

**EXHIBIT 5**  
**PART 5**



## Building Under Construction

### Exclusions

#### Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the costs of correcting or making good) caused by or resulting from any faulty, inadequate or defective:

- planning, zoning, development, surveying, siting,
- design, specifications, plans, workmanship, repair, construction, renovation, remodeling, grading, compaction,
- materials used in repair, construction, renovation or remodeling; or
- maintenance,
- of part or all of any property on or off the premises shown in the Declarations.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies

#### Pollutants

This insurance does not apply to loss or damage caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of **pollutants**.

This exclusion does not apply:

- if the discharge, dispersal, seepage, migration, release or escape of **pollutants** is caused by or results from any of the **specified perils**, or
- to ensuing loss or damage caused by or resulting from a **specified peril**.

#### Settling

This insurance does not apply to loss or damage caused by or resulting from settling, cracking, shrinking, bulging or expansion of paved or concrete surfaces, foundations, walls, floors, roofs, ceilings and swimming pools

This exclusion does not apply to ensuing loss or damage unless another exclusion applies

#### War And Military Action

This insurance does not apply to loss or damage caused by or resulting from:

- war, including undeclared or civil war,
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents, or
- insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly

- contributes concurrently to,
- contributes in any sequence to; or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

**Exclusions**

**Wear And Tear**

This insurance does not apply to loss or damage caused by or resulting from wear and tear or gradual deterioration.

This exclusion does not apply to ensuing loss or damage unless another exclusion applies.

**Coverage Territory**

The coverage territory is the United States of America, its territories and possessions, Canada, and Puerto Rico

**Limits Of Insurance**

Except as provided under Pollutant Clean-Up or Removal, the most we will pay in any one occurrence is the amount of loss or damage, not to exceed the applicable Limit of Insurance shown in the Declarations, regardless of whether any Coverage, Extension of Coverage or Additional Coverage appears in any other contract or contracts which form a part of this policy

**Deductible**

We will pay the amount of loss or damage in excess of the applicable deductible amount shown in the Declarations for each occurrence

Except for any deductible for Business Income or Extra Expense shown in the Declarations, if two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated

**Loss Payment Basis**

Subject to the applicable Limit of Insurance for Building Under Construction or Renovations Under Construction shown in the Declarations

- A. **building or renovations under construction** is valued on a replacement cost basis as described below, unless
  - 1. the Loss Payment Basis shown in the Declarations is actual cash value, or
  - 2. otherwise stated under Loss Payment Basis Exceptions, and
- B. **building or renovations under construction** valuation includes costs you incur as described below under Ordinance or Law and Extended Warranties

**Our Loss Payment Options**

In the event of loss or damage covered by this insurance, at our option we will either

- pay the covered value of the lost or damaged **building or renovations under construction**;
- pay the cost of repairing or replacing the lost or damaged **building or renovations under construction**, plus any reduction in value of the repaired item,
- take all or any part of the **building or renovations under construction** at an agreed or appraised value; or
- repair or replace the **building or renovations under construction** with another **building or renovations under construction** of comparable material and quality for the same use or occupancy



## Building Under Construction

### Loss Payment Basis (continued)

#### Replacement Cost Basis

Lost or damaged **building or renovations under construction** will be valued at the lesser of the full cost to repair or replace it at the time of loss or damage, including customs duties incurred, but not more than you actually spend to repair or replace the **building or renovations under construction** at the same or another location for the same use or occupancy. There is no deduction for depreciation or deterioration.

If you do not repair or replace the **building or renovations under construction**, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **building or renovations under construction** within 24 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the replacement cost at the time of loss or damage.

#### Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is actual cash value, lost or damaged **building or renovations under construction** will be valued at the lesser of the full cost to repair or replace it on the date of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration,
- depreciation
- obsolescence; and
- depletion

#### Ordinance Or Law

If there is an ordinance or law in effect at the time of loss or damage that regulates zoning, land use or construction of a **building or renovations under construction**, and if that ordinance or law affects the repair or replacement of the lost or damaged **building or renovations under construction**, and if you:

- A repair or replace the **building or renovations under construction** as soon as reasonably possible, the valuation will include:
1. a the replacement cost of the damaged and undamaged portions of the **building or renovations under construction**, or
    - b the actual cash value of the damaged and undamaged portions of the **building or renovations under construction** (if the applicable Loss Payment Basis shown in the Declarations is actual cash value),
  2. the costs to demolish and clear the site of the undamaged portion of the **building or renovations under construction**; and
  3. the increased cost to repair or replace the **building or renovations under construction** to the same general size to the minimum standards of such ordinance or law, except we will not pay any costs:
    - a for land, water, paved or concrete surfaces, retaining walls, foundations or supports below the surface of the lowest floor or basement, unless specifically covered by this policy, or **outdoor trees, shrubs, plants or lawns**,

**Loss Payment Basis**

*Ordinance Or Law  
(continued)*

- b incurred outside the legal property boundary of the premises shown in the Declarations, or
- c. if **building or renovations under construction** is valued on an actual cash value basis

B do not repair or replace the **building or renovations under construction**, the valuation will include.

- 1 the actual cash value of the damaged and undamaged portions of the **building or renovations under construction**; and
- 2 the cost to demolish and clear the site of the undamaged portion of the **building or renovations under construction**.

The maximum valuation we will consider under this provision is the proportion that the covered direct physical loss or damage to **building or renovations under construction** bears to the total direct physical loss or damage to **building or renovations under construction**

The valuation will not include any 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**

*Extended Warranties*

**Personal property** valuation includes the cost of non-refundable extended warranties, maintenance contracts or service contracts that you purchased, which are no longer valid on lost or damaged **personal property** that you repair or replace

*Outdoor Trees, Shrubs,  
Plants Or Lawns*

Subject to the applicable Limit of Insurance for Outdoor Trees, Shrubs, Plants or Lawns shown in the Declarations, **outdoor trees, shrubs, plants or lawns** are valued on the same basis as **personal property** (subject to all other exceptions described under Loss Payment Basis Exceptions).

