer to the Incidental Coverages of the General Policy Provisions of *your* policy for applicable *terms*, conditions and exclusions. All other provisions relating to this coverage as described in the General Policy Provisions remain the same.

H. LOSS OF INCOME

1. WHAT WE PAY FOR

We pay for *loss of income* during the *period of restoration you* incur when *your business* is interrupted by a necessary diminution or suspension of operations at the *insured premises* due to accidental direct physical loss or damage resulting from a covered cause of loss. *You* will make every reasonable effort to resume complete or partial operations as soon as possible and, where practicable, use substitute facilities and property.

Loss of income will be determined using:

- a. Net income meaning net profit or loss that would have been earned or incurred before income taxes. For manufacturing risks, net income includes the net sales value of production;
- b. Payroll expenses meaning the amount incurred by *you* necessary to resume operations with the same quality of service that existed just before the accidental direct physical loss or damage occurred;
- c. All other necessary operating expenses incurred during the *period of restoration* in order to continue *your business*; and
- d. Any relevant and reliable sources of information applicable to *your business*.

Civil Authority-We pay for *loss of income* when access to *your* place of *business* is prohibited by civil authority as a result of accidental direct physical loss or damage from a covered cause of loss to property at other than the *insured premises*, provided that:

- a. Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the *insured premises* are within that area but are not more than one mile from the damaged property; and
- b. The action by civil authority is taken in response to dangerous physical conditions that resulted from a covered cause of loss or to enable civil authority to have access to the damaged property.

Loss of Income coverage for Civil Authority commences 72 hours after the first notice that a decision by civil authority to prohibit access to the *insured premises* has taken place.

Loss of Income coverage for Civil Authority ends at the earlier of six consecutive weeks from when coverage commences, or when the action prohibiting access to the *insured premises* ends.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. **Loss of income** caused by the suspension, lapse or cancellation of any lease, contract or order;
- b. **Loss of income** caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair, or demolition of buildings or structures;
- c. **Loss of income** caused by the destruction, corruption or **theft of electronic data**;
- d. Any claim for **loss of income** due to interference by strikers or other people with rebuilding, repairing or replacing property, or with the resumption or continuation of operations;
- e. Any claim for **Additional Expense** coverage;
- f. Any claim for **Loss Of Income** From **Dependent Property** coverage; or
- g. Any claim for consequential loss.

Payments under **Loss Of Income** coverage may extend beyond the end of the policy period.

I. LOSS OF INCOME FROM DEPENDENT PROPERTY

1. WHAT WE PAY FOR

We pay up to \$5,000 for **loss of income** due to accidental direct physical loss or damage to the premises of a **dependent property** resulting from a covered cause of loss. The **dependent property** must be in the coverage territory of the United States.

Loss Of Income From **Dependent Property** coverage:

- a. Commences 72 hours from the time when accidental direct physical loss or damage results from a covered cause of loss at the **dependent property**;
- b. Ends on the date when the loss or damage at the **dependent property** should be repaired, rebuilt or replaced with reasonable speed with like kind and quality materials; and
- c. Does not include the increased time necessary due to any ordinance or law being enforced.

Loss of income from **dependent property** will be determined using:

- a. Net income meaning net profit or loss that would have been earned or incurred before income taxes. For manufacturing risks, net income includes the net sales value of production;
- b. Payroll expenses meaning the amount incurred by **you** necessary to resume operations with the same quality of service that existed just before the accidental direct physical loss or damage occurred;
- c. All other necessary operating expenses incurred during the period of loss in order to continue **your business**; and
- d. Any relevant and reliable sources of information applicable to **your business**.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. **Loss of income** resulting from loss or damage to **electronic data** at the premises of a **dependent property**;
- b. **Loss of income** caused by the suspension, lapse or cancellation of any lease, contract or order;
- c. **Loss of income** caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair, or demolition of buildings or structures;
- d. Any claim for **loss of income** due to interference by strikers or other people with rebuilding, repairing or replacing property, or with the resumption or continuation of operations;
- e. Any claim for **Loss Of Income** coverage;
- f. Any claim for **Additional Expense** coverage; or
- g. Any claim for consequential loss.

