

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDATORY ENDORSEMENT - LIMITED PROPERTY EXTENSIONS**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CP 0010  
 CONDOMINIUM ASSOCIATION COVERAGE FORM, CP 0017  
 CONDOMINIUM UNIT-OWNERS COVERAGE FORM, CP 0018  
 CAUSES OF LOSS – SPECIAL FORM, CP 1030

### **Schedule of Coverages and Limits**

<b>Coverage</b>	<b>Limit of Insurance</b>
Accounts Receivable	\$25,000
Arson Reward	\$5,000
Electronic Data Processing Equipment – Off Premises	\$5,000
Electronic Data Processing Equipment – On Premises	\$10,000
Employee Theft	\$2,500
Fire Department Service Charge	\$5,000
Fire Protection Device Recharge	\$1,000
Food Spoilage Resulting From Power Outage	\$5,000
Money and Securities	\$2,500
Personal Effects And Property Of Others	\$7,500
Property in Transit	\$10,000
Sewer, Drain, or Sump Backup or Overflow	\$5,000
Valuable Papers and Records (Other Than Electronic Data)	\$25,000

#### **Coverage Term of This Endorsement**

The coverage term of this endorsement begins on the effective date of this endorsement and ends on the policy expiration date shown on the Common Policy Declarations. Coverage under any of the coverages shown in the Schedule above is only provided for all loss or damage that occurs during the coverage term of this endorsement.

#### **Applicability of the Limits of Insurance**

The Limits of Insurance shown in the Schedule above replaces some of the Limits of Insurance for Coverages granted by the Coverage Form to which this endorsement is attached. Other Coverages in the Schedule above, are granted by the Company and are new coverages that have been added to the Coverage Form by this endorsement.

## Non-Stacking Limits

If any Coverage Form, Coverage Part, or Policy issued to you by us or any Company affiliated with us, applies to the same claim for loss or damage, the maximum Limit of Insurance for all loss of, or damage to Covered Property under all of the Coverage Forms, Coverage Parts, or Policies shall not exceed the highest applicable Limit of Insurance available under any one Coverage Form, Coverage Part or Policy.

This endorsement does not apply to any Coverage Form, Coverage Part, or Policy issued by us or an affiliated Company specifically to apply as excess insurance over this Policy.

## Words and Phrases in Italics

Words and phrases that appear in italics have special meaning. Please refer to paragraph **Endorsement Definitions** at the end of this endorsement.

### 1. Deductible

If a Deductible applies to any of the following coverages, that Deductible will be shown on **CCF 1512**, the Mandatory Property Deductible Form attached to this Coverage Form.

### 2. Coinsurance

For the purposes of this endorsement, the Additional Condition, Coinsurance does not apply when a loss is evaluated under any of these property Additional Coverages and Coverage Extensions.

The insurance provided by this form is only applicable to the premises described in the Declarations.

## Additional Coverages Changes

- A.** The following revision is made to **CP 0010**, **CP 0017** or **CP 0018**, Section **A**, Coverage, paragraph **4.**, Additional Coverages.

### Fire Department Service Charge

In sub-paragraph **c.**, Fire Department Service Charge, the limit of \$1,000 is deleted and replaced with the amount shown in the Schedule above.

- B.** The following is added to **CP 0010**, **CP 0017**, or **CP 0018**, Section **A.**, paragraph **4.**, Additional Coverages.

### Crime Coverages

- 1.** For the purposes of these Crime Coverages, Coverage **A.**, paragraph **2**, Property Not Covered, sub-paragraph **a.** is deleted in its entirety and replaced with the following sub-paragraph.

- a.** Accounts, bills, or other evidences of debt. Lottery tickets held for sale are not securities. Virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to any digital currency, cryptocurrency or any other type of electronic currency;

- 2.** The following Crime Coverages are added to **A.** Coverage, paragraph **4.**, Additional Coverages.

Coverage is provided under the following insuring agreements for which a Limit of Insurance is shown in the Schedule above, and applies to loss that you sustain resulting directly from an *occurrence* that takes place during the coverage term of this endorsement shown in the Declarations.

#### **a. Employee Theft**

We will pay for loss or damage to *money* or *securities* resulting directly from *theft* committed by an *employee*, whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Extension *theft* shall also include *forgery*.

We will pay only for loss or damage for *money*, *securities* and *other property* that occurs and is reported during the current policy period. Regardless of the number of years this policy remains in force or the number of annual premiums paid, no Limit of Insurance accumulates from year to year or period to period.

#### **b. Inside Your Building – Theft of Money or Securities**

We will pay for:

- (1)** Loss of *money* or *securities* inside your building or a *financial institution* premises:

- (a) Resulting directly from *theft* committed by a person present inside your building or a *financial institution* premises; or
  - (b) Resulting directly from disappearance or destruction.
- (2) Loss from damage to the inside of your building or its exterior resulting directly from an actual or attempted *theft* of *money* or *securities* if you are the owner of the building or are liable for damage to the building.
  - (3) Loss of or damage to a locked safe, vault, cash register, cash box, or cash drawer, located inside your building, resulting directly from an actual or attempted *theft* of or unlawful entry into those containers.
- c. Outside Your Building – Theft of Money, Securities, or Other Property**

We will pay for:

- (1) Loss of *money* or *securities* outside your building, in the care and custody of a *messenger* or an armored motor vehicle company, resulting directly from *theft*, disappearance or destruction.
- (2) Loss of or damage to *other property* outside your building, in the care and custody of a *messenger* or an armored motor vehicle company, resulting directly from an actual or attempted robbery.
- (3) For the purposes of this endorsement and the Outside Your Building – Theft of Money, Securities, or Other Property coverage, robbery means the unlawful taking of property from the care and custody of a person by one or other persons who have:
  - (a) Caused or threatened to cause that person bodily harm; or
  - (b) Committed an obviously unlawful act witnessed by that person.

The most that we will pay for loss or direct physical damage to *money*, *securities* or *other property* in any one policy period is limited to the amount shown in the Schedule above, regardless of the number of *occurrences*, for each Coverage in sub-paragraphs **2. a.**, **b.** or **c.**

### 3. Crime Exclusions

The following Exclusions are added to section **B.**, Exclusions of **CP 1030**, Causes of Loss Special Form.

- a.** We will not pay for loss or damage caused by any of the following under Crime Coverages, sub-paragraphs **2.a.**, **b.**, or **c.**

This insurance does not apply to:

**(1) Acts Committed By You, Your Partners, Or Your Members**

Loss resulting from *theft* or any other dishonest act committed by:

- (a) You; or
- (b) Any of your partners or *members*

whether acting alone or in collusion with other persons.

**(2) Acts Committed By Your Employees Learned Of By You Prior To The Effective Date of This Endorsement.**

Loss caused by an *employee* if the *employee* had also committed *theft* or any other dishonest act prior to the effective date of this endorsement and you or any of your partners, *members*, *managers*, officers, directors or trustees, not in collusion with the *employee* learned of that *theft* or dishonest act prior to the effective date of this endorsement.

However, this exclusion does not apply to an *employee* who was convicted of one or more criminal offenses in this state or any other jurisdiction prior to becoming employed by you, if after learning about the *employee's* past criminal conviction or convictions, you made a determination to hire or retain the *employee* utilizing the factors set out in New York Correction Law Article 23-A.

**(3) Acts Committed By Your Employees, Managers, Directors, Trustees Or Representatives**

Loss resulting from *theft* or any other dishonest act committed by any of your *employees*, *managers*, directors, trustees, or authorized representatives:

- (a) Whether acting alone or in collusion with other persons; or
- (b) While performing services for you or otherwise;

except when covered under Crime Coverages, sub-paragraph **2.a.**, Employee Theft.

**(4) Confidential or Personal Information**

Loss resulting from:

- (a) The disclosure or use of another person's or organization's confidential or personal information; or
- (b) The disclosure of your confidential or personal information. However, this sub-paragraph, **3.a.(4)** does not apply to loss otherwise covered under this endorsement that results directly from the use of your confidential or personal information.

For the purposes of this exclusion, confidential or personal information includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information.

**(5) Data Security Breach**

Fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or personal information including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information.

**(6) Employee Benefit Plans**

Any welfare or pension benefit plan that you sponsor that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

**(7) Indirect Loss**

Loss that is an indirect result of an *occurrence* covered by this Crime Coverage including, but not limited to, loss resulting from:

- (a) Your inability to realize income that you would have realized had there been no loss of or damage to *money* or *securities*;
- (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under these Crime Coverages; or
- (c) Payment of costs, fees, or other expenses you incur in establishing either the existence or the amount of loss under this Crime Coverage.

**(8) Legal Fees, Costs, and Expenses**

Fees costs and expenses incurred by you which are related to any legal action.

**(9) Loss Sustained During Prior Coverage Period Not Insured by Us or Any Affiliate**

We will not pay for any loss, *discovered* during the policy period shown for these Crime Coverages on this endorsement or in the Declarations of this policy, resulting directly from an *occurrence* taking place during any policy period of any prior cancelled or expired insurance, issued by another company to you or a predecessor in interest.

**(10) Virtual Currency**

Loss involving virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

- b. We will not pay for loss or damage for any of the following under Crime Coverages sub-paragraph **2.a.**, Employee Theft Coverage.

**(1) Inventory Shortages**

Loss or that part of any loss, when the proof of loss is dependent upon:

- (a) An inventory computation; or
- (b) A profit and loss computation.

However, where you establish, wholly apart from such computations, that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

**(2) Trading**

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

**(3) Warehouse Receipts**

Loss resulting from the fraudulent or dishonest signing, issuing, cancelling or failing to cancel, a warehouse receipt or any papers connected with it.

- c. We will not pay for loss or damage for any of the following under Crime Coverages, sub-paragraph **2.b.**, Inside Your Building – Theft of Money or Securities, or sub-paragraph **2.c.**, Outside Your Building – Theft of Money, Securities, or Other Property for any of the following.
- (1) **Accounting or Arithmetical Errors or Omissions**  
Loss resulting from accounting or arithmetical errors or omissions.
  - (2) **Exchanges or Purchases**  
Loss resulting from the giving or surrendering of *money* or *securities* or *other property* in any exchange or purchase.
  - (3) **Fire**  
Loss or damage resulting from fire, however caused, except:
    - (a) Loss of or damage to *money* or *securities*; and
    - (b) Loss from damage to a safe or vault.
  - (4) **Money Operated Devices**  
Loss of property contained in any *money* operated device unless the amount of *money* deposited in it is recorded by a continuous recording instrument in the device.
  - (5) **Motor Vehicles Or Equipment And Accessories**  
Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.
  - (6) **Transfer Or Surrender Of Property**  
Loss of or damage to *money* or *securities* after it has been transferred or surrendered to a person or place outside your building or *financial institution* premises:
    - (a) On the basis of unauthorized instructions;
    - (b) As a result of a threat including, but not limited to:
      - i. A threat to do bodily harm to any person;
      - ii. A threat to do damage to any property;
      - iii. A threat to introduce a denial of service attack to any *electronic data processing equipment*;
      - iv. A threat to introduce a virus or other malicious instruction which is designed to damage, destroy or corrupt any *electronic data processing equipment*, *electronic data processing media* or any *electronic data*.
      - v. A threat to contaminate, pollute or render substandard your products or goods; or
      - vi. A threat to disseminate, divulge, or utilize:
        - (i) Your confidential information; or
        - (ii) Confidential or personal information of another person or organization; or
        - (iii) Weaknesses in the source code within any *electronic data processing equipment*, *electronic data processing media*, or *electronic data*.
    - (c) However, this exclusion does not apply to Crime Coverages, sub-paragraph **2.c.** loss of *money* or *securities* while outside your building in the care and custody of a *messenger* if you:
      - i. Had no knowledge of any threat at the time the conveyance began; or
      - ii. Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
  - (7) **Vandalism**  
Loss from damage to the inside of your building or its exterior, or to any safe, vault, cash register, cash box, cash drawer or *other property* by vandalism or malicious mischief.
  - (8) **Voluntary Parting of Title to or Possession of Property**  
Loss resulting from your, or anyone else action on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

#### 4. Crime Additional Conditions

For the purposes of this endorsement, the following Additional Conditions are added and apply to the Crime Coverages in paragraph 2., above.

##### a. Additional Premises or Employees

If, while this endorsement is in force, you establish any additional buildings or hire additional *employees*, other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of another entity, such buildings and *employees* shall automatically be covered under this endorsement. Notice to us of an increase in the number of buildings or *employees* is not required, and no additional premium will be charged for the remainder of the coverage term for this endorsement.

##### b. Consolidation – Merger or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this endorsement to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium, but
- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this endorsement shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all *occurrences* causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

##### c. Joint Insured

- (1) If more than one insured is named in the Declarations, the first Named insured will act for itself and for every other insured for the purposes of these Crime Coverages. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any insured or partner, *member*, *manager*, *officer*, *director* or *trustee* of that insured has knowledge of any information relevant to these Crime Coverages, that knowledge is considered knowledge of every insured.
- (3) An *employee* of any insured is considered to be an *employee* of every insured.
- (4) If any of these Crime Coverages are cancelled as to any insured, loss sustained by that insured is covered only if it is *discovered* by you after the inception date of these Crime Coverages and no later than one year from the date of that cancellation.

However, this extended period to *discover* loss terminates immediately upon the effective date of any other insurance obtained by that insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this endorsement, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (5) We will not pay more for loss sustained by more than one insured than the amount we would pay if all such loss had been sustained by one insured.
- (6) Payment by us to the first Named Insured for loss sustained by any insured, shall fully release us on account of such loss.

##### d. Legal Action Against Us

For the purposes of the Crime Coverages provided by this endorsement the following applies.

You may not bring any legal action against us involving a loss:

- (1) Unless you have complied with all the terms of this endorsement; and
  - (2) Until 90 days after you have filed proof of loss with us; and
- unless brought within two years from the date you *discovered* the loss.

If any limitation in this condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

## 5. Crime Loss Conditions

For the purposes of this endorsement and the Crime Coverages provided, the following is added to **CP 0010**, section **E.**, Loss Conditions.

### a. Armored Motor Vehicle Companies – Outside Your Building – Theft of Money, Securities, or Other Property

We will pay only for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by or for the benefit of customers of, the armored motor vehicle company.

### b. Duties in the Event of Loss of Money, Securities, or Other Property

After you *discover* a loss or a situation that may result in loss of or damage to *money* or *securities* or *other property* you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Employee Theft, sub-paragraph **2.a.** involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Give us a detailed, sworn proof of loss within 120 days;
- (3) Cooperate with us in the investigation and settlement of any claim;
- (4) Produce for our examination all pertinent records;
- (5) Submit to examination under oath at our request and give us a signed statement of your answers; and
- (6) Secure all of your rights of recovery against any person or organization responsible for the loss and do nothing to impair those rights.

### c. Extended Period To Discover Loss – Crime Coverages

We will pay for loss that you sustained, after the inception date of these Crime Coverages but prior to the effective date of cancellation, which is *discovered* by you, no later than one year from the date of that cancellation. However, this extended period to *discovered* loss terminates immediately upon the effective date of any other insurance obtained by you whether from us or another insurer, replacing in whole or in part the coverage afforded under this endorsement whether or not such other insurance provides coverage for loss sustained prior to its effective date.

### d. Loss Sustained During Prior Insurance Issued By Us or any Affiliate – Crime Coverages

- (1) If you *discover* loss during the coverage term of this endorsement, resulting directly from an *occurrence* taking place entirely during the policy period(s) of any prior cancelled or expired insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss provided:
  - (a) This endorsement became effective at the time of cancellation of the prior insurance; and
  - (b) The loss would have been covered under this endorsement had it been in effect at the time of the *occurrence*.
- (2) If the loss sustained involved more than one policy period that was insured by us or an affiliate, we will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the policy(s) of the other prior insurance.
- (3) The most we will pay for the entire loss is the highest single Limit of Insurance applicable to the Crime Coverage during the period of loss, whether such limit was written under this endorsement or was written under the prior insurance issued by us.
- (4) We will apply the applicable Deductible Amount, shown in the Declarations or the deductible endorsement attached to that policy, to the amount of loss sustained under these Crime Coverages. If no loss was sustained under this Crime Coverage, we will apply the Deductible Amount shown on **CCF 1512**, Mandatory Property Deductible Form of these Crime Coverages to the amount of loss sustained under the most recent prior insurance.

### e. Recoveries

For the purposes of the endorsement and the Crime Coverages provided, **CP 0010**, section **E.**, Loss Conditions, paragraph **5.**, Recovered Property is deleted in its entirety and replaced with the following.

- (1) Any recoveries, whether effected before or after any payment under this endorsement, whether made by us or by you, shall be applied net of the expense of such recovery:
  - (a) First to you in satisfaction of your covered loss in excess of the amount paid under this endorsement;
  - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
  - (c) Third, to you in satisfaction of any Deductible Amount; and
  - (d) Fourth to you in satisfaction of any loss not covered under this endorsement.
- (2) Recoveries do not include any recovery:
  - (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
  - (b) Of original *securities* after duplicates of them have been issued.

**f. Termination as to Any Employee – Crime Coverage 2.a., Employee Theft**

Coverage provided under Crime Coverage sub-paragraph 2.a., Employee Theft, is terminated for any *employee*:

- (1) As soon as:
  - (a) You; or
  - (b) Any of your partners, *members*, *managers*, officers, directors or trustees not in collusion with the *employee*

learn of *theft* or any other dishonest act committed by the *employee* whether before or after becoming employed by you.

However, this paragraph (1) does not apply to an *employee* whose *theft* or other dishonest act was committed prior to becoming employed by you and which resulted in the *employee* being convicted of one or more criminal offenses in this state or any other jurisdiction, if, after learning about the *employee's* past criminal conviction or convictions, you made a determination to hire or retain the *employee* utilizing the factors set out in New York Correction Law Article 23-A; or

- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

**g. Valuation – Settlement**

For the purposes of the endorsement and the Crime Coverages provided, CP 0010, section E., Loss Conditions, paragraph 7., Valuation, is deleted in its entirety and replaced with the following paragraph.

The value of any loss for purposes of coverage under these Crime Coverages shall be determined as follows:

**(1) Money**

Loss of *money* but only up to and including its face value. We will, at your option, pay for loss of *money* issued by any country other than the United States of America.

- (a) At face value in the *money* issued by that country; or
- (b) In the United States of America dollar equivalent, determined by the rate of exchange published in The Wall Street Journal on the day the loss was *discovered*.

**(2) Securities**

Loss of *securities* but only up to and including their value at the close of business on the day the loss was *discovered*. We may at our option:

- (a) Pay the market value of such *securities* or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those *securities*; or
- (b) Pay the cost of any lost *securities* bond required in connection with issuing duplicates of the *securities*. However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
  - i. Market value of the *securities* at the close of business on the day the loss was *discovered*; or
  - ii. Limit of Insurance applicable to the *securities*.



**(3) Other Property**

- (a) Loss of or damage to *other property* in the care and custody of a messenger or armored motor vehicle, for the replacement cost of the *other property* without deduction for depreciation. However, we will not pay more than the least of the following:
- i. The Limit of Insurance applicable to the lost or damaged *other property*.
  - ii. The cost to replace the lost or damaged *other property* with property of comparable material and quality and used for the same purpose; or
  - iii. The amount you actually spend that is necessary to repair or replace the lost or damaged *other property*.
- (b) We will not pay on a replacement cost basis for any loss or damage to *other property* under (a) i., above:
- i. Until the lost or damaged property is actually repaired or replaced; and
  - ii. Unless the repair or replacement is made as soon as reasonably possible after the loss or damage.
- If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.
- (c) We will, at your option, pay for loss or damage to *other property*:
- i. In the *money* of the country in which the loss or damage was sustained; or
  - ii. In the United States of America dollar equivalent of the *money* of the country in which the loss or damage was sustained determined by the rate of exchange published in The Wall Street Journal on the day the loss was *discovered*.
- (d) Any *other property* that we pay for or replace becomes our property

**Fire Protection Device Recharge**

We will pay to cover the expenses incurred to recharge a fire protection device when it has been used to combat a covered fire.

The most we will pay under this Additional Coverage is the amount shown in the Schedule above.

**Coverage Extension Changes**

- A. The following revisions are made to **CP 0010**, **CP 0017**, or **CP 0018**, Section **A.**, Coverage; paragraph **5.**, Coverage Extensions for the sub-paragraphs shown below.

**1. Personal Effects And Property Of Others**

In sub-paragraph **b.**, Personal Effects And Property of Others the amount of \$2,500 is deleted and replaced with the amount shown in the Schedule above for Personal Effects And Property Of Others.

**2. Valuable Papers And Records (Other Than Electronic Data)**

In sub-paragraph **c.**, Valuable Papers And Records (Other Than Electronic Data), the amount of \$2,500 is deleted and replaced by the amount shown in the Schedule above for Valuable Papers And Records (Other Than Electronic Data).

Electronic data means information, facts, images or sounds stored as or on, created or used on or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following Extended Coverages are added to **CP 0010**, **CP 0017** or **CP 0018**, Section **A.**, Coverage; paragraph **5.**, Coverage Extensions.

**1. Accounts Receivable**

a. For the purposes of this endorsement, section **A.** Coverage, paragraph **2.**, Property Not Covered, sub-paragraph **a.**, is deleted in its entirety and replaced with the following paragraph.

- a. Bills, currency, food stamps, or other evidences of debt, money, notes, or securities. Lottery tickets held for sale are not securities.

- b. You may extend the insurance provided by this endorsement to apply to direct physical damage resulting from a Covered Cause of Loss to your records of accounts receivable at the described premises.
- c. We will pay:
- (1) All amounts due from your customers that you are unable to collect;
  - (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
  - (3) Collection expenses in excess of normal collection expenses and that are made necessary because of the loss or damage; and
  - (4) Other reasonable expenses that you incur to reestablishing records of accounts receivable; that result from Covered Causes of Loss to your records of accounts receivable.

**d. Property Not Covered**

Coverage does not apply to:

- (1) Records of accounts receivable in storage away from the premises described on the Declarations; or
- (2) Contraband or property in the course of illegal transportation or trade.

**e. Removal of Records**

If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss or damage, we will pay for loss or damage while they are:

- (1) At a safe place, away from your premises or
- (2) Being taken to and returned from that place, for a period of not more than 30 days.

**f. The following exclusions are added to Section B. Exclusions of CP 1030.**

**Accounts Receivable Exclusions**

We will not pay for loss or damage caused by or resulting from:

- (1) Delay, loss of use, loss of market or any other consequential loss;
- (2) Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving; taking or withholding of *money or securities or other property*;
- (3) Bookkeeping, accounting or billing errors or omissions;
- (4) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
  - (a) Programming errors or faulty machine instructions;
  - (b) Faulty installation or maintenance of data processing equipment or component parts;
  - (c) An occurrence that took place more than 100 feet from your premises or
  - (d) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your premises;
- (5) Unauthorized instructions to transfer property to any person or place;
- (6) Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- (7) We will not pay for loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

**g. The following is added to Section E – Loss Conditions of CP 0010, CP 0017 or CP 0018**

**Determination of Receivables**

- (1) When there is proof that a covered loss has occurred but you cannot accurately establish the amount of accounts receivable outstanding as of the date of the loss, the amount shall be based on your latest statement of monthly receivables and shall 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 increases or decrease in your gross sales of goods and services for the 12 fiscal months immediately preceding the month in which the loss occurred against the 12 fiscal months prior to the above period;
  - (c) The amount determined under (a), above, increased or decreased by the percentage calculated in (b), above, shall be the agreed total amount of accounts receivable as of the last day of the fiscal month in which the loss occurs;
  - (d) The monthly amount of accounts receivable thus established shall be further adjusted in accordance with the normal fluctuations in the amount of accounts receivable within the fiscal month involved.
- (2) We will deduct an amount to allow for probable bad debts which you would normally have been unable to collect from the amount of accounts receivable as destroyed or lost.
- h. The most we will pay for loss or damage under this Extension is the amount shown in the Schedule above.

## 2. Arson Reward

We will provide a reward for information which leads to the arrest and conviction of any person(s) responsible for an act of arson.

The most we will pay under this endorsement for all rewards for information in any one arson, is the amount shown in the Schedule above.

## 3. Electronic Data Processing Equipment and Media

- a. You may extend the insurance provided by this endorsement to your *electronic data processing equipment* and *electronic data processing media* which you own, lease, or rent from others or for which you are legally responsible.
- b. We will pay for loss or damage resulting from or caused by:
  - (1) Mechanical breakdown, or machinery malfunction;
  - (2) Short circuit, blowout or other electrical damage or disturbance;
  - (3) Faulty construction, error in design, or actual work upon property covered. (This coverage does not apply to *electronic data processing media*).
- c. We will not pay for loss or damage resulting from:
  - (1) Loss to property loaned, leased or rented to others while away from the premises listed in the Declarations.
  - (2) Media which cannot be replaced with others of the same kind and quality.
  - (3) Accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents for direct physical loss or damage caused by any of the items in c. (2), above.
  - (4) Error or omission in machine programming or incorrect instruction to a machine.
  - (5) Any computer virus or malicious code.
- d. The Causes of Loss – Special Form, Section B., Exclusions, applies to this coverage with the exception of exclusions B.2a. and B.2.d. (6).
- e. The most we will pay for loss in any one policy period is the amount shown in the Schedule above regardless of the number of occurrences, but if the *electronic data processing equipment* or *electronic data processing media* is lost or damaged while in transit, off premises, or on a vehicle the most we will pay, is the amount shown in the Schedule above for Property In Transit.

## 4. Food Spoilage Resulting From Power Outage

- a. We will pay for loss or damage, resulting from a change in temperature or humidity, to perishable stock stored within a controlled environment. The change in temperature or humidity in the controlled environment must be caused by an interruption of electrical power utility services originating on or off the premises. The interruption of the electrical power utility service on or off the premises must result from direct physical loss or damage by a Covered Cause of Loss that is insured by this policy.
- b. The most we will pay in any one policy period is limited to the amount shown in the Schedule above, regardless of the number of occurrences.

- c. For the purposes of this endorsement and Food Spoilage coverage, perishable stock means business personal property:
  - (1) Maintained under controlled conditions for its preservation; and
  - (2) Susceptible to loss or damage if the controlled conditions change.

### **Causes of Loss Changes**

- A. **CP 1030**, Causes Of Loss – Special Form, section **B.**, Exclusions, paragraph **g.**, Water, is deleted in its entirety and replaced with the following.

#### **g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal waves, overflow of any body of water, or their spray from any of these, all whether or not driven by wind (including storm surge),
- (2) Mudslide or mudflow;
- (3) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floor, or paved surfaces;
  - (b) Basements whether paved or not; or
  - (c) Doors, windows, or other openings; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in paragraph **g.(1)** or **g.(3)** or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above in paragraphs **g.(1)** through **g.(4)** is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason to contain the water.

But if Water as described in **g.(1)** through **g.(4)** above results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

- B. Causes of Loss – Special Form, **CP 1030**; Section **F.**, Additional Coverage Extensions, paragraph **1.** of Property In Transit, is deleted in its entirety and replaced with the following:

#### **1. Property In Transit**

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this endorsement to apply to your personal property (other than property in the care, custody, or control of your sales person) in transit more than 100 feet from the described premises:
  - (1) This Extension only applies to property in transit in the coverage territory;
  - (2) Property in transit includes property in the custody of:
    - (a) Any railroad (including while on ferries or in cars, transfers or lighters);
    - (b) Public truck-men, private truck-men or land transportation companies;
    - (c) You or anyone else while in or on vehicles you own, lease or hire;
    - (d) Any air transportation company;
    - (e) Any water transportation company while on inland waters of the continental United States, the Great Lakes or the St. Lawrence Seaway; or
    - (f) Any other person authorized by you to have the care and custody of your property outside your premises (including your salespeople);
- b. This Extension does not include:
  - (1) Shipments through the US Postal Service;
  - (2) Property covered under import or export Ocean Cargo policies;
  - (3) Inter-coastal water shipments via the Panama Canal; or
  - (4) Coastwise water shipments to Alaska.
- c. Loss or damage must be caused by or result from a Covered Cause of Loss. However, the following limitation will apply to all *theft* losses:

Coverage for *theft* of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle requires that there must be visible marks of the forced entry.

- d. The most that we will pay for direct physical loss or damage for Personal Property in Transit is the amount shown in the Schedule above.
- C. The following is added to the Causes Of Loss - Special Form, **CP 1030**, item **F.**, Additional Coverage Extensions.

**Sewer, Drain, or Sump Backup or Overflow**

You may extend the insurance provided by endorsement to include loss, whether it originates on or off the described premises, caused by water that backs up or overflows or is otherwise discharged from a sewer, drain, sump or sump pump or related equipment.

However, we will not pay for direct physical loss or damage to Covered Property caused by or resulting from continued or repeated back up or overflow of water over a period 14 days.

The most we will pay under this Coverage Extension in any policy period, regardless of the number of occurrences, is shown in the Schedule above.

**Endorsement Definitions**

The following terms are defined for the purposes of this endorsement only.

**1. Discover**

*Discover* or *discovered* means the time when you first become aware of the facts which would cause a reasonable person to assume that a loss of a type covered by **Additional Coverage Changes**, paragraph **B.**, **Crime Coverages**, has occurred, even though the exact amount or details of loss may not then be known.

**2. Electronic Data**

*Electronic data* means information, facts, images or sounds stored as or on, created or used on or transmitted to or from computer software (including systems and applications software) on data storage devices, including hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**3. Electronic Data Processing Equipment**

*Electronic Data Processing Equipment* means data processing systems, components 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.

**4. Electronic Data Processing Media**

*Electronic Data Processing Media* means punch cards, 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.

**5. Employee**

*Employee* means:

a. Any natural person:

- (1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to *theft* or any other dishonest act committed by the *employee*;
- (2) Whom you compensate directly by salary, wages or commissions; and
- (3) Whom you have the right to direct and control while performing services for you;

b. Any natural person who is furnished temporarily to you:

- (1) To substitute for a permanent *employee* as defined in **5.a.** above who is on leave; or
- (2) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary *employee* as defined in **5.b.** above.

- d. A natural person who is:
  - (1) A trustee, officer, employee, administrator or *manager*, except an administrator or *manager* who is an independent contractor of any *employee benefit plan*; or
  - (2) Your director or trustee while that person is engaged in handling *money, securities, or other property* of any *employee benefit plan*;
- e. Any natural person who is a former *employee, partner, member, manager* director or trustee retained as a consultant while performing services for you;
- f. Any natural person who is a guest student or intern pursuing studies or duties excluding, however, any such person while having care and custody of property outside your building;
- g. Any natural persons employed by an entity merged or consolidated with you prior to the effective date of this Crime Coverage; and
- h. Any natural person who is your *manager, director* or trustee while:
  - (1) Performing acts within the scope of the usual duties of an *employee*; or
  - (2) Acting as a *member* of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general directorial acts on your behalf.
- i. However, *employee* does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in **a.** through **h.** above.

#### 6. Employee Benefit Plan

*Employee benefit plan* means any welfare or pension benefit plan that you sponsor and that is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

#### 7. Financial Institution

*Financial institution*, with regard to **Additional Coverage Changes**, paragraph **B. Crime Coverages**, sub-paragraph **2.b.**, Inside Your Building – Theft of Money or Securities, means a bank, savings bank, savings and loan association, trust company, credit union or similar depository institution; or an insurance company.

#### 8. Forgery

*Forgery* means the signing of the name of another person or organization with intent to deceive, it does not mean a signature on which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

#### 9. Manager

*Manager* means a natural person serving in a directorial capacity for a limited liability company.

#### 10. Member

*Member* means an owner of a limited liability company represented by its membership interest, who if a natural person, may also may serve as a *manager*.

#### 11. Messenger

*Messenger* means you, or your relative or any of your partners or *members*, or any *employee* while having care and custody of property outside of your building.

#### 12. Money

*Money* means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and *money* orders held for sale to the public; or
- c. Deposits in your account at any *financial institutions* under **Additional Coverage Changes**, paragraph **B.**, **Crime Coverages** sub-paragraph **2.a.**, Employee Theft.

#### 13. Occurrence

The following definition of occurrence applies only to **Additional Coverage Changes**, paragraph **B. Crime Coverages**.

- a. For sub-paragraph **2.a**, Employee Theft, *occurrence* means:

- (1) An individual act; or
- (2) The combined total of all separate acts whether or not related; or
- (3) A series of acts whether or not related;

committed by an *employee* acting alone or in collusion with other persons, that occur and are *discovered* during the Policy Period shown in the Declarations, except when the *discovery* is as provided under

**Additional Coverage Changes**, paragraph **B.**, **Crime Coverages**, sub-paragraph **5.**, Crime Loss Conditions; item **d.** Loss Sustained During Prior Insurance Issued By Us or any Affiliate.

- b.** For **Additional Coverage Changes**, paragraph **B.**, **Crime Coverages**, sub-paragraph **2.b.**, Inside Your Building – Theft of Money or Securities; or sub-paragraph **2.c.** Outside Your Building – Theft of Money, Securities, or Other Property *occurrence* means:

- (1) An individual act or event;
- (2) The combined total of all separate acts or events whether or not related; or
- (3) A series of acts or events whether or not related;

committed by any person acting alone or in collusion with other persons; that transpire and are *discovered* during the Policy Period shown in the Declarations, except when the *discovery* is as provided under **Additional Coverage Changes**, paragraph **B.**, **Crime Coverages**, sub-paragraph **5.**, Crime Loss Conditions item **d.**, Loss Sustained During Prior Insurance Issued By Us or any Affiliate.

#### 14. Other Property

*Other property* means any tangible property other than *money* and *securities* that has intrinsic value. *Other property* does not include, application software electronic data or any property specifically excluded under this insurance.

#### 15. Securities

*Securities* mean negotiable and nonnegotiable instruments or contracts representing either *money* or property and includes:

- a.** Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use and
- b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include *money*.

#### 16. Theft

*Theft* means the unlawful taking of property to the deprivation of the insured.

All other terms and conditions of this policy remain unchanged.