**Loss Payment Basis  
Exceptions**

*Accounts Receivable  
Records, Valuable Papers,  
And Electronic Data  
Processing Media*

**Accounts receivable records, valuable papers, and electronic data processing media**, (other than prepackaged software programs), are valued based on the cost of blank materials, and the cost of copying data onto blank materials from a duplicate source on the same type of materials

*Gold, Gold Salts And Other  
Precious Metals*

Gold, gold salts and other precious metals are valued based on the average market cost for replacement as published by the London Metals Market during the period of 10 business days immediately preceding the date of loss or damage, or the actual sum you pay for replacement, whichever is less



## Building Under Construction

### Loss Payment Basis Exceptions

#### Personal Property Of Others

**Personal property of others** is valued on the same basis as **personal property** (subject to all other exceptions described under Loss Payment Basis Exceptions), but we will not pay more than the amount for which you are legally liable

Labor, materials and services that you furnish or arrange on **personal property of others** are valued based on the actual cost of the labor, materials and services

### Loss Payment Limitations

We will not pay for any delay caused by or resulting from.

- adverse weather conditions,
- a reduction in work force due to economic conditions;
- improvements necessary to correct deficiencies in the original construction,
- interference by strikers or other persons;
- the enforcement of any ordinance or law that 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**, or
- the suspension, lapse or cancellation of any license, lease, contract or order

### Conditions

#### Abandonment

There can be no abandonment of any **building or renovations under construction** or **outdoor trees, shrubs, plants or lawns** to us unless we specifically agree to such abandonment in writing

#### Coinsurance

Coinsurance applies to **buildings or renovations under construction** only when a coinsurance percentage under Building Under Construction or Renovations Under Construction is shown in the Declarations

Coinsurance does not apply to

- **personal property** in transit,
- **building or renovations under construction** at any premises not shown in the Declarations, or
- any covered loss of \$10,000 or less

If coinsurance applies, our maximum loss payment will be determined as follows

- A determine the value of the covered **building or renovations under construction** at the time of loss or damage in accordance with the applicable Loss Payment Basis as provided under Loss Payment basis,
- B multiply the value determined in step A by the applicable coinsurance percentage shown in the Declarations,
- C divide the applicable Limit of Insurance for Building Under Construction or Renovations Under Construction by the amount determined in step B :

**Conditions****Coinsurance  
(continued)**

- D. multiply the total amount of the covered loss or damage, before the application of any deductible, by the amount determined in step C; and
- E. subtract the deductible from the amount determined in step D

The amount determined in step D is the most we will pay for loss or damage, not to exceed the applicable Limit of Insurance for Building Under Construction or Renovations Under Construction shown in the Declarations.

If coinsurance applies and the **building or renovations under construction** is valued on a replacement cost basis and if you do not repair or replace the **building or renovations under construction**, we will pay you the lesser of.

- the actual cash value of the lost or damaged **building or renovations under construction**, or
- the replacement cost of the lost or damaged **building or renovations under construction** after application of coinsurance

If you commence the repair or replacement of the lost or damaged **building or renovations under construction** within 24 months from the date of the loss or damage, and if the payment made above was on an actual cash value basis, then we will pay the difference between the previous payment and the replacement cost of the lost or damaged **building or renovations under construction** after the application of coinsurance

Coinsurance will apply to the total of all **buildings or renovations under construction** if one Limit of Insurance for Building Under Construction or Renovations Under Construction applies to

- more than one **buildings or renovations under construction**, or
- **buildings or renovations under construction** at one or more premises

If the application of coinsurance results in a penalty to you, you may reduce the penalty by changing the applicable Loss Payment Basis from a replacement cost basis to an actual cash value basis

**Loss Payable**

For covered **personal property or outdoor trees, shrubs, plants or lawns** in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will.

- adjust losses with you; and
- pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear

**Loss Payment**

- A. We will pay for covered direct physical loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this insurance, and:
1. we have reached agreement with you on the amount of loss, or
  2. an appraisal award has been made.
- B. We will not pay you more than your financial interest in the **building or renovations under construction or outdoor trees, shrubs, plants or lawns**



## Building Under Construction

### Conditions

#### Loss Payment (continued)

- C We may adjust losses with the owners of lost or damaged **building or renovations under construction or outdoor trees, shrubs, plants or lawns** if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners **building or renovations under construction or outdoor trees, shrubs, plants or lawns**. We will not pay the owners more than their financial interest in such property.
- D We may elect to defend you against suits arising from claims of owners of **building or renovations under construction or outdoor trees, shrubs, plants or lawns**. We will do this at our expense.

#### Mortgage Holder

We will pay for loss or damage to **building or renovations under construction** jointly to you and the mortgage holder shown in the Declarations, as interests may appear.

However, your mortgage holder has the right to receive loss payment, even though.

- you failed to comply with the terms of this insurance; or
- your mortgage holder starts foreclosure or similar actions on the **building or renovations under construction**.

If we make loss payments to your mortgage holder when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the mortgage holder. Your mortgage holder will still have the right to receive the balance of the mortgage debt from you.

We also have the right to take over your mortgage after making loss payment to the mortgage holder. If we do, you will pay your remaining mortgage debt to us.

If you fail to pay your premium, we may request it from your mortgage holder.

The mortgage holder must notify us of any change in ownership known to the mortgage holder.

If we cancel this insurance, we will give written notice to the mortgage holder at least

- 20 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any other reason.

To satisfy the requirements of any mortgage holder shown in the Declarations, copies of policies, or certified copies of policies, may be sent to these mortgage holders. In no event are copies of policies sent to mortgage holders to be considered as increasing the Limits of Insurance shown in the Declarations or changing the terms of this insurance, nor are they to be considered duplicate or contributing insurance.

#### Other Insurance

If you have other insurance against loss or damage covered by this policy, we shall not pay any amount greater than the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total applicable Limits of Insurance covering the loss or damage.

This insurance is excess of any other insurance for **personal property of others**.



**Conditions**

(continued)

**Recovered Property**

If any lost or damaged **building or renovations under construction** or **outdoor trees, shrubs, plants or lawns** is recovered by you or us after a loss payment is made, the party making the recovery must give the other party prompt notice.

When **building or renovations under construction** or **outdoor trees, shrubs, plants or lawns** is recovered, you may:

- keep the recovered property and return the loss payment to us; or
- keep the loss payment and we will keep the recovered property

If any recovered property has salvage value, or if there is any money recovered through subrogation, we will reimburse you, from the amount recovered, for:

- the deductible amount that was paid,
- the penalties you paid as a result of Coinsurance or the **personal property** reporting condition of this insurance, if applicable, and
- any uninsured loss or damage resulting from an insufficient Limit of Insurance.

