

## Business Personal Property Coverage Part

**I. What is covered** We will pay for direct physical loss to **covered property** caused by or resulting from any **covered cause of loss** first commencing during the **policy period** and occurring in the **coverage territory**.

**II. How loss is paid** In the event of loss or damage covered by this Coverage Part, **we** will do one of the following at **our** option. **We** will give **you** notice of **our** intentions within 30 days after **we** receive the sworn proof of loss.

Payment of value

A. **We** will pay up to the **coverage part limit** for the value of the lost or damaged **covered property** in excess of the **retention**. For the following items, value will be determined according to the actual cash value:

1. used or second hand merchandise held in storage for sale;
2. property of others. However, if any item of personal property of others is subject to a written contract governing **your** liability for loss or damage to that item, then valuation of that item will be based on the amount for which **you** are liable under such contract, not to exceed the replacement cost of the property or the **coverage part limit**, whichever is lower;
3. household contents, except personal property in apartments or rooms furnished by **you** as a landlord;
4. manuscripts; and
5. works of art, antiques, or rare articles, including etchings, pictures, statuary, marble, bronzes, porcelain, and bric-a-brac.

For all other items, value will be the replacement cost without deduction for depreciation. However, **we** will not pay on a replacement cost basis for any loss or damage: (i) until the lost or damaged property is actually repaired or replaced; and (ii) unless the repair and replacement is made as soon as reasonably possible after the loss or damage.

**You** may make a claim for loss or damage covered by this Coverage Part on an actual cash value basis instead of on a replacement cost basis. In the event **you** elect to have loss or damage settled on an actual cash value basis, **you** may still make a claim on a replacement cost basis if **you** notify us of **your** intention to do so within 180 days after the loss or damage.

Pay to repair or replace

B. **We** will pay up to the **coverage part limit** for the cost of repairing or replacing the lost or damaged **covered property** in excess of the **retention**.

Salvage

C. **We** will take all or part of the property at an agreed or appraised value.

Repair, rebuild, or replace

D. **We** will repair, rebuild, or replace the lost or damaged **covered property** with other property of like kind and quality.

The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of property.

### III. Who we will pay

Your property

A. If **you** own the **covered property** that is lost or damaged, then **we** will adjust the loss with **you** and pay **you** or anyone **you** designate. However, **we** will not pay **you** more than **your** financial interest in the **covered property**.

Property of others

B. **Our** payment for loss of or damage to property of others will only be for the account of the owners of the property. **We** may adjust losses with the owners of lost or damaged property if

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other than **you**. If **we** pay the owners, such payments will satisfy **your** claims against **us** for the owners' property. **We** will not pay the owners more than their financial interest in the **covered property**. **We** may elect to defend **you** against suits arising from claims of owners of property, which **we** will do at **our** own expense.

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### IV. Limitations – What is not covered

- A. **We** will not pay for loss of or damage to:
1. steam boilers, steam pipes, steam engines, or steam turbines caused by or resulting from any condition or event inside such equipment. But **we** will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
  2. hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
  3. property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
  4. property that has been transferred to a person or to a place outside the **covered premises** on the basis of unauthorized instructions.
  5. the interior of any building or structure, or to the personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand, or dust, whether driven by wind or not, unless: (i) the building or structure first sustains damage by a **covered cause of loss**; or (ii) the loss or damage is caused by or results from thawing of snow, sleet, or ice on the building or structure.
  6. lawns, trees, shrubs, or plants which are part of a vegetated roof, caused by or resulting from: (i) dampness or dryness of atmosphere or of soil supporting the vegetation; (ii) changes in or extremes of temperature; (iii) disease; (iv) frost or hail; or (v) rain, snow, ice, or sleet.
- B. **We** will not pay for loss of or damage to the following types of property unless caused by the specified causes of loss or building glass breakage:
1. animals, and then only if they are killed or their destruction is made necessary.
  2. fragile articles such as glassware, statuary, marble, chinaware, and porcelain, if broken. This restriction does not apply to: (i) glass that is part of the exterior or interior of a building or structure; (ii) containers of property held for sale; or (iii) photographic or scientific instruments or lenses.
- C. For loss or damage by theft, the following types of property are covered only up to the following limits: (i) \$2,500 for furs, fur garments, and garments trimmed with fur; and (ii) \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum, and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.

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### V. Exclusions – What we will not pay

- A. **We** will not pay for loss or damage caused directly or indirectly by any of the following. Such loss

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or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

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| Earth movement             | <p>1. earthquake, including tremors and aftershocks and any earth sinking, rising, or shifting related to such event; landslide, including any earth sinking, rising, or shifting related to such event; mine subsidence, meaning subsidence of a human-made mine, whether or not mining activity has ceased; and earth sinking (other than sinkhole collapse), rising, or shifting including soil conditions which cause settling, cracking, or other disarrangement of foundations or other parts of real property. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface. But if earth movement, as described in this paragraph, results in fire or explosion, <b>we</b> will pay for the loss or damage caused by that fire or explosion.</p> <p>This exclusion applies regardless of whether the earth movement is caused by an act of nature or is otherwise caused.</p>                                                                                                                                                                                                                              |
| Fungi, wet rot, or dry rot | <p>2. presence, growth, proliferation, spread, or any activity of <b>fungi</b>, wet rot, or dry rot. But if <b>fungi</b>, wet rot, or dry rot results in a <b>specified cause of loss</b>, <b>we</b> will pay for the loss or damage caused by that <b>specified cause of loss</b>. This exclusion does not apply when <b>fungi</b>, wet rot, or dry rot results from fire or lightning.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Government action          | <p>3. seizure or destruction of property by order of governmental authority. But <b>we</b> will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Ordinance or law           | <p>4. the enforcement of or compliance with any ordinance or law: (i) regulating the construction, use, or repair of any property; or (ii) requiring the tearing down of any property, including the cost of removing its debris.</p> <p>This exclusion applies whether the loss results from: (i) an ordinance or law that is enforced even if the property has not been damaged; or (ii) the increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling, or demolition of property or removal of its debris, following a physical loss to that property.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Utility services           | <p>5. the failure of power, communication, water, or other utility service supplied to the <b>covered premises</b>, however caused, if the failure: (i) originates away from the <b>covered premises</b>; or (ii) originates at the <b>covered premises</b>, but only if such failure involves equipment used to supply the utility service to the <b>covered premises</b> from a source away from the <b>covered premises</b>. Failure of any utility service includes lack of sufficient capacity and reduction in supply.</p> <p>Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.</p> <p>But if the failure or surge of power, or the failure of communication, water, or other utility service, results in a <b>covered cause of loss</b>, <b>we</b> will pay for the loss or damage caused by that <b>covered cause of loss</b>.</p> <p>Communication services include but are not limited to service relating to internet access or access to any electronic, cellular, or satellite network.</p> <p>This exclusion does not apply to loss or damage to <b>computer(s)</b> and <b>electronic data</b>.</p> |
| Virus or bacteria          | <p>6. any virus, bacterium, or other microorganism that induces or is capable of inducing physical distress, illness, or disease; however, this exclusion will not apply to loss or damage caused by or resulting from <b>fungi</b>, wet rot, or dry rot. With respect to any loss or damage subject to this exclusion, this exclusion supersedes any exclusion relating to <b>pollutants</b>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Volcanic eruption          | <p>7. volcanic eruption, explosion, or effusion. But if volcanic eruption, explosion, or effusion results in fire, building glass breakage, or volcanic action, <b>we</b> will pay for the loss or damage caused by that fire, building glass breakage, or volcanic action.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow. With respect to coverage for volcanic action as set forth in this paragraph, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence. Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss of or damage to **covered property**.

Water

8. flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge); mudslide or mudflow; water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment; water under the ground surface pressing on, or flowing or seeping through, foundations, walls, floors, or paved surfaces, basements, whether paved or not, or doors, windows, or other openings; or waterborne material carried or otherwise moved by any of the water referred to above or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above 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 any of the above results in fire, explosion, or sprinkler leakage, **we** will pay for the loss or damage caused by that fire, explosion, or sprinkler leakage.

- B. **We** will not pay for loss or damage caused by or resulting from any of the following:

Collapse

1. collapse, including any of the following conditions of property or any part of the property: (i) an abrupt falling down or caving in; (ii) loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or (iii) any cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion as such condition relates to the foregoing. But if collapse results in a **covered cause of loss** at the **covered premises**, **we** will pay for the loss or damage caused by that **covered cause of loss**.

This exclusion does not apply: (i) to the extent that coverage is provided under Section VII. Additional Coverages, Subsection B. Collapse; or (ii) to collapse caused by one or more of the following: the **specified causes of loss**, breakage of building glass, weight of rain that collects on a roof, or weight of people or personal property.

Consequential losses

2. delay, loss of use, or loss of market.

Continuous or repeated seepage or leakage of water

3. continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture, or vapor, that occurs over a period of 14 days or more.

Dishonesty

4. dishonest or criminal acts (including theft) by **you**, anyone else with an interest in the property or any of **your** or their partners, **members**, officers, **managers**, employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom **you** entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion: (i) applies whether or not an act occurs during **your** normal hours of operation; (ii) does not apply to acts of destruction by **your** employees (including temporary or leased employees) or authorized representatives; but theft by **your** employees (including temporary or leased employees) or authorized representatives is not covered.

With respect to **valuable papers and records**, this exclusion does not apply to carriers for hire.

Electrical apparatus

5. artificially generated electrical, magnetic, or electromagnetic energy that damages, disturbs, disrupts, or otherwise interferes with any: (i) electrical or electronic wire, device, appliance,

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system, or network; or (ii) device, appliance, system, or network utilizing cellular or satellite technology.

For purposes of this exclusion, electrical, magnetic, or electromagnetic energy includes but is not limited to: (i) electrical current, including arcing; (ii) electrical charge produced or conducted by a magnetic or electromagnetic field; (iii) pulse of electromagnetic energy; or (iv) electromagnetic waves or microwaves.

But if fire results, **we** will pay for the loss or damage caused by fire.

**We** will pay for loss of or damage to **computers** due to artificially generated electrical, magnetic, or electromagnetic energy if such loss or damage is caused by or results from: (i) an occurrence that took place within 100 feet of the **covered premises**; or (ii) interruption of electric power supply, power surge, blackout, or brownout if the cause of such occurrence took place within 100 feet of the **covered premises**.

Electronic disturbance	6.	electrical or magnetic injury, disturbance, or erasure of <b>electronic data</b> . But <b>we</b> will pay for direct loss or damage caused by lightning.
Errors or omissions	7.	errors or omissions in: (i) programming, processing, or storing data, as described under <b>electronic data</b> or in any <b>computer</b> operations; or (ii) processing or copying <b>valuable papers and records</b> . But <b>we</b> will pay for direct physical loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
Exposed property	8.	rain, snow, ice, or sleet to personal property in the open.
False pretense	9.	voluntary parting with any property by <b>you</b> or anyone else to whom <b>you</b> have entrusted the property if induced to do so by any fraudulent scheme, trick, device, or false pretense.
Frozen plumbing	10.	water, other liquids, powder, or molten material that leaks or flows from plumbing, heating, air conditioning, or other equipment (except fire protective systems) caused by or resulting from freezing, unless: (i) <b>you</b> do <b>your</b> best to maintain heat in the building or structure; or (ii) <b>you</b> drain the equipment and shut off the supply if heat is not maintained.
Installation, testing, repair	11.	errors or deficiency in design, installation, testing, maintenance, modification, or repair of <b>your computer</b> system including <b>electronic data</b> . But <b>we</b> will pay for direct physical loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
Neglect	12.	Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
Other types of loss	13.	wear and tear; rust or other corrosion, decay, deterioration, hidden or latent defect, or any quality in property that causes it to damage or destroy itself; smog; settling, cracking, shrinking, or expansion; nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; mechanical breakdown, including rupture or bursting caused by centrifugal force; dampness or dryness of atmosphere; changes in or extremes of temperature; or marring or scratching. But if an excluded cause of loss that is listed in this exclusion results in a <b>specified cause of loss</b> or building glass breakage, <b>we</b> will pay for the loss or damage caused by that <b>specified cause of loss</b> or building glass breakage.
Pollution	14.	the discharge, dispersal, seepage, migration, release, or escape of <b>pollutants</b> unless the discharge, dispersal, seepage, migration, release, or escape is itself caused by any of the <b>specified causes of loss</b> . But if the discharge, dispersal, seepage, migration, release, or escape of <b>pollutants</b> results in a <b>specified cause of loss</b> , <b>we</b> will pay for the loss or damage caused by that <b>specified cause of loss</b> .
Smoke, vapor, gas	15.	smoke, vapor, or gas from agricultural smudging or industrial operations.
Steam apparatus	16.	explosion of steam boilers, steam pipes, steam engines, or steam turbines owned or leased by <b>you</b> , or operated under <b>your</b> control. But if explosion of steam boilers, steam pipes,

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steam engines, or steam turbines results in fire or combustion explosion, **we** will pay for loss or damage caused by or resulting from the explosion of gasses or fuel within the furnace of any fired vessel or within the flues or passages through which the gasses of combustion pass.

- C. **We** will not pay for loss or damage caused by or resulting from any of the following paragraphs 1 through 3. But if an excluded cause of loss that is listed in paragraphs 1 through 3 results in a **covered cause of loss**, **we** will pay for the loss or damage caused by that **covered cause of loss**.

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| Acts or decisions  | 1. acts or decisions, including the failure to act or decide, of any person, group, organization, or governmental body.                                                                                                                                                                                                                                                            |
| Negligent work     | 2. faulty, inadequate, or defective: (i) planning, zoning, development, surveying, or siting; (ii) design, specifications, workmanship, repair, construction, renovation, remodeling, grading, or compaction; (iii) materials used in repair, construction, renovation, or remodeling; or (iv) maintenance, of part or all of any property on or off the <b>covered premises</b> . |
| Weather conditions | 3. weather conditions. But this exclusion applies only if weather conditions contribute in any way with a cause or event excluded in section A above to produce the loss or damage.                                                                                                                                                                                                |

- D. **We** will not pay for loss or damage to the following, but this exclusion will apply only to the property specified in the exclusion.

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| Loss or damage to products | 1. any merchandise, goods, or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production, or use of the product, including planning, testing, processing, packaging, installation, maintenance, or repair. This exclusion applies to any effect that compromises the form, substance, or quality of the product. But if such error or omission results in a <b>covered cause of loss</b> , <b>we</b> will pay for the loss or damage caused by that <b>covered cause of loss</b> . |
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## VI. Conditions

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| Abandonment                           | A. There can be no abandonment of any property to <b>us</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Appraisal                             | B. If <b>we</b> and <b>you</b> disagree on the amount of loss, either may make written demand for an appraisal of the loss. In such an event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will: (i) pay its chosen appraiser; and (ii) bear the other expenses of the appraisal and umpire equally. If there is an appraisal, <b>we</b> will still retain <b>our</b> right to deny the claim. |
| Control of property                   | C. Any act or neglect of any person other than <b>you</b> beyond <b>your</b> direction or control will not affect this insurance. The breach of any condition of this policy at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Duties in the event of loss or damage | D. <b>You</b> must see that the following are done in the event of loss of or damage to <b>covered property</b> : <ol style="list-style-type: none"> <li>1. Notify the police if a law may have been broken.</li> <li>2. Give us prompt notice of the loss or damage. Include a description of the property involved.</li> <li>3. As soon as possible, give us a description of how, when, and where the loss or damage occurred.</li> </ol>                                                                                                                                                                                                                                                                                                                                            |



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4. Take all reasonable steps to protect the **covered property** from further damage, and keep a record of **your** expenses necessary to protect the **covered property**, for consideration in the settlement of the claim. This will not increase the limits of liability. However, **we** will not pay for any subsequent loss or damage resulting from a cause of loss that is not a **covered cause of loss**. Also, if feasible, set the damaged property aside and in the best possible order for examination.
5. At **our** request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, and amount of the loss claimed.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine **your** books and records. Also permit us to take samples of the damaged and undamaged property for inspection, testing, and analysis, and permit us to make copies from **your** books and records.
7. Send us a signed, sworn proof of loss containing the information **we** request to investigate the claim. **You** must do this within 60 days after **our** request. **We** will supply **you** with the necessary forms.
8. Cooperate with us in the investigation or settlement of the claim.
9. Resume all or part of **your operations** as quickly as possible.

**We** may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of examination, an insured's answers must be signed.

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| High value property     | E. <b>You</b> must list in the <b>application</b> all business personal property whose value exceeds \$25,000 as calculated under Section II. How loss is paid, A. Payment of value. Any property valued over \$25,000 not listed in the <b>application</b> will not qualify as <b>covered property</b> and <b>we</b> will not make any payment under this Coverage Part for loss of or damage to such property.                                                                                                                                                                                                                                    |
| Legal action against us | F. No one may bring a legal action against <b>us</b> under this Coverage Part unless: (i) there has been full compliance with all of the terms of this policy; and (ii) the action is brought within two years after the date on which the direct physical loss or damage occurred.                                                                                                                                                                                                                                                                                                                                                                 |
| No benefit to bailee    | G. No person or organization, other than <b>you</b> , having custody of <b>covered property</b> will benefit from this insurance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Recovered property      | H. If either <b>you</b> or <b>we</b> recover any property after loss settlement, that party must give the other prompt notice. At <b>your</b> option, <b>you</b> may retain the property. But then <b>you</b> must return to <b>us</b> the amount <b>we</b> paid to <b>you</b> for the property. <b>We</b> will pay recovery expenses and the expenses to repair the recovered property subject to the <b>coverage part limit</b> .                                                                                                                                                                                                                 |
| Vacancy                 | I. If the building where loss or damage occurs has been vacant for more than 60 consecutive days before such loss or damage occurs, <b>we</b> will not pay for any loss or damage caused by any of the following even if they are <b>covered causes of loss</b> : (i) vandalism; (ii) sprinkler leakage, unless <b>you</b> have protected the system against freezing; (iii) building glass breakage; (iv) water damage; (v) theft; or (vi) attempted theft. With respect to <b>covered causes of loss</b> other than those listed in this paragraph, <b>we</b> will reduce the amount <b>we</b> would otherwise pay for the loss or damage by 15%. |

As used in this subsection I, the terms building and vacant will have the following meanings:

1. when this policy is issued to a tenant, and with respect to that tenant's interest in **covered property**, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
2. when this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is: (i) rented to a lessee or sublessee and used by the lessee or its sublessee

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to conduct its customary operations; and/or (ii) used by the building owner to conduct customary operations.

Buildings under construction or renovation are not considered vacant.

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### VII. Additional coverages

We will also make the following payments. Any payment we make under this Section VII will be a part of, and not in addition to, the **coverage part limit**.

Business personal property temporarily in portable storage units

- A. We will pay for direct physical loss of or damage to business personal property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the **covered premises**.
1. The limitation under Section IV. Limitations – What is not covered, paragraph A.5. also applies to property in a portable storage unit.
  2. Coverage under this subsection A: (i) will end 90 days after the business personal property has been placed in the storage unit; (ii) does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
  3. The most we will pay under this subsection A for the total of all loss or damage to business personal property is \$10,000 in the aggregate regardless of the number of storage units.
  4. This subsection A does not apply to loss or damage otherwise covered under this Coverage Part and does not apply to loss of or damage to the storage unit itself.

Collapse

- B. We will pay for direct physical loss of or damage to **covered property** caused by abrupt collapse of a building or any part of a building that contains **covered property** insured under this policy, if such collapse is caused by one or more of the following:
1. building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
  2. insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
  3. use of defective material or methods in construction, remodeling, or renovation if the abrupt collapse occurs during the course of the construction, remodeling, or renovation;
  4. use of defective material or methods in construction, remodeling, or renovation if the abrupt collapse occurs after the construction, remodeling, or renovation is complete, but only if the collapse is caused in part by: (i) a cause of loss listed in paragraphs 1 or 2 above; (ii) one or more of the **specified causes of loss**; (iii) breakage of building glass; (iv) weight of people or personal property; or (v) weight of rain that collects on a roof.

If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to **covered property** caused by such collapse of personal property only if: (i) the collapse of personal property was caused by a cause of loss listed in paragraphs 1 through 4 above; and (ii) the personal property which collapses is inside a building. The coverage stated in this paragraph does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

This subsection B does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.

For purposes of this subsection B, abrupt collapse means an abrupt falling down or caving



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in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

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| Fire department service charge            | C. When the fire department is called to save or protect <b>covered property</b> from a <b>covered cause of loss</b> , <b>we</b> will pay up to \$2,500 for service at each <b>covered premises</b> . Such limit is the most <b>we</b> will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This subsection C applies to <b>your</b> liability for fire department services charges: (i) assumed by contract or agreement prior to loss; or (ii) required by local ordinance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Fire extinguisher system recharge expense | D. <b>We</b> will pay: (i) the cost of recharging or replacing, whichever is less, <b>your</b> fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 100 feet of the <b>covered premises</b> ; and (ii) for loss or damage to <b>covered property</b> if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system. No coverage will apply if the fire extinguishing system is discharged during installation or testing. The most <b>we</b> will pay under this subsection D is \$5,000 in connection with any one occurrence.                                                                                                                                                                                                                                                                                                                                                               |
| Newly acquired property                   | E. The insurance afforded by this Coverage Part will apply to: (i) business personal property that <b>you</b> newly acquire, at any location <b>you</b> acquire; or (ii) business personal property, including such property that <b>you</b> newly acquire, located at <b>your</b> newly constructed or acquired buildings at the <b>covered premises</b> . This subsection E does not apply to personal property that <b>you</b> temporarily acquire in the course of installing or performing work on such property or <b>your</b> wholesale activities. The most <b>we</b> will pay for loss or damage under this subsection E is \$10,000 at each building.<br><br>Coverage under this subsection E will end when any of the following first occurs: (i) this policy expires; or (ii) 30 days after <b>you</b> acquire the property.                                                                                                                                                                                                        |
| Outdoor property                          | F. The insurance afforded by this Coverage Part will apply to <b>your</b> outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs, and plants (other than trees, shrubs, or plants which are part of a vegetated roof), including debris removal expense. Loss or damage must be caused by or result from any of the following causes of loss: fire, lightning, explosion, riot or civil commotion, or aircraft. The most <b>we</b> will pay for loss or damage under this subsection F is \$2,500 in the aggregate, but not more than \$1,000 for any one tree, shrub, or plant.<br><br>Subject to all of the terms and limitations above, Coverage under this subsection F includes the expense of removing from the <b>covered premises</b> the debris of trees, shrubs, and plants which are the property of others, except in the situation in which <b>you</b> are a tenant and such property is owned by the landlord of the <b>covered premises</b> . |
| Personal effects                          | G. The insurance afforded by this Coverage Part will apply to <b>your</b> personal effects owned by <b>you</b> , <b>your</b> officers, <b>your</b> partners or <b>members</b> , <b>your</b> managers, or <b>your</b> employees. This subsection G does not apply to: (i) tools or equipment used in <b>your</b> business; or (ii) loss or damage by theft. The most <b>we</b> will pay for loss or damage under this subsection G is \$2,500 at each <b>covered premises</b> . The <b>retention</b> that will apply to the coverage available under this subsection G will be \$500 or the amount stated in the Declarations, whichever is higher.                                                                                                                                                                                                                                                                                                                                                                                              |
| Personal property off-premises            | H. The insurance afforded by this Coverage Part will apply to <b>your covered property</b> , other than <b>money</b> and <b>securities</b> , <b>valuable papers and records</b> , or accounts receivable, while it is in the course of transit or at a premises <b>you</b> do not own, lease, or operate. The most <b>we</b> will pay for loss or damage under this subsection H is \$10,000 in the aggregate. The <b>retention</b> that will apply to the coverage available under this subsection H will be \$500 or the amount stated in the Declarations, whichever is higher.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Preservation of property                  | I. If it is necessary to move <b>covered property</b> from <b>covered premises</b> to preserve it from loss or damage by a <b>covered cause of loss</b> , <b>we</b> will pay for any direct physical loss of or damage to that property: (i) while it is being moved or while temporarily stored at another                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

## Business Personal Property Coverage Part

Temporary business resumption expenses	<p>location; and (ii) only if the loss or damage occurs within 30 days after the property is first moved.</p> <p>J. <b>We</b> will pay for additional costs <b>you</b> incur to temporarily relocate <b>your operations</b> because the premises where <b>you</b> normally conduct <b>your operations</b> becomes unusable for such <b>operations</b> by direct physical loss of or damage to such premises.</p> <p>The coverage available under this subsection J is limited to costs <b>you</b> incur to:</p> <ol style="list-style-type: none"> <li>1. rent equipment that has become unusable or would be more expensive to move than to rent;</li> <li>2. move equipment and supplies into <b>your</b> temporary location; and</li> <li>3. rent <b>your</b> temporary location, but only to the extent such costs exceed the costs to rent the premises where <b>you</b> normally conduct <b>your operations</b>.</li> </ol> <p>The most <b>we</b> will pay under this subsection J is \$10,000 in the aggregate.</p>
Valuable papers and records	<p>K. The insurance afforded by this Coverage Part will apply to direct physical loss of or damage to <b>valuable papers and records</b> that <b>you</b> own, or that are in <b>your</b> care, custody, or control, caused by or resulting from a <b>covered cause of loss</b>. Coverage under this subsection K includes the cost to research, replace, or restore the lost information on <b>valuable papers and records</b> for which duplicates do not exist.</p> <ol style="list-style-type: none"> <li>1. This subsection K does not apply to: (i) property held as samples or for delivery after sale; or (ii) property in storage away from the <b>covered premises</b>.</li> <li>2. The most <b>we</b> will pay under this subsection K for loss or damage in any one occurrence at the <b>covered premises</b> is \$10,000. For <b>valuable papers and records</b> not at the <b>covered premises</b>, the most <b>we</b> will pay is \$5,000 for each occurrence.</li> <li>3. Loss or damage to <b>valuable papers and records</b> will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent the contents of the <b>valuable papers and records</b> are not restored, the <b>valuable papers and records</b> will be valued at the cost of replacement with blank materials of substantially identical type.</li> <li>4. Section V. Exclusions – What we will not pay, does not apply to this subsection K except for: (i) paragraph A.3, Governmental action; (ii) paragraph B.4, Dishonesty; (iii) paragraph B.7, Errors or omissions; (iv) paragraph B.9, False pretense; and (v) paragraph C.</li> </ol>

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### VIII. Definitions

The following definitions apply to this Coverage Part. Additional definitions are contained in the General Terms and Conditions, Section VI. Definitions applicable to all Coverage Parts.

<b>Computer</b>	means: (i) programmable electronic equipment that is used to store, retrieve, and process data; and (ii) associated peripheral equipment that provides communication, including input and output functions such as printing and auxiliary functions such as data transmission. <b>Computer</b> does not include those used to operate production-type machinery or equipment.
<b>Coverage part limit</b>	means the Business Personal Property Limit stated in the Declarations.
<b>Covered cause of loss</b>	means direct physical loss unless the loss is excluded or limited under this Coverage Part.
<b>Covered premises</b>	means the premises described in the Declarations or any premises added by endorsement to this policy.
<b>Covered property</b>	means business personal property located in or on the buildings or structures at the <b>covered premises</b> or in the open (or in a vehicle) within 100 feet of the buildings or structures or within 100 feet of the <b>covered premises</b> , whichever distance is greater, including: <ol style="list-style-type: none"> <li>1. property <b>you</b> own that is used in <b>your</b> business;</li> </ol>

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2. property of others that is in **your** care, custody, or control, except as otherwise provided in Section III. Who we will pay, B. Property of others;
3. tenant's improvements and betterments. Improvements and betterments are fixtures, alterations, installations, or additions: (i) made a part of the building or structure **you** occupy but do not own; and (ii) **you** acquired or made at **your** expense but cannot legally remove;
4. leased personal property which **you** have a contractual responsibility to insure, unless otherwise provided for under paragraph 2, above; and
5. exterior building glass, if **you** are a tenant. The glass must be owned by **you** or in **your** care, custody, or control.

If the **covered premises** is also **your** residence, property located at such premises will qualify as **covered property** only if it is used in connection with **your operations**.

**Covered property** does not include:

1. aircraft, automobiles, motortrucks, and other vehicles subject to motor vehicle registration;
2. **money or securities**;
3. contraband, or property in the course of illegal transportation or trade;
4. land (including land on which the property is located), water, growing crops, or lawns (other than lawns which are part of a vegetated roof);
5. outdoor fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts, or towers, signs (other than signs attached to buildings), trees, shrubs, or plants (other than trees, shrubs, or plants which are part of a vegetated roof), all except as provided in Section VII. Additional coverages, F. Outdoor property;
6. watercraft (including motors, equipment, and accessories) while afloat;
7. accounts, bills, food stamps, other evidences of debt, accounts receivable, or **valuable papers and records**; except as otherwise provided in this Coverage Part;
8. **computer(s)** which are permanently installed or designed to be permanently installed in any aircraft, watercraft, motortruck, or other vehicle subject to motor vehicle registration. This paragraph does not apply to **computer(s)** while held as **stock**;
9. **electronic data**. This paragraph 9 does not apply to **your stock** of prepackaged software or to **electronic data** which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning, or security system; or
10. animals, unless owned by others and boarded by **you**, or if owned by **you**, only as **stock** while inside of buildings.

<b>Coverage territory</b>	means: (i) the United States of America (including its territories and possessions); (ii) Puerto Rico; and (iii) Canada.
<b>Electronic data</b>	means information, facts, or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, as used in this definition, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.
<b>Fungi</b>	means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or by-products produced or released by <b>fungi</b> .
<b>Manager</b>	means a person serving in a directorial capacity for a limited liability company
<b>Member</b>	means an owner of a limited liability company represented by its membership interest, who also may serve as a <b>manager</b> .

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<b>Money</b>	means: (i) currency, coins, and bank notes in current use and having a face value; and (ii) traveler's checks, register checks, and money orders held for sale to the public.
<b>Operations</b>	means <b>your</b> business activities occurring at the <b>covered premises</b> .
<b>Pollutants</b>	mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes, but is not limited to, materials to be recycled, reconditioned, or reclaimed.
<b>Retention</b>	means the amount stated as such under the Business Personal Property Coverage Part section of the Declarations.
<b>Securities</b>	means negotiable and nonnegotiable instruments or contracts representing either <b>money</b> or other property and includes: (i) tokens, tickets, revenue, and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and (ii) evidences of debt issued in connection with credit or charge cards, which cards are not issued by <b>you</b> . <b>Securities</b> does not include <b>money</b> .
<b>Specified causes of loss</b>	<p>means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.</p> <ol style="list-style-type: none"><li>1. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include: (i) the cost of filling sinkholes; or (ii) sinking or collapse of land into human-made underground cavities.</li><li>2. Falling objects does not include loss of or damage to: (i) personal property in the open; or (ii) the interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.</li><li>3. Water damage means:<ol style="list-style-type: none"><li>a. accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; or</li><li>b. accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the <b>covered premises</b> and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.</li></ol><p>But water damage does not include loss or damage otherwise excluded under the terms of Exclusion A.8. Water. Therefore, for example, there is no coverage in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of Exclusion A.8, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.</p><p>To the extent accidental discharge or leakage of water falls within the criteria set forth in 3.a or 3.b of this definition, such water is not subject to the provisions of Exclusion A.8 which preclude coverage for surface water or water under the ground surface.</p></li></ol>
<b>Stock</b>	means merchandise held in storage or for sale, raw materials, and in-process or finished goods, including supplies used in their packing or shipping.
<b>Valuable papers and records</b>	means inscribed, printed, or written documents, manuscripts, and records, including abstracts, books, deeds, drawings, films, maps, or mortgages. <b>Valuable papers and records</b> does not include <b>money</b> , <b>securities</b> , or <b>electronic data</b> .
<b>You or your</b>	means the <b>named insured</b> identified in Item 1 of the Declarations.