Payments under **Loss Of Income** From **Dependent Property** coverage may extend beyond the end of the policy period.

J. MONEY AND SECURITIES

1. WHAT WE PAY FOR

We pay for *money* and *securities*:

- a. Up to \$10,000 per occurrence for the loss of *money* and *securities* used in *your business* because of actual destruction, disappearance or dishonest act, when the loss occurs on the *insured premises*; and
- b. Up to \$2,500 per occurrence for the loss of *money* and *securities* used in *your business* because of actual destruction, disappearance or dishonest act, when the loss occurs off the *insured premises*.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Loss due to any fraudulent, dishonest or criminal act by *you, your employees*, partners, members, officers, directors, trustees, joint venturers or authorized representatives, whether acting alone or in collusion with others;
- b. Loss caused by *you, your employees*, partners, members, officers, directors, trustees, joint venturers or authorized representatives, whether acting alone or in collusion with others;
- c. Loss due to giving or surrendering of *money* or *securities* in any exchange or purchase;
- d. Loss of *money* contained in coin-operated amusement devices or vending machines, unless the device or machine has an instrument that records the amount of *money* deposited; or
- e. Loss due to accounting or arithmetical errors or omissions.

All loss connected with an actual or attempted dishonest act, or series of related acts, whether committed by one or more people will be deemed to arise out of one occurrence.

K. NEWLY ACQUIRED OR CONSTRUCTED PROPERTY

1. WHAT WE PAY FOR

We pay for newly acquired or constructed property as follows:

- a. When Coverage A-Building is covered under *your* policy, *we* pay up to \$250,000 for:
 - 1) Accidental direct physical loss or damage resulting from a covered cause of loss to *your* new buildings or structures when being constructed at the *insured premises*; and
 - 2) Accidental direct physical loss or damage resulting from a covered cause of loss to *your* newly acquired buildings at premises other than the *insured premises* when the newly acquired building is intended for a similar use as an existing covered building or use as a warehouse.
- b. When Coverage B-Business Property is covered under *your* policy, *we* will pay up to \$100,000 for:
 - 1) Accidental direct physical loss or damage resulting from a covered cause of loss to *your business* property, including newly acquired *business* property, located at any newly acquired location; and
 - 2) Accidental direct physical loss or damage resulting from a covered cause of loss to *your business* property, including newly acquired *business* property, in *your* newly constructed or acquired building or structure at the *insured premises*.
- c. This coverage ends at the earliest of:
 - 1) 30 days from acquisition or commencement of construction;
 - 2) The expiration of the policy; or
 - 3) The date *you* report the newly acquired or constructed property to *us*.

We will charge *you* additional premium for the value *you* report to *us* from the date *you* acquire the property or begin construction.

Newly Acquired Or Constructed Property coverage is not available when While Away From The *Insured Premises* coverage is applicable to a covered loss under this policy. Newly Acquired Or Constructed Property coverage is applicable only when there is no other valid and collectible insurance.

L. PERSONAL ARTICLES

1. WHAT WE PAY FOR

We pay up to \$5,000 per occurrence for personal articles owned by the *insured*, the *insured's* partners, the *insured's* members or managers of a limited liability company, the *insured's* officers or the *insured's employees* on the *insured premises* caused by accidental direct physical loss or damage resulting from a covered cause of loss.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Loss or damage to tools or equipment used in *your business*; or
- b. Loss or damage to personal articles from *theft*.

Personal Articles coverage is excess to any other valid and collectible insurance.

M. POLLUTANT CLEANUP AND REMOVAL

1. WHAT WE PAY FOR

We pay up to \$10,000 per policy period for each *insured premises*, to cleanup and remove *pollutants* from land or water at the *insured 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.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Costs to test for, monitor, or determine the existence, concentration or effects of *pollutants*; or
- b. The value of land itself.

However, *we* will pay for testing which is performed during the course of extracting the *pollutants* from land or water.

If a loss for *Pollutant Cleanup And Removal* coverage commences in one policy year and continues into another policy year, all loss or damage is considered to be sustained in the policy year in which the loss or damage commenced.

