Old Language	New Language	Explanation of Proposed Changes	Impact
WHAT *WE* PAY FOR ***We*** pay for necessary Extra Expense when ***your business*** is interrupted by a covered cause of loss subject to the General Policy Provisions except Coinsurance and Deductible. **HOW MUCH *WE* PAY FOR LOSS OR CLAIM** ***We Pay For:*** 1. ***Your*** necessary ***extra expense*** resulting directly from damage to or destruction of ***your*** property. ***We*** pay ***your*** necessary ***extra expense*** so ***you*** may continue as nearly as practicable the ***normal*** operation of ***your business***. ***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. The ***Period of Restoration*** may extend beyond the expiration of the policy. 2. Limits on Loss Payment for Extra Expense. ***We*** shall pay an amount up to: 40% of the limit of insurance for Extra Expense when the ***period of restoration*** is not in excess of 30 days; 80% of the limit of insurance for Extra Expense when the ***period of restoration*** is in excess of 30 days but not in excess of 60 days; 100% when the ***period of restoration*** is in excess of 60 days. Example: The limit of insurance is $100,000. The ***period of restoration*** is 45 days. The amount of Extra Expenses incurred is $90,000. In this example, ***we*** will not pay more than $100,000 times 80% (the percentage applicable for a ***period of restoration*** of 31-60 days), or $80,000. The remaining $10,000 is not covered. 3. ***Additional Coverages***. a) Alterations and New Buildings-***We*** will pay for the actual 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;	**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. ***Period of restoration***: a. Means the time period that commences 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) 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 2) 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. **WHAT *WE* PAY FOR** 1. ***We*** pay 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. ***We*** will pay up to: a. 40% of the Amount of Insurance when the ***period of restoration*** is less than 30 days; b. 80% of the Amount of Insurance when the ***period of restoration*** is 30 to 59 days; or c. 100% of the Amount of Insurance when the ***period of restoration*** is 60 days or more. **EXAMPLE** a. The Amount of Insurance b. The ***period of restoration*** c. The amount of ***additional expense*** incurred In this example, ***we*** will not pay more than $100,000 times	1. Name changed from Extra Expense to Additional Expense 2. Additional Coverage for Electronic Data was added to the form. 3. Additional Coverages – Civil Authority is now subject to the same 72-hours as the rest of the coverage. 4. Additional Coverages – Civil Authority has been extended from 2 weeks to 6 weeks of coverage. 5. Exclusions reduced. 6. Definitions – Extra Expense is now Additional Expense and includes relocation to temporary premises. 7. Definitions – Period of Restoration has been updated to calculate losses starting 72 hours after the loss. 8. Definitions – Normal dropped as a term.	1. Clarification 2. Broadening 3. Restriction 4. Broadening 5. Broadening 6. Broadening 7. Restriction 7. Clarification

(2) Alterations or additions to existing buildings or structures; and

(3) Machinery, equipment, supplies or building materials located on or within 100 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*** will begin on the date operations would have begun if the direct physical loss or damage had not occurred.

b) Civil Authority-***We*** will pay for actual and necessary Extra Expense ***you*** incur 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. This coverage will apply for a period of up to two consecutive weeks from the date of that action.

Payments under the Additional Coverages will not increase the applicable limit of insurance.

4. ***Loss Determination***.

The amount of Extra Expense will be determined based on:

a) 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:

(1) The salvage value that remains of any property bought for temporary use during the ***period of restoration***, once operations are resumed; and

(2) Any Extra Expense that is paid for by any other insurance, except for insurance that is written subject to the same plan, ***terms*** conditions and provisions as this insurance; and

b) All necessary expenses that reduce the Extra Expense otherwise incurred.

WHAT *WE* DO NOT PAY FOR

We Are Not Liable For:

1. An amount greater than the amount shown in the limit of insurance;

80% (the percentage applicable for a ***period of restoration*** of 30-59 days), or $80,000. The remaining $10,000 is not covered.

3. ***We*** will deduct the following from the total of ***additional expense***:

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 ***additional expense*** that is paid for by any other insurance, except for insurance that is written subject to the same plan, ***terms*** conditions and provisions as this insurance.

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

The Coinsurance provision in the General Policy Provisions and the applicable deductible stated in the Declarations do not apply to the coverage provided by this endorsement.

ADDITIONAL COVERAGES

These Additional Coverages do not increase the Amount of Insurance available for ***Additional Expense*** coverage.

1. **New Construction And Alterations**-***We*** pay for ***additional expense*** when ***you*** incur accidental direct physical loss or damage resulting from a covered cause of loss to:
   a. ***Your*** new buildings or structures when being constructed at the ***insured premises***;
   b. Alterations or additions to existing buildings or structures at the ***insured premises***; and
   c. Machinery, equipment, supplies or building materials located on or within 100 feet of the ***insured premises*** used in the construction, alterations or additions or that are incidental to the occupancy of new buildings or structures.
2. **Civil Authority**-***We*** pay for ***additional expense*** 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.

Additional Expense coverage for Civil Authority commences 72 hours after the first notice that a decision by

2. loss of income;
3. loss resulting from theft of any property which at the time of loss is not an integral part of a building or structure (except direct loss by pillage and looting occurring during and at the immediate place of a riot or civil commotion), unless loss by a cause of loss not excluded in this policy results from theft or attempted theft. Then ***we*** shall be liable for only such resulting loss.
4. any other consequential or remote loss; or
5. the cost of repairing or replacing any of the real or personal property described, or the cost of research or other expense necessary to replace or restore damaged or destroyed books of account, abstracts, drawings, card index systems or other records (including film, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing) that have been damaged or destroyed by the covered causes of loss, except cost in excess of the ***normal*** cost of repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this policy. In no event shall such excess cost exceed the amount by which the total ***extra expense*** loss otherwise payable under this policy is reduced.

We Are Not Liable For Any Extra Expense Due To:

1. any local or state ordinance regulating construction, repair or demolition of buildings or structures;
2. interference at the described premises by strikers or other persons with rebuilding, repairing or replacing the property or with the reoccupancy of the premises; or
3. suspension, lapse or cancellation of any lease, contract or order beyond the ***period of restoration***.

DEFINITIONS-The following definitions apply to this policy:

1. ***Extra Expense***-means the excess (if any) of the total cost incurred during the ***period of restoration*** chargeable to the operation of the ***insured's business***, over and above the total cost that would ***normally*** have been incurred to conduct the ***business*** during the same period had no damage or destruction occurred.
2. ***Normal***-means the conditions that would have existed had no loss occurred.
3. ***Period of Restoration***-means such length of time, commencing with the date of damage and not limited by the civil authority to prohibit access to the ***insured premises*** has taken place.
   Additional Expense 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.
3. ***Electronic Data- We*** pay up to $2,500 for ***additional expense*** due to accidental direct physical loss or damage to ***electronic data*** resulting from a covered cause of loss.

WHAT *WE* DO NOT PAY FOR

We do not pay for:

1. ***Additional expense*** resulting from the enforcement of building ordinance or law;
2. ***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***;
3. ***Additional expense*** caused by the suspension, lapse or cancellation of any lease, license, contract or order; or
4. Claims for any other type of consequential loss.

date of expiration of this policy, needed for ***you*** to do everything reasonable to repair, rebuild or replace such part of the described property as has been damaged or destroyed.			