

## BUSINESSOWNERS ENHANCEMENT PLUS ENDORSEMENT

In consideration of the premium charged this endorsement modifies insurance provided under the Businessowners Property Coverage Form. If there is other coverage under the Businessowners Property Coverage Form or any other endorsement not specified herein, the coverage under this endorsement will apply only to the covered loss in excess of the amount due from that other coverage.

### I. MONEY AND SECURITIES

A. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:

- (1) Theft, meaning any act of stealing;
- (2) Disappearance; or
- (3) Destruction.

B. In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:

- (1) Resulting from accounting or arithmetical errors or omissions;
- (2) Due to the giving or surrendering of property in any exchange or purchase; or
- (3) 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.

C. The most we will pay for loss in any one occurrence is:

- (1) \$10,000 for Inside the Premises for "money" and "securities" while:
  - (a) In or on the described premises; or
  - (b) Within a bank or savings institution; and
- (2) \$5,000 for Outside the Premises for "money" and "securities" while anywhere else.

D. All loss:

- (1) Caused by one or more persons; or
- (2) Involving a single act or series of related acts;

is considered one occurrence.

E. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

### II. OUTDOOR SIGNS

A. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:

- (1) Owned by you; or
- (2) Owned by others but in your care, custody or control.

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

- (1) Wear and tear;
- (2) Hidden or latent defect;
- (3) Rust;
- (4) Corrosion; or
- (5) Mechanical breakdown.

C. The most we will pay for loss or damage in any one occurrence is \$2,500.

### III. BROAD FORM WATER DAMAGE

A. The following are added to COVERED CAUSES OF LOSS in the Businessowners Property Coverage Form:

1. **Broad Form Water Damage**, meaning loss or damage to building caused by:

- a. Water which backs up through sewers or drains;
- b. Water below the surface of the ground including water that exerts pressure on or flows, seeps or leaks into a building, foundation or other opening.

B. The LIMITS OF INSURANCE SECTION is replaced by the following:

- a. The most we will pay for loss or damage in any one occurrence is \$10,000.

- b. The Limit of Insurance that applies to coverage under this endorsement also applies to the Business Income and Extra Expense Additional Coverages, but is not in addition to the Limit of Insurance in (a) above.

#### IV. PERSONAL PROPERTY OFF PREMISES

- A. You may extend the insurance that applies to Business Personal Property to apply to covered Business Personal Property, other than "money" and "securities", "valuable papers and records" or accounts receivable, while it is in the course of transit or temporarily at a premises you do not own, lease or operate. The most we will pay for loss or damage under this Extension is \$5,000.

#### V. POWER OUTAGE-SPOILAGE

- A. Perishable stock is covered for loss due to **Power Outage**, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

##### 1. "Perishable Stock" means property:

- a. Maintained under controlled temperature or humidity conditions for preservation;
- b. Susceptible to loss or damage if the controlled temperature or humidity conditions change;
- c. Owned by you and used in your business; or
- d. Owned by others and in your care, custody or control.

Property described by d. above is not covered for more than the amount for which you are legally liable, plus the cost of labor, materials or services furnished or arranged by you on that property.

##### 2. Limits of Insurance

- a. The most we will pay for loss or damage in any one occurrence is \$10,000.
- b. The Limit of Insurance that applies to coverage under this endorsement also applies to the Business Income and Extra Expense Additional Coverages, but is not in addition to the Limit of Insurance in (a) above.

#### VI. ORDINANCE OR LAW

- A. We will not pay under this endorsement for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

#### B. Coverage

##### 1. Coverage 1 - Coverage for Loss to the Undamaged Portion of the Building

If a Covered Cause of Loss occurs to covered Building property, we will pay under Coverage 1 for the loss in value of the undamaged portion of the building as a consequence of enforcement of any ordinance or law that:

- a. Requires the demolition of parts of the same property not damaged by a Covered Cause of Loss;
- b. Regulates the construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- c. Is in force at the time of loss.

Coverage 1 is included within the Limit of Insurance shown in the Declarations as applicable to the covered Building property. Coverage 1 does not increase the Limit of Insurance.

##### 2. Coverage 2 - Demolition Cost Coverage

If a Covered Cause of Loss occurs to covered Building property, we will pay the cost to demolish and remove debris of undamaged parts of the property caused by enforcement of building, zoning or land use ordinance or law.

The Property Loss Conditions paragraph determining the value of Covered Property does not apply to Demolition Cost Coverage.

##### 3. Coverage 3 - Increased Cost of Construction Coverage

If a Covered Cause of Loss occurs to the covered Building property, we will pay for the increased cost to:

- a. Repair or reconstruct damaged portions of that Building property; and/or

- b. Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

when the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.

However:

- a. This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- b. We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Property Loss Conditions paragraph determining the value of Covered Property does not apply to the Increased Cost of Construction Coverage.

**C. Loss Payment**

The most we will pay, for the total of all covered losses for Coverage for Loss to the Undamaged Portion of the Building, Demolition Cost and Increased Cost of Construction, is \$100,000. The following loss payment provisions apply:

- 1. When Coverage 1 applies, loss to the building, including loss in value of the undamaged portion of the building due to enforcement of an ordinance or law, will be determined as follows:
  - a. If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
    - (1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
    - (2) \$100,000.
  - b. If the property is **not** repaired or replaced, we will not pay more than the lesser of:

- (1) The actual cash value of the building at the time of loss; or
- (2) \$100,000.

2. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

3. With respect to the Increased Cost of Construction:

- a. We will not pay for the increased cost of construction:
  - (1) Until the property is actually repaired or replaced, at the same or another premises; and
  - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

D. The terms of this endorsement apply separately to each building to which this endorsement applies.

E. Under this endorsement, we will not pay for loss due to any ordinance or law that:

- 1. You were required to comply with before the loss, even if the building was undamaged; and
- 2. You failed to comply with.

**VII. FINE ARTS**

A. This policy is extended to cover fine arts which are the property of the insured or the property of others in the custody or control of the insured while on exhibition or otherwise within the limits of the Continental United

States and Canada. Fine Arts are defined as paintings, etchings, pictures, tapestries, art glass windows, and other bona fide works of art (such as valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass and bric-a-brac) of rarity, historical value or artistic merit. The most we will pay for loss in any one occurrence is \$5,000.

**B.** The following special conditions apply:

1. **Packing.** It is agreed by the insured that the property insured hereunder be packed and unpacked by competent packers.
2. **Valuation.** The Company shall not be liable for more than the original cost of the property to you or the most current appraisal values which amounts are agreed to be the value of said articles for the purpose of this insurance.
3. **Pair and Set.** In the event of the total loss of any article or articles which are a part of a set, the Company agrees to pay the insured the full amount of the value of such set, and the insured agrees to surrender the remaining article or articles of the set to the Company.
4. **Other Insurance.** If at the time of happening of any loss there is any other

similar or identical insurance on the property insured hereunder, whether prior or subsequent in date or simultaneous with this insurance, then the Company shall not be liable under this endorsement for a greater proportion of any loss or damage to the property insured hereunder than the amount hereby insured shall bear to the whole insurance effected, whether valid or not.

5. **Exhibition.** It is agreed that this endorsement does not cover the property on fair grounds or on the premises of any National or International Exposition.

**VIII. EMPLOYEE DISHONESTY**

Under part **(G), Optional Coverages**, of the BP 00 02, **4,(c)** is amended to read:

- c. The most we will pay for loss or damage for any one occurrence is the limit of insurance shown on the Declarations or no more than \$10,000.

**IX. TENANT FIRE LEGAL LIABILITY**

With respect to the coverage provided under this endorsement, it is understood that the limit of insurance for Tenant Fire Legal Liability is increased \$250,000 above the limit shown in the declarations.