N. REFRIGERATED PROPERTY

1. WHAT WE PAY FOR

We pay up to \$5,000 for spoilage to *your refrigerated property* contained in a freezer or refrigeration equipment on the *insured premises*. *Refrigerated Property* coverage is provided for the following causes of loss:

- a. *Refrigeration breakdown*;
- b. Contamination caused by or resulting from a refrigerant; and
- c. *Refrigeration power failure*.

2. WHAT WE DO NOT PAY FOR

a. *We* do not pay for:

- 1) Loss or damage to a freezer or refrigeration equipment, including glass that is a permanent part of a freezer or refrigeration equipment;
- 2) Any claim for *Loss Of Income* coverage;
- 3) Any claim for *Additional Expense* coverage; or
- 4) Any claim for consequential loss.

b. *We* do not pay for loss or damage caused by:

- 1) The breaking of glass;

- 2) The disconnecting of any freezer or refrigeration equipment from the source of power;
- 3) The deactivation of electrical power caused by the manipulation of switching equipment or other devices used to control the flow of electrical power or current;
- 4) The inability of an electrical utility company or other power source to provide sufficient power due to lack of fuel or governmental order; or
- 5) A power source at the *insured premises* that fails to provide a sufficient power supply for the demand.

O. SEASONAL VARIATION

1. WHAT WE PAY FOR

We will increase the Coverage B-*Business* Property amount of insurance by 25% for the three-month period of time shown in the Declarations to provide for the seasonal variation to *your business* property.

P. SPRINKLER LEAKAGE

1. WHAT WE PAY FOR

a. When Coverage A-Building is covered under *your* policy, *we* pay up to the Coverage A-Building amount of insurance for *sprinkler leakage* to *your* covered building or structure. When Coverage B-*Business* Property is covered under *your* policy, *we* pay up the Coverage B-*Business* Property amount of insurance for *sprinkler leakage* to *your* covered *business* property. *We* pay for:

- 1) Accidental direct physical loss or damage caused by *sprinkler leakage*;
- 2) Accidental direct physical loss or damage caused by collapse or fall of a tank which is part of an automatic sprinkler system;
- 3) Accidental direct physical loss or damage to an automatic sprinkler system when damage is caused by freezing or breakage that results in *sprinkler leakage*; and
- 4) The reasonable cost of removing and replacing those parts of the building necessary to repair the automatic sprinkler system that has caused the *sprinkler leakage*.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Exclusions in the Causes of Loss form(s) contained in *your* policy;
- b. Failure of an automatic sprinkler system to operate; or
- c. Loss or damage from freezing of water, or other liquid or substance that leaks, flows or otherwise escapes from an automatic sprinkler system if the *insured* has not taken reasonable care to maintain heat in the building. Exclusions for Temperature Or Humidity and Weather Conditions in the Causes of Loss form contained in *your* policy do not apply to freezing of an automatic sprinkler system while contained inside of a covered building.

Q. TRANSPORTATION

1. WHAT WE PAY FOR

We pay up to \$5,000 for accidental direct physical loss or damage resulting from a covered cause of loss to *your* covered *business* property when it leaves the *insured premises* and it is being transported in or on a vehicle owned, operated or leased by *you* or for *you*. Coverage for tools and equipment is limited to \$1,000. Transportation coverage applies only in the coverage territory of the United States.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Loss or damage to *business* property of others when it is being transported in or on a vehicle owned, operated, or leased by *you* or a vehicle operated by a common or contract carrier on *your* behalf; or
- b. Loss or damage to *your business* property if *you* are in *business* as a common or contract carrier.

This coverage is excess to any other valid and collectible insurance.

R. VALUABLE PAPERS AND RECORDS

1. WHAT WE PAY FOR

The amount of insurance for Valuable Papers And Records coverage is increased an additional \$5,000 from what is provided in the Incidental Coverages of the General Policy Provisions of *your* policy.

Refer to the Incidental Coverages of the General Policy Provisions of *your* policy for applicable *terms*, conditions and exclusions. All other provisions relating to this coverage as described in the General Policy Provisions remain the same.

S. WHILE AWAY FROM THE *INSURED PREMISES*

1. WHAT WE PAY FOR

The amount of insurance for While Away From The *Insured Premises* coverage is increased from the percentage shown in the Incidental Coverages in the General Policy Provisions of *your* policy an additional 15%, up to an additional \$15,000.

Refer to the Incidental Coverages of the General Policy Provisions of *your* policy for applicable *terms*, conditions and exclusions. All other provisions relating to this coverage as described in the General Policy Provisions remain the same.

LIABILITY COVERAGES

A. FIRE LEGAL LIABILITY

NOTE: WHEN FORM LS-6 IS ATTACHED TO THIS POLICY, FIRE LEGAL LIABILITY IS DELETED FROM THIS POLICY FORM. REFER TO FORM LS-6 FOR A DESCRIPTION OF THE APPLICABLE COVERAGE.

1. WHAT WE PAY FOR

We pay on behalf of the *insured* up to \$100,000 when the *insured* becomes legally obligated to pay for *property damage* to buildings or structures rented to or occupied by the *named insured* including fixtures permanently attached, if such *property damage* arises out of fire or explosion. *Our* total liability for all damages as a result of any one fire or explosion, or a series or combination of such fires and explosions, will not exceed the limit shown above for each *occurrence*.

This coverage is an extension of Coverage L and is subject to the each *occurrence* limit of liability and the aggregate limit of liability set forth in the Declarations. Any claims paid for fire legal liability will reduce the Coverage L each *occurrence* limit of liability and the available aggregate limit of liability.

Refer to the General Liability Coverage form on *your* policy for additional *terms* and conditions.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Liability from any contract to indemnify any person or organization for damages by fire or explosion to the premises, except an *insured contract*, or unless *you* would have been responsible for tort liability in the absence of the *insured contract*; or
- b. Liability from *property damage* expected, directed or intended by an *insured*.

This coverage is not subject to the *property damage* exclusions in the applicable General Liability Coverage form, to the extent the exclusions would conflict with this coverage.

B. MEDICAL PAYMENTS

NOTE: WHEN FORM LS-6 IS ATTACHED TO THIS POLICY, MEDICAL PAYMENTS IS DELETED FROM THIS POLICY FORM. REFER TO FORM LS-6 FOR A DESCRIPTION OF THE APPLICABLE COVERAGE.

1. WHAT WE PAY FOR

Regardless of fault, *we* pay up to the Medical Payments limit of liability shown in the Declarations for the necessary *medical expenses* incurred that are medically determined, incurred and reported to *us* within one year from the date of an accident causing *bodily injury* to which this coverage applies. This coverage applies only to *bodily injury*:

- a. Caused by a condition on premises *you* own or rent;
- b. Caused by a condition on ways abutting premises *you* own or rent; or
- c. Caused by operations covered by the General Liability Coverage afforded by this policy.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

a. *Bodily injury*:

- 1) To any *insured*, tenant of any *insured*, or other person regularly occupying the *insured premises* or any person hired by or on behalf of any *insured* to do *work* for an *insured*;
- 2) To any person if the *bodily injury* occurs on that part of the premises *you* own or rent that the person normally occupies;
- 3) To any person while engaged in maintenance, repair, alteration, demolition or construction at the *insured premises*;
- 4) To any person if any benefits for *bodily injury* are required to be provided under any workers' compensation, unemployment compensation, disability benefits law, or any similar law;
- 5) To any person practicing, instructing or participating in any physical training, sport or athletic activity;
- 6) Included within the *products/completed operations hazard*;
- 7) Excluded under Coverage L of *your* General Liability Coverage form; or
- 8) Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

- b. *Medical expense* for services by the *named insured*, any *employee* or any person or organization under contract to the *named insured* to provide such services.

3. WHAT YOU MUST DO IN CASE OF LOSS

Under What *You* Must Do In Case of Loss section in the General Liability Coverage, the following is added for this coverage:

Medical Reports; Proof and Payment of Claim

As soon as practicable, the injured person or someone on their behalf will give to *us* written proof of claim, under oath if required, and will, after each request from *us*, execute authorization to enable *us* to obtain medical reports and copies of records. The injured person will submit to physical examination by physicians selected by *us* when and as often as *we* may reasonably require. *We* may pay the injured person or any person or organization rendering the services and the payment will reduce the amount payable for such injury. Payment will not constitute an admission of liability by any person or by *us*.

4. HOW MUCH WE PAY FOR LOSS OR CLAIM

Under How Much *We* Pay For Loss Or Claim section in the General Liability Coverage of *your* policy, the following is added for this coverage:

The limit of liability as stated in the Declarations, as applicable to each person, is the limit of *our* liability for all *medical expenses* for *bodily injury* to any one person as the result of any one accident. However, subject to this provision regarding each person, *our* total liability, under this policy form, for all *medical expenses* for *bodily injury* to two or more people as the result of any one accident will not exceed the limit of liability stated in the Declarations as applicable to each accident.

C. PERSONAL AND ADVERTISING INJURY LIABILITY

NOTE: WHEN FORM LS-6 IS ATTACHED TO THIS POLICY, PERSONAL AND ADVERTISING INJURY LIABILITY IS DELETED FROM THIS POLICY FORM. REFER TO FORM LS-6 FOR A DESCRIPTION OF THE APPLICABLE COVERAGE.

1. WHAT WE PAY FOR

We pay on behalf of the *insured* for each *occurrence* of an offense resulting in *personal and advertising injury* arising from *your business* for which the *insured* is legally obligated to pay damages. Coverage is provided for an offense committed by the *insured* in the conduct of the *insured's business*, provided the offense is committed in the coverage territory of the United States, during the policy period.

This coverage is an extension of Coverage L and is subject to the each *occurrence* limit of liability and the aggregate limit of liability set forth in the Declarations. Any claims paid for *personal and advertising injury* will reduce the Coverage L each *occurrence* limit of liability and the available aggregate limit of liability. Refer to the General Liability Coverage form on *your* policy for additional *terms*, exclusions and conditions.

2. WHAT WE DO NOT PAY FOR

We do not pay for:

- a. Access or disclosure of confidential or personal information and *electronic data* related liability;
- b. Any knowing violation of the rights of another caused by or at the direction of an *insured* with the knowledge that it would violate the rights of another and inflict *personal and advertising injury*;
- c. The willful violation of a penal statute or ordinance committed by, or with the knowledge or consent of any person or organization covered by this policy;
- d. Any criminal act by, at the direction of, or with the knowledge or consent of any person or organization covered by this policy;
- e. Any publication or utterance, in any manner, concerning any organization or *business* enterprise (or its products or services) made by, or at the direction of any person or organization covered by this policy, with knowledge of its falsity;
- f. Any publication or utterance, in any manner, arising out of oral or written publication of material whose first publication took place prior to the start of the policy period;
- g. Assumption by an *insured* in a contract or agreement for liability arising out of *personal and advertising injury*. This does not apply to liability an *insured* would have had in the absence of the contract or agreement;
- h. Breach of contract by an *insured*, except an implied contract to use the advertising idea of another in *your* advertisement;
- i. Failure of goods, products, or services to conform with any statement of quality or performance set forth in *your* advertisement;
- j. The wrong description of the price of goods, products or services in an advertisement;
- k. An offense by an *insured* in the *business* of media, advertising, broadcasting, publishing, or telecasting, website design, or an internet search, access, content or service provider;
- l. Electronic *chat rooms, bulletin boards, gripe sites, social media* or other electronic forums that an *insured* hosts or owns, or has the control or authority to update;
- m. Arising out of the infringement of copyright, patent, trademark, trade secrets or other intellectual property rights by an *insured* but other intellectual property rights do not include the use of another's advertising idea in *your* advertisement;
- n. The unauthorized use of another's name or product in *your* e-mail address, domain name or metatags or tactics of a similar nature to mislead another's potential customers;
- o. Recording or distribution of material or information in violation of law including any federal, state, or local statute, ordinance or regulation, including any amendment thereto, that prohibits or limits the printing, production, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information; or
- p. *Cyber bullying*.

All other *terms* and conditions remain unchanged.