If there are any expenses in recovering any lost or damaged **building or renovations under construction** or **outdoor trees, shrubs, plants or lawns**, or through subrogation, we will share the expenses with you in proportion to the amount we are each reimbursed

When any recovered **building or renovations under construction** or **outdoor trees, shrubs, plants or lawns** that you choose to keep is in need of repair, we will pay for the repairs subject to the applicable Limit of Insurance shown in the Declarations

**Reporting**

If the Declarations states that any **building or renovations under construction** is insured on a reporting basis, the following will apply:

**A Report Of Values**

Within 30 days after the end of each month, you will report to us the total completed contract price for all **buildings or renovations under construction** at risk under this insurance. Do not include the total completed contract price of either **buildings or renovations under construction** that have been completed and accepted by the owner or those in which your insurable interest ceased during that month. You may report the values separately for each premises or in total.

**B Payment Of Premium**

The premium will be paid monthly. The premium will be determined by multiplying the total completed contract price reported times the agreed monthly rate.

Note: If the Values you report exceed the Limit of Insurance we will

1. determine premium based on all the values you reported, and
2. not pay more than the Limit of Insurance applicable for the insured **building or renovations under construction** in the event of loss or damage



## ***Building Under Construction***

### ***Conditions***

***Reporting  
(continued)***

**C Maximum Loss Payment**

Subject to the applicable Limit of Insurance for Building Under Construction or Renovations Under Construction shown in the Declarations, we will not pay a greater share of any loss or damage than the total completed contract price of all **buildings or renovations under construction** at risk last reported bears to the total completed contract price of all the **buildings or renovations under construction** on the date of the report.

**D Multiple Premises**

If the **buildings or renovations under construction** are insured with separate Limits of Insurance at more than one premises, at the time of loss, you may elect to have the maximum loss payment applied in either of 2 ways

- 1 at the premises where the loss occurred if you reported separate values for each premises, or
- 2 to the total value of all **buildings or renovations under construction** values reported even if separate values were reported for each premises

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### Building Under Construction

**Definitions**

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

**Accounts Receivable Records**

**Accounts receivable records** means accounting records, including support records such as invoices and accounting records on **electronic data processing media**, used to control and document the collection of money due from customers

**Building**

**Building** means:

- a structure,
- completed additions
- additions to the structure under construction,
- alterations and repairs to the structure,
- **personal property** consisting of materials, machinery, equipment, supplies, and temporary structures used for making additions, alterations, or repairs to the structure;
- outdoor fixtures,
- permanently installed fixtures, machinery, and equipment, and
- **personal property** used to maintain or service the structure or its premises

**Building** does not mean

- land,
- water,
- paved or concrete surfaces;
- retaining walls,
- foundations or supports below the surface of the lowest floor or basement, or
- **outdoor trees, shrubs, plants or lawns.**

**Building Or Renovations Under Construction**

**Building or renovations under construction** means.

- **buildings under construction, or**
- **renovations under construction**

**Building Under Construction**

**Building under construction** means

- A a structure in the course of construction; and
- B the following, if attached to the structure, intended to become a part of the structure, or within 1,000 feet of the premises shown in the Declarations where the structure is under construction
  - 1 foundations,
  - 2 indoor and outdoor equipment, signs, machinery, fixtures and **personal property** used to maintain or service the structure.

**Definitions**

**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**

*Building Under Construction*  
(continued)

- 3 **personal property** consisting of building materials and supplies, including those in your care, custody or control.
  - a at a job site awaiting and during installation, or
  - b in transit to a job site; and
- 4 temporary structures built or assembled on site, including cribbing, scaffolding and construction forms, if not covered by other insurance

**Building under construction** does not mean

- land,
- water; or
- **outdoor trees, shrubs, plants or lawns.**

*Contaminant*

**Contaminant** means an impurity resulting from the mixture of or contact of a substance with a foreign substance

*Electronic Data Processing Media*

**Electronic data processing media** means:

- punch cards, tapes, discs, diskettes, drums, cells;
- other magnetic or optical recording or storage devices;
- the information recorded on this media; and
- the original source material used to enter data and/or program media.

*Improvements And Betterments*

**Improvements and betterments** means **personal property** comprised of fixtures, alterations, installations or additions

- made a part of the **building** you occupy but do not own; and
- you acquired or made at your expense but cannot legally remove.

*Merchandise*

**Merchandise** means goods held for sale by you which are not the products of manufacturing operations conducted by you

*Money*

**Money** means:

- currency, coins, bank notes, or bullion; and
- travelers checks, registered checks, food stamps, and money orders held for sale to the public

*Net Rental Income*

**Net rental income** means rental income less all costs that would have been incurred during the period of delay had there been no loss or damage



### Building Under Construction

**Definitions**  
(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

*Outdoor Trees, Shrubs,  
Plants or Lawns*

**Outdoor trees, shrubs, plants or lawns** means outdoor trees, shrubs, plants or lawns you own on the premises shown in the Declarations

**Outdoor trees, shrubs, plants or lawns** does not mean

- outdoor trees, shrubs, plants or lawns that you hold for sale as **stock**, or
- growing crops

*Patterns, Molds And Dies*

**Patterns, molds and dies** means **personal property** consisting of patterns, molds, dies and other similar property usual to your business that are owned by you or in your care, custody or control.

*Personal Property*

**Personal property** means

- all your business personal property,
- business personal property in which you have an insurable interest;
- **patterns, molds and dies.**
- **personal property of others.**
- labor, materials and services furnished or arranged by you on **personal property of others;** and
- **tenant's improvements and betterments**

**Personal property** does not mean

- **building.**
- land;
- water;
- growing crops,
- **outdoor trees, shrubs, plants or lawns,**
- vehicles or machines licensed for use on public roads,
- self-propelled watercraft in water,
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground,
- **money or securities.**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers, or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale

**Definitions**

(continued)

**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**

*Personal Property Of Employees*

**Personal property of employees** means personal property owned or leased by your employee and in your care, custody or control

**Personal property of employees** does not mean

- **building,**
- land,
- water,
- growing crops,
- **outdoor trees, shrubs, plants or lawns;**
- vehicles or machines licensed for use on public roads,
- self-propelled watercraft in water;
- aircraft, except aircraft manufactured, processed, warehoused or held for sale while on the ground,
- **money or securities;**
- personal property sold under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers; or
- animals, except animals owned by your employee and boarded by you

*Personal Property Of Others*

**Personal property of others** means personal property not owned by you and in your care, custody or control.

**Personal property of others** does not include **personal property of employees**

*Pollutants*

**Pollutants** means any solid, liquid, gaseous or thermal irritant or **contaminant**, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

*Property*

**Property** means:

- **building,** or
- **personal property**

*Renovations Under Construction*

**Renovations under construction** means additions, improvements, alterations or repairs to an existing **building**, including:

- A the following **property** located in the building, on premises, within 1,000 feet of the premises shown in the Declarations or while in transit to the premises shown in the Declarations if such **property** is intended to become a permanent part of the **building**



## *Building Under Construction*

### **Definitions**

### **WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**

*Renovations Under Construction*  
(continued)

- 1 fixtures, machinery and equipment used to service the **building**; and
  - 2. your building materials and supplies, or those in your care, custody or control, in the construction,
- B temporary structures built or assembled on the premises shown in the Declarations, including cribbing, scaffolding and construction forms, if not covered by other insurance.

**Renovations under construction** does not mean.

- **buildings** existing prior to the improvements, alterations or repairs; or
- **building under construction**

*Securities*

**Securities** means

- all negotiable and non-negotiable instruments or contracts that represent either money or other property held by you in any capacity,
- revenue and other stamps in current use,
- tokens,
- tickets, and
- property of others that you hold as a pledge or as collateral for a loan.

**Securities** does not mean **money**

*Soft Costs*

**Soft costs** means costs over and above the costs you would have incurred during construction work, including

- extra construction costs you incur to continue construction and meet contract dates,
- construction loan interest on money borrowed to finance construction,
- realty taxes and other assessments on the construction site accruing during a period of delay,
- architect, engineering and consultant fees;
- legal and accounting fees,
- insurance premiums,
- advertising and promotional expenses, and
- costs and commissions resulting from renegotiating leases

*Specified Peril*

**Specified peril** means

- aircraft or self-propelled missiles,
- explosion,
- fire or lightning;
- leakage from fire protection equipment.



**Definitions**

**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:**

*Specified Peril  
(continued)*

- mine subsidence;
- riot or civil commotion;
- sinkhole collapse,
- smoke,
- vandalism;
- vehicles;
- volcanic action, or
- wind or hail

*Valuable Papers*

**Valuable papers** means valuable

- papers, documents, records, negatives, transparencies;
- tapes of all types, and
- original plans, blueprints, specifications or designs.

**Valuable papers** does not mean

- **electronic data processing media;**
- **money, or**
- **securities**

## Property Insurance

### Common Property Conditions

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...COMMON PROPERTY CONDITIONS...

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## Common Property Conditions

### Contract

#### Common Property Conditions

The following Conditions apply to all Contracts contained within the Property Insurance Section of this policy, except Care, Custody or Control Legal Liability, if covered under this policy

#### Appraisal

If you and us do not agree on the amount of the loss or damage, either party may make a written demand for an appraisal of the loss or damage. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. Each appraiser will separately state the value of the property and the amount of the loss or damage. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and us will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

#### Concealment Or Misrepresentation

This insurance is void if you or any other insured intentionally conceals or misrepresents any material fact or circumstance relating to this insurance at any time.

#### Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify us, or one of our authorized representatives, as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income or Extra Expense Insurance, notify us by telephone or by telegraph at our expense.
- Notify the police if a law may have been broken.
- Take every reasonable step to protect the property from further damage, and keep a record of your expenses necessary to protect such property for consideration in the settlement of the property claim. This will not increase any Limit of Insurance. Also, if feasible, set such damaged property aside and in the best possible order for examination.
- If you intend to continue your business you must resume all or part of your operations as quickly as possible.
- File with us, or with our authorized representative, sworn proof of loss within 90 days after the date of loss or damage.
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation.
- At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss or damage claimed.
- As often as may be reasonably required, permit us to inspect the property and examine your books and records.
- 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.

**Common Property Conditions**

**Insured's Duties In The Event Of Loss Or Damage (continued)**

- Permit us to examine any insured under oath, outside the presence of any other insured 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 an examination, an insured's answers must be signed

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that he knows about will not affect the insurance afforded you by this policy

**Legal Action Against Us**

No legal action may be brought against us:

- until there has been full compliance with all the terms of this insurance, and
- until the obligation of the insured has been determined by final judgment or we agree in writing to the amount of the obligation

No person or organization has any right under this insurance to bring us into any action to determine the liability of the Insured

**Liberalization**

If we adopt any changes

- within 45 days prior to the effective date shown in the Declarations, or
- during the policy period,

which could broaden this insurance without an additional premium charge, you will automatically receive the benefit of the broadened coverage

**No Benefit To Carrier Or Bailee**

No person or organization, other than you, having custody of covered property will benefit from this insurance.

**Transfer Of Rights Of Recovery To Us**

If any person to or for whom we make payment under this insurance has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair our rights.

You may waive your rights against another party in writing:

- A prior to direct physical loss or damage to insured property, or
- B after direct physical loss or damage to insured property only if, at the time of direct physical loss or damage, that party is one of the following:
  1. someone insured by this insurance;
  2. an individual who owns or controls the majority of capital stock of your business,
  3. related business firm majority-owned or controlled by you, or that owns or controls the majority of the capital stock of your business, or
  4. your tenant

This will not restrict your insurance





**Property Insurance**

**International Endorsement**

*Policy Period* APRIL 30, 1998 TO APRIL 30, 1999  
*Effective Date* APRIL 30, 1998  
*Policy Number* 3535-11-19  
*Insured* NETSCAPE COMMUNICATIONS CORPORATION  
 (SEE NAMED INSURED ENDT)  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* SEPTEMBER 1, 1998

This Endorsement applies to the following forms

COMMON PROPERTY CONDITIONS

Under Common Property Conditions, and only for the purposes of Differences In Conditions and Excess Coverage, the following conditions are added

**Common Property Conditions**

**Advances Or Reimbursements**

For covered loss or damage that arises in a non-admitted jurisdiction, we will reimburse and, at our option, advance funds to you for our portion of the costs of investigation (including appraisals of property), defense or settlement. We will only make such advances or reimbursements in a jurisdiction that is mutually acceptable.

**Bankruptcy, Liquidation, Insolvency Or Delay In Payment**

When covered loss or damage is not paid or is only partially paid because

- the paying insurer is bankrupt, in liquidation or insolvent; or
- there has been a delay in payment for a period of more than 180 days,

you must submit a sworn proof of loss to us, even though you may have made a similar statement to the applicable insurer

## Common Property Conditions

(continued)

### Currency Provision

We will pay for **covered loss or damage** in the same currency as that of the Limits Of Insurance shown in the Declarations of this policy.

At your request, when payment of **covered loss or damage** involves any currency other than that of the Limits Of Insurance shown in the Declarations of this policy, we will convert the value of the **covered loss or damage** to the currency of the Limits Of Insurance shown in the Declarations of this policy at the free rate of exchange as published in *The Wall Street Journal* in effect:

- on the date of **covered loss or damage**, for **covered loss or damage** to other than **money or securities**, or
- the date the **covered loss or damage** to **money or securities** is discovered

In converting to the currency of your choice our total payment for loss and conversion fees, based on the conversion rate on the date of loss, published by the Wall Street Journal, shall not exceed the limit of insurance shown in the Declarations. After we make any conversion from another currency, we will apply all other terms of this policy to determine the amount of our final loss obligation.

### Excess Insurance

You may purchase excess insurance to specifically apply as excess of the Limits Of Insurance shown in the Declarations of this policy. However, this DIC/EXCESS coverage does not apply to any such insurance.

### Failure To Effect Required Specific

- A You must give us reasonable prior written notice of any change to any insurance stated in any Required Specific endorsement made part of this policy. You must notify us regardless of whether you initiate or authorize any such change. However, your duty to notify us does not apply to the extent that any such change increases the Limits Of Insurance or provides additional coverage.
- B Except as provided in paragraph A above, we will only accept changes that we agree to in writing.
- C At the time of **covered loss or damage**, you must have in force any insurance stated in any Required Specific endorsement made part of this policy.
- D If, without our written agreement as required in B above, you do not have in force the insurance stated in any Required Specific endorsement made part of this policy, we will only provide Differences In Conditions and Excess coverage to the same extent as if you had such insurance.

### Joint Duties In A Non-Admitted Jurisdiction

For **covered loss or damage** that arises in a **non-admitted jurisdiction**, we will consult with you. You must:

- make such investigation, defense or settlement as we deem reasonable,
- accept a settlement from us for **covered loss or damage**, and
- effect payments to others that we approve.





## Property Insurance

### International Endorsement

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

#### Common Property Conditions

##### Joint Duties In A Non-Admitted Jurisdiction (continued)

We retain the right to assume control of any investigation, defense, settlement or recovery proceedings. You have the duty to cooperate with us in these proceedings.

Under Common Property Conditions, and only for the purposes of Differences In Conditions and Excess Coverage, Appraisal and Insured's Duties In The Event Of Loss Or Damage are deleted and replaced with the following:

##### Appraisal

If you and we do not agree on the amount of the **covered loss or damage**, either party may make a written demand for an appraisal of the **covered loss or damage**. In this event, you will select and pay a competent and impartial appraiser, and we will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that a judge of a court having jurisdiction make the selection. However, if the **covered loss or damage** occurs in a **non-admitted jurisdiction**, the court having jurisdiction must be a court in the state or province where you maintain your headquarters in the United States of America, Canada or Puerto Rico. Each appraiser will separately state the value of the property and the amount of the **covered loss or damage**. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by the umpire and either of the appraisers will be binding on you and us.

You and we will equally share any other appraisal costs and the costs of the umpire.

If there is an appraisal, we will still retain our right to deny the claim.

##### Insured's Duties In The Event Of Loss Or Damage

You must see to it that the following are done in the event of loss or damage:

- Notify
  - a us,
  - b one of our authorized representatives,
  - c another member company of the Chubb Group of Insurance Companies, or
  - d any **authorized correspondent**.

as soon as possible, as to what occurred. Include a description of the property involved, the time and place of the loss or damage, and names and addresses of available witnesses. If there has been loss or damage that may result in a loss under any Business Income, Gross Profits or Extra Expense Insurance, notify a, b, c or d above by telephone or by telegraph at our expense.

**Common Property Conditions**

*Insured's Duties In The Event Of Loss Or Damage (continued)*

Notice of loss or damage made to persons or organizations described in b , c. or d., above will be deemed to be notice to us under this policy, regardless of whether such notice is made under this policy or under any other insurance that is issued by

- 1 another member company of the Chubb Group of Insurance Companies,
2. any **authorized correspondent**; or
- 3 any insurer (other than stated in 1 or 2 above) providing coinsurance with 1. or 2. above

Notice to any other insurer, person or organization shall not be deemed notice to us.

- Notify the police if a law may have been broken.
- Take every reasonable step to protect the property from further damage, and keep a record of your expenses necessary to protect such property for consideration in the settlement of the property claim. This will not increase any Limit of Insurance. Also, if feasible, set such damaged property aside and in the best possible order for examination
- If you intend to continue your business you must resume all or part of your operations as quickly as possible
- File with us, or with our authorized representative, sworn proof of loss
- Cooperate with us in the investigation, settlement or handling of any claim.
- Authorize us to obtain records or reports necessary for our investigation
- At our request, give us complete inventories of the damaged and undamaged property Include quantities, costs, values and amount of loss or damage claimed
- As often as may be reasonably required, permit us to inspect the property and examine your books and records
- 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
- Permit us to examine any insured under oath, outside the presence of any other insured 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 an examination, an insured's answers must be signed

Failure of an agent or one of your employees, other than an officer, to notify us of any loss or damage that he knows about will not affect the insurance afforded you by this policy

All other terms and conditions remain unchanged

Authorized Representative





**Property Insurance**

*International Endorsement*

*Policy Period* APRIL 30, 1998 TO APRIL 30, 1999  
*Effective Date* APRIL 30, 1998  
*Policy Number* 3535-11-19  
*Insured* NETSCAPE COMMUNICATIONS CORPORATION  
 (SEE NAMED INSURED ENDT )  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* SEPTEMBER 1, 1998

This Endorsement applies to the following forms

BUILDING AND PERSONAL PROPERTY  
 BUSINESS INCOME (WITH EXTRA EXPENSE)  
 ELECTRONIC DATA PROCESSING PROPERTY  
 GROSS PROFITS WITH EXTRA EXPENSE  
 RESEARCH AND DEVELOPMENT PROPERTY  
 VALUABLE PAPERS

The following are added as a new section titled "DIC/Excess Coverage" and limits all Coverages, Extensions Of Coverage and Additional Coverages as follows

***Difference In  
 Conditions/Excess  
 Coverage***

***Differences In Conditions*** We will pay for **covered loss or damage** that is not covered under any other insurance, subject to the Limits Of Insurance section of this endorsement

***Excess*** We will pay for **covered loss or damage** that is also covered under any other insurance to the extent that

- the limits of insurance of any such insurance are insufficient to pay in full the **covered loss or damage**, or
- payment under any such insurance is payable but uncollectible because the insurer providing the insurance is bankrupt, in liquidation, insolvent or has delayed payment for a period of more than 180 days from the date you submitted a sworn proof of loss to such insurer, except to the extent that the **covered loss or damage** is also covered under any other insurance which
  - 1 any insurer (other than us, another member of the Chubb Group of Insurance Companies or any **authorized correspondent**) provides as coinsurer with us, another member of the Chubb Group of Insurance Companies or any **authorized correspondent**, or

**Property Endorsement***(continued)*

2 is stated in any Required Specific endorsement made part of this policy

We will pay only after the 180 day waiting period ends. During the waiting period, you must pursue the claim vigorously with the applicable insurer. You must reimburse us, unless we authorize otherwise, for any payment that we make as a result of such delay that is subsequently paid by the applicable insurer.

Subject to the Limits Of Insurance section of this endorsement, we will pay.

- 1 the amount of **covered loss or damage** that is excess of any amount paid under any other insurance, except as stated in 2 and 3 below,
- 2 the difference between the full amount of the **covered loss or damage** which would have been payable under this policy in the absence of any other insurance and the amount of **covered loss or damage** that is paid under any other insurance issued by
  - a the Chubb Group of Insurance Companies,
  - b any **authorized correspondent**, or
  - c any insurer (other than stated in a or b. above) providing coinsurance with a. or b above, or
- 3 the difference between the full amount of the **covered loss or damage** which would have been payable under this policy in the absence of any other insurance and the amount of **covered loss or damage** that is paid or payable (even if uncollectible) under any insurance stated in any Required Specific endorsement made part of this policy

Under Additional Coverages, and only for the purposes of Differences In Conditions and Excess Coverage, the following is added.

**Additional Coverages****Neighbors And Tenants Liability**

We will pay for the loss or damage you become legally obligated to pay by reason of liability imposed by the articles of the Napoleonic code or similar civil or commercial codes because of damage for which you are liable

- as a tenant,
- when the consequences of such damage spread from your premises to the premises of neighbors and co-tenants, or
- as landlord, as a result of construction defects or lack of maintenance.

not to exceed the applicable Limits Of Insurance for Neighbors and Tenants Liability shown in the Declarations of this policy.

Only as respects Neighbors and Tenants Liability and except for the Limits Of Insurance.

- if you have any other neighbors and tenants liability insurance on an **admitted** basis, then the terms of that insurance are made part of this insurance, or



## Property Insurance

### International Endorsement

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

- if you do not have any other neighbors and tenants liability insurance or you have other neighbors and tenants liability insurance on a non-admitted basis, then the terms of the broad-form neighbors and tenants liability coverage available as **admitted** insurance in the jurisdiction where the loss or damage occurs are made part of this insurance.

The Limits Of Insurance for Neighbors and Tenants Liability insurance shown in the Declarations of this policy will continue to apply exclusively, even if the compulsory limits of insurance for neighbors and tenants liability insurance would be greater than those available under this insurance.

Under Additional Coverages, and only for the purposes of Difference In Conditions and Excess Coverage, Deferred Payments is deleted

#### Deferred Payments

Under Exclusions, and only for the purposes of Differences In Conditions and Excess Coverage, the Governmental Action and War and Military Action Exclusions are deleted and replaced by the following

#### Exclusions

##### Governmental Action

This insurance does not apply to loss or damage caused by or resulting from seizure, confiscation, expropriation, nationalization or destruction of property by order of governmental authority, whether de jure or de facto, regardless of any other cause or event that directly or indirectly

- contributes concurrently to,
- contributes in any sequence to, or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered

This exclusion does not apply to 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 insurance

##### War And Military Action

This insurance does not apply to loss or damage caused by or resulting from

- war, including undeclared or civil war,
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

**Property Endorsement**  
(continued)

- insurrection, rebellion, revolution, usurped power, or action taken by governmental authority, whether de jure or de facto, in hindering or defending against any of these,

regardless of any other cause or event that directly or indirectly:

- contributes concurrently to,
- contributes in any sequence to, or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered

Under Exclusions, and only for the purposes of Differences in Conditions and Excess Coverage, the following are added.

**Imposed Sanctions,  
Embargoes Or Similar  
Prohibitions**

This insurance does not apply to loss or damage to any property in, in transit to or from, or which passes through, any country on which either the United States government or Canadian government have imposed sanctions, embargoes, or any similar prohibitions.

**Loss Advantage**

This insurance does not apply to loss or damage sustained by one insured to the advantage of any other insured

**Prohibited Or Illegal Goods**

This insurance does not apply to loss or damage to contraband or other property in the course of illegal transportation of trade

**Terrorism - United  
Kingdom**

This insurance does not apply to loss or damage caused by or resulting from **terrorism** in the United Kingdom (including terrorism insured by the Pool Reinsurance Company Limited) committed by any person or persons acting individually or on behalf of or in connection with any organization, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to,
- contributes in any sequence to, or
- worsens,

the loss or damage, even if such other cause or event would otherwise be covered.

**Waterborne Shipments**

This insurance does not apply to loss or damage to property while in transit on a waterborne vessel including the loading and unloading of such property on such vessel

This exclusion does not apply to shipments of property contained in an over-the-road conveyance in transit by ferry



## Property Insurance

### International Endorsement

Effective Date            APRIL 30, 1998

Policy Number            3535-11-19

#### Coverage Territory

1 For Property, Gross Profits and Extra Expense:

- Except for Accounts Receivable, Electronic Data Processing Property, Fine Arts, Valuable Papers, Personal Property In Transit, Research and Development Property, Gross Profits and Extra Expense, and only for the purposes of Differences In Conditions and Excess Coverage, the Coverage Territory is deleted and replaced with the following

The coverage territory is outside the United States of America, its territories and possessions, Canada and Puerto Rico

2 For Business Income (with Extra Expense):

- The first two paragraphs of the Coverage Territory are deleted and replaced with the following

The coverage territory is outside the United States of America, its territories and possessions, and territorial waters, Canada and Puerto Rico

The coverage territory for Exhibition, Fair or Trade Show coverage and In Transit coverage includes the air space used for air shipments, except for the air space used for air shipments in and between the United States of America, its territories and possessions, Canada and Puerto Rico

Under Conditions, and only for the purposes of Differences In Conditions and Excess Coverage, Other Insurance is deleted

#### Conditions

#### Other Insurance

Under Conditions, and only for the purposes of Differences In Conditions and Excess Coverage, Mortgage Holder is deleted

#### Mortgage Holder

Under Limits Of Insurance, and only for the purposes of Differences In Conditions and Excess Coverage, Limits Of Insurance is deleted and replaced with the following:

#### Limits Of Insurance

#### Difference In Conditions/Excess Coverage

Except as provided under Pollutant Clean Up Or Removal, the most we will pay in any one occurrence is the amount covered loss or damage paid under

- Differences In Conditions and Excess Coverage of this insurance, and

**Property Endorsement**

(continued)

- all other insurance that we, any other member of the Chubb Group of Insurance Companies, or any **authorized correspondent** issues to you or someone other than you covering your interests;

not to exceed the applicable Limit(s) of Insurance shown in the Declarations, regardless of whether any Coverage, Extensions Of Coverage or Additional Coverage appears in any other contract or contracts which form a part of this policy

Under Deductible, except for Business Income, Gross Profits and Extra Expense, and only for the purposes of Differences In Conditions and Excess Coverage, Deductible is deleted and replaced with the following:

**Deductible**

We will pay the amount of **covered loss or damage** in excess of the applicable deductible amount shown in the Declarations, for each occurrence

Except for any deductible for Business Income, Gross Profits or Extra Expense shown in the Declarations, if two or more deductibles apply to the same occurrence, only the largest single deductible will apply, unless otherwise stated

**Loss Payment Limitations**

Under Loss Payment Limitations, and for the purposes of Business Income (with Extra Expense) Differences In Conditions and Excess Coverage, the following limitation is added

- We will deduct from the total business income (and extra expense) loss any amount we paid you under **personal property** insurance for the difference between replacement cost and your net selling price on **merchandise**.

**Definitions**

Under Definitions, and only for the purposes of Differences In Conditions and Excess Coverage, the following definitions are added

**Admitted**

**Admitted** means any contract of insurance that

- is issued by a State Fund or an insurer licensed or permitted by law to do business in the jurisdiction where the property or exposure to loss is located, and
- is issued to you, or
- is issued to someone (other than you) covering your interests

**Admitted** does not include any contract of insurance specifically obtained to apply in excess of any Limits Of Insurance shown in the Declarations of this policy





## Property Insurance

### International Endorsement

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

**Authorized Correspondent** **Authorized Correspondent** means any privately controlled insurer, other than a member company of the Chubb Group of Insurance Companies, that we indicate is our correspondent, but only for each specific insurance transaction we authorize.

**Covered Loss Or Damage** **Covered loss or damage** means:

- Direct physical loss or damage;
- Business income loss,
- Extra expense,
- Gross profits loss;
- Accounts receivable loss,
- Leasehold interest loss;
- Net rental income and soft cost, and
- Neighbors and tenants liability loss

covered under this policy

**Non-Admitted Jurisdiction** **Non-admitted jurisdiction** means any jurisdiction where we are not licensed or permitted by law to issue insurance or are prevented by law or otherwise from investigating, defending or settling any loss or damage

**Terrorism** **Terrorism** means the use of violence

- directed toward the overthrow or influencing of any government, de jure or de facto; or
- for the purpose of putting the public in fear

Under Definitions, and only for the purposes of Differences In Conditions and Excess Coverage, Finished Stock and Flood are deleted and replaced with the following

**Finished Stock** **Finished stock** means goods you have manufactured which are in their completed state and ready for sale

**Finished stock** does not include goods you have manufactured which are in their completed state and ready for sale on the premises of any retail outlet insured by Business Income or Gross Profits Insurance

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**Property Endorsement**  
(continued)

All other terms and conditions remain unchanged.

Authorized Representative

*Robert Hamburger*

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**Property Insurance**

*International Endorsement*

<i>Policy Period</i>	APRIL 30, 1998 TO APRIL 30, 1999
<i>Effective Date</i>	APRIL 30, 1998
<i>Policy Number</i>	3535-11-19
<i>Insured</i>	NETSCAPE COMMUNICATIONS CORPORATION (SEE NAMED INSURED ENDT)
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	SEPTEMBER 1, 1998

This Endorsement applies to the following forms:

BUSINESS INCOME (WITH EXTRA EXPENSE)  
GROSS PROFITS WITH EXTRA EXPENSE

**SCHEDULE OF PREMISES**

LTD 28, CLARENDEN STREET  
SOUTH MELBOURNE, AUSTRALIA

B P 240,2,  
PLACE DE LA DEFENSE  
92053 PARIS-LA-DEFENSE, FRANCE

AIRPORT OFFICE PARK MUNICH  
AM SOLDNERMOOS 8,  
85398 HALLBERGMOOS, GERMANY

ROOM 3201-3, NAT WEST TOWER,  
TIMES SQUARE, 1  
MATHESON STREET  
CAUSEWAY BAY, HONG KONG

D 1, SHANNON INDUSTRIAL ESTATE  
SHANNON, CO CLARE, IRELAND

TOKYO OPERA CITY TOWER 29F  
3-20-2 NISHI SHINJUKU  
SHINJUKU, TOKYO 163-14, JAPAN

STATUS PARK, STATUS 4,  
NOBEL DRIVE, HAYES  
MIDDLESEX, UB3 5EY UNITED KINGDOM

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**Property Endorsement**  
(continued)

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Under Coverage Territory, and only for the purposes of Differences In Conditions and Excess Coverage and with respect to the premises shown in the Schedule above, the following is added

**Coverage Territory**

**Extended Business  
Income/Gross Profits/Extra  
Expense Coverage  
Territory**

The coverage territory is worldwide to the extent that direct physical loss or damage to **property** by a covered **peril** results in the actual or potential impairment of **operations** outside the United States of America, its territories and possessions, and territorial waters, Canada and Puerto Rico.

All other terms and conditions remain unchanged

Authorized Representative





### Property Insurance

#### International Endorsement

*Policy Period* APRIL 30, 1998 TO APRIL 30, 1999  
*Effective Date* APRIL 30, 1998  
*Policy Number* 3535-11-19  
*Insured* NETSCAPE COMMUNICATIONS CORPORATION  
 (SEE NAMED INSURED ENDT )  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* SEPTEMBER 1, 1998

This Endorsement applies to the following forms

BUSINESS INCOME (WITH EXTRA EXPENSE)

GROSS PROFITS WITH EXTRA EXPENSE

Under Loss Determination, and only for the purposes of Differences In Conditions and Excess Coverage, the following is added

#### Loss Determination

##### Business Income/Gross Profits - Dual Trigger

When Business Income and Gross Profits coverage are both made a part of this policy, then Business Income coverage applies exclusively, unless you have **admitted** Loss of Profits or Gross Profits insurance covering the premises where direct physical loss or damage to **property** by a **covered peril** occurs.

Where you maintain such **admitted** insurance, Gross Profits coverage applies instead of Business Income coverage

Neither the Limits Of Insurance shown in the Declarations of this policy, nor the coverage and terms of this policy shall be altered to conform with those of the **admitted** Gross Profits or Loss of Profits insurance, except as respects the **indemnity period**

All other terms and conditions remain unchanged.

Authorized Representative



**Property Insurance**

**International Endorsement**

*Policy Period* APRIL 30, 1998 TO APRIL 30, 1999  
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*Insured* NETSCAPE COMMUNICATIONS CORPORATION  
 (SEE NAMED INSURED ENDT)  
*Name of Company* FEDERAL INSURANCE COMPANY  
*Date Issued* SEPTEMBER 1, 1998

This Endorsement applies to the following forms

ELECTRONIC DATA PROCESSING PROPERTY  
VALUABLE PAPERS

Under Coverage Territory, and only for the purposes of Differences In Conditions and Excess Coverage, Coverage Territory for Accounts Receivable, Electronic Data Processing Property, Fine Arts and Valuable Papers is deleted and replaced with the following

**Coverage Territory**

The coverage territory is outside the United States of America, its territories and possessions, and territorial waters, Canada, and Puerto Rico

The coverage territory for Accounts Receivable In Transit, Electronic Data Processing Property In Transit, Fine Arts In Transit and Valuable Papers In Transu includes the air space used for air shipments, except for the air space used for air shipments in and between the United States of America, its territories and possessions, Canada, and Puerto Rico

All other terms and conditions remain unchanged

Authorized Representative



## Property Insurance

### Endorsement

<i>Policy Period</i>	APRIL 30, 1998 TO APRIL 30, 1999
<i>Effective Date</i>	APRIL 30, 1998
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<i>Insured</i>	NETSCAPE COMMUNICATIONS CORPORATION (SEE NAMED INSURED ENDT )
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	SEPTEMBER 1, 1998

This Endorsement applies to the following forms

BUILDING AND PERSONAL PROPERTY

Under Conditions, Loss Payable is deleted, and the following is added:

### Conditions

#### Lenders/Loss Payee

If the Loss Payee shown in the Declarations is a creditor whose interest in **personal property** is established by written evidence and both you and that Loss Payee have an interest in lost or damaged **personal property**, we will

- adjust losses with you, and
- pay any claim for loss or damage jointly to you and the Loss Payee, as interest may appear

However, your Loss Payee has the right to receive loss payment, even though.

- you failed to comply with the terms of this insurance, or
- your Loss Payee starts foreclosure or similar actions on the **personal property**.

The Loss Payee's right to receive loss payment is limited to the lesser of the following

- the amount of loss or damage,
- his financial interest in the **personal property** as shown in the written evidence, or
- the applicable Limit of Insurance for Personal Property shown in the Declarations

If we make loss payments to your Loss Payee when you fail to comply with the terms of this insurance, you will have to pay us to the extent we pay the Loss Payee. Your Loss Payee will still have the right to receive the balance of the debt from you

We also have the right to pay off the remainder of the debt after making loss payment to your Loss Payee. If we do, you will pay your remaining debt to us

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**Property Endorsement**  
(continued)

If you fail to pay your premium, we may request it from your Loss Payee

The Loss Payee must notify us of any change in ownership known to the Loss Payee

All other terms and conditions remain unchanged

Authorized Representative



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**Property Insurance**

**Endorsement**

*Policy Period*                      APRIL 30, 1998 TO APRIL 30, 1999  
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*Insured*                              NETSCAPE COMMUNICATIONS CORPORATION  
     (SEE NAMED INSURED ENDT )  
*Name of Company*                FEDERAL INSURANCE COMPANY  
*Date Issued*                        SEPTEMBER 1, 1998

This Endorsement applies to the following forms.

BUILDING AND PERSONAL PROPERTY  
 BUSINESS INCOME (WITH EXTRA EXPENSE)  
 ELECTRONIC DATA PROCESSING PROPERTY  
 VALUABLE PAPERS  
 RESEARCH AND DEVELOPMENT PROPERTY

**SCHEDULE**

DEDUCTIBLE OR WAITING PERIOD      2%  
 Premises      All premises within the State of California, except as listed below

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added

**Deductible**

**Earthquake Sprinkler Leakage**

We will pay the amount of loss or damage in excess of the deductible amount or after the waiting period shown in the Schedule above, if such loss or damage is caused by or results from **earthquake sprinkler leakage**.

Such deductible amount or waiting period will apply separately at each premises in each occurrence

If a waiting period is shown in the Schedule above, the waiting period begins immediately following the direct physical loss or damage. Hours shown for a waiting period mean only the normal business hours

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**Property Endorsement***(continued)***Conditions**

Under Conditions, the following is added.

**Single Occurrence -  
168 Hours**

If more than one earthquake shock occurs within any period of 168 hours, these earthquake shocks will be considered a single occurrence and deemed to have occurred at the time of the first shock

---

**Definitions**

Under Definitions, the following are added

**Earthquake Sprinkler  
Leakage****Earthquake sprinkler leakage** means loss or damage caused by or resulting from leakage from "fire protection equipment" caused by or resulting from earthquake**Earthquake sprinkler leakage** does not mean loss or damage caused by or resulting from leakage from "fire protection equipment" caused by or resulting from.

- fire,
- explosion, or
- smoke

which results from earthquake

**Leakage From Fire  
Protection Equipment****Leakage from "fire protection equipment"** means

- water or other substance discharged from within any part of the "fire protection equipment" for the premises or for adjoining premises, or
- collapse of tanks forming a part of the fire protection equipment including the component parts or supports of those tanks

**Fire protection equipment** means tanks, water mains, hydrants or valves and any other equipment or its component parts, whether used solely for fire protection or jointly for fire protection and for other purposes.

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All other terms and conditions remain unchanged

Authorized Representative





## Property Insurance

### Endorsement

<i>Policy Period</i>	APRIL 30, 1998 TO APRIL 30, 1999
<i>Effective Date</i>	APRIL 30, 1998
<i>Policy Number</i>	3535-11-19
<i>Insured</i>	NETSCAPE COMMUNICATIONS CORPORATION (SEