Old Language	New Language	Explanation of Proposed Changes	Impact
WHAT *WE* PAY FOR ***We*** pay for loss of ***rents*** when ***your*** rental income 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*** actual loss of ***rents*** resulting ***directly*** from untenantability. This loss is not to exceed the reduction in ***rents*** less charges and expenses that do not continue. ***You*** must do everything reasonable to rebuild, repair or replace the damaged property. 2. Expenses that are necessarily incurred for the purpose of reducing the loss. These expenses shall not exceed the amount by which the loss otherwise payable is reduced. These expenses shall not be subject to the contribution clause formula. 3. **LIMITATION-ELECTRONIC MEDIA AND RECORDS**. ***We*** will not pay for any loss of ***rents*** caused by direct physical loss of or damage to Electronic Media and Records after the longer of: a) 60 consecutive days from the date of direct physical loss or damage; or b) The period, beginning with the date of direct physical loss or damage, necessary to repair, rebuild or replace, with reasonable speed and similar quality, other property at the described premises due to loss or damage caused by the same ***occurrence***. ***Electronic Media and Records*** are: (1) Electronic data processing, recording or storage media such as films, tapes, discs, drums or cells; (2) Data stored on such media; or (3) Programming records used for electronic data processing or electronically controlled equipment. Example No. 1: A Covered Cause of Loss damages a computer on June 1. It takes until September 1 to replace the computer, and until October 1 to restore the data that was lost when the damage occurred. ***We*** will only pay for the loss sustained during the period June 1-September 1. Loss during the	**DEFINITIONS** The following definitions apply to this policy form: 1. ***Loss of rents*** means the income ***you*** could reasonably be expected to have earned during the ***period of restoration*** if no covered property loss had occurred less any income ***you*** actually earned. ***Loss of rents*** 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 rents***, however, only to the extent that they actually reduce ***your loss of rents***. 2. ***Period of restoration***: a. Means the time period that commences 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***. 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** ***We*** pay up to the Amount of Insurance shown in the Schedule for ***loss of rents*** 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 for ***your*** rental operations. Payments under this coverage may extend beyond the end of the policy period. 1. ***Loss of rents*** will be determined using: a. Net rental income that would have been earned from tenant occupancy of the ***insured premises***; b. Continuing normal operating expenses incurred related to the rented premises including payroll expense and the amount of all charges that are the legal obligation of the tenants which would otherwise be obligations of the ***insured***; c. The fair rental value of any portion of the ***insured***	1. Contribution Clause now known as Coinsurance Percentage and is now more clearly explained. 2. Concept of Period of Restoration introduced that calculates losses starting 72 hours after the loss. 3. Method of calculating lost rents has been rewritten to be easier to determine. 4. Electronic Media and Records is now an Additional Coverage called Electronic Data that gets an amount of insurance above and beyond the ordinary limits of the coverage. 5. Additional Coverages – Civil Authority is now subject to the same 72-hours as the rest of the coverage. 6. Additional Coverages – Civil Authority has been extended from 2 weeks to 6 weeks of coverage. 7. Exclusions reduced. 8. Definitions – Rents is now known as Loss of Rents and Directly has been dropped as a term.	1. Clarification 2. Restriction 3. Clarification 4. Broadening 5. Restriction 6. Broadening 7. Broadening 8. Clarification

period September 2-October 1 is not covered.

Example No. 2:

A Covered Cause of Loss results in the loss of data processing programming records on August 1. The records are replaced on October 15. ***We*** will only pay for the loss sustained during the period August 1-September 29 (60 consecutive days). Loss during the period September 30-October 15 is not covered.

4. **ADDITIONAL COVERAGES**
   a) Alterations and New Buildings-***We*** will pay for the actual and necessary loss of ***rents you*** incur due to direct physical loss or damage at the described premises caused by or resulting from any covered cause of loss to:
      (1) New buildings or structures, whether complete or under construction:
      (2) Alterations or additions to existing buildings or structures; and
      (3) Machinery, equipment. supplies or building materials located on or within 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 loss of ***rents 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.

5. ***LOSS DETERMINATION***.
   1) The amount of loss of ***rents*** will be determined based on:
      a) The net income of the ***business*** before the direct physical loss or damage occurred;
      b) The likely net income of the ***business*** if no loss or damage occurred;

premises which is occupied by the ***insured***; and

d. Any relevant and reliable sources of information applicable to ***your business***.

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 ***Loss Of Rents*** coverage.

1. **New Construction And Alterations**-***We*** pay for ***loss of rents*** 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.

   If such covered cause of loss delays the start of ***your*** operations at the newly constructed or altered building or structure, the ***period of restoration*** will begin on the date ***your*** operations would have begun had there been no accidental direct physical loss or damage.
2. **Civil Authority**-***We*** pay for ***loss of rents*** when access to ***your*** place of ***business*** is prohibited by civil authority as a result of accidental direct physical loss or damage resulting 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 Rents 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 Rents 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 ***loss of rents*** due to accidental direct physical loss or damage to ***electronic data*** resulting from a covered cause of loss.

c) The operating expenses, including payroll expenses, necessary to resume operations with the same quality of service that existed just before that direct physical loss or damage; and

d) Other relevant sources of information, including:

(1) ***Your*** financial records and accounting procedures;

(2) Bills, invoices and other vouchers; and

(3) Deeds, liens or contracts.

WHAT *WE* DO NOT PAY FOR

We Are Not Liable For:

1) more than the limit of insurance for ***rents*** for each premise;
2) 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 ensues from theft or attempted theft. Then ***we*** shall be liable for only such ensuing loss;
3) any other consequential or remote loss.

We Are Not Liable For Any Increase Of Loss 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.
3) suspension, lapse or cancellation of any lease, contract or order unless such suspension, lapse or cancellation results directly from the untenantability of the premises. Then ***we*** shall be liable for only such loss as affects the ***rents*** of the premises during, and limited to, the period of indemnity under this policy.

CONTRIBUTION CLAUSE PERCENTAGE-***We*** will not be liable for a greater portion of any loss than the limit of insurance bears to the amount produced in the following formula.

Your rents (that would have been earned if no loss had occurred during the 12 months immediately following the date of damage or destruction of the described property) (x) multiplied by the Contribution Clause Percentage.

WHAT *WE* DO NOT PAY FOR

We do not pay for:

1. ***Loss of rents*** caused by the suspension, lapse or cancellation of any lease, contract or order;
2. ***Loss of rents*** caused directly or indirectly by enforcement of any local or state ordinance or law regulating the construction, repair, or demolition of buildings or structures;
3. Any claim for ***loss of rents*** due to interference by strikers or other people with rebuilding, repairing or replacing property, or with the resumption or continuation of operations; or
4. Claims for any other type of consequential loss.

COINSURANCE PERCENTAGE

We require that ***you*** maintain a minimum amount of insurance when a Coinsurance Percentage is shown in the Schedule.

The minimum amount of insurance required is determined by multiplying ***your*** rents earned if no loss had occurred during the 12 months immediately preceding the date of loss or damage to covered property, by the Coinsurance Percentage shown in the Schedule.

If the Amount of Insurance at the time of loss is less than the minimum amount of insurance required, ***we*** will pay only a part of the loss. ***Our*** part of the loss will be determined by dividing the Amount of Insurance by the minimum amount of insurance required.

EXAMPLE-If ***you*** do not maintain the required amount of insurance:

a. Rents earned 12 months preceding loss
b. Coinsurance Percentage shown in the Schedule
c. Minimum amount of insurance required ($100,000 x 80%)
d. Amount of Insurance shown in the Schedule
e. Amount of loss

In this example, ***we*** would pay ***you*** $15,000. ***We*** arrive at this payment figure as follows:

1) ***Our*** part of the loss is 75%. (d. Amount of Insurance $60,000 divided by c. amount of insurance required $80,000).
2) $20,000 loss is then multiplied by the 75% figure computed in 1) above, to arrive at the part of the loss ***we*** will pay.

DEFINITIONS-The following definitions apply to this policy: ***Rents***-(including rental value) means the sum of: 1) The total anticipated gross rental income from tenant occupancy of the described property; and 2) the amount of all charges which are the legal obligation of the tenants and which would otherwise be obligations of the ***insured***; and 3) the fair rental value of any portion of the described property which is occupied by the ***insured***. ***Directly***-means loss, as limited and conditioned in this policy, resulting from direct loss to the described property from the covered causes of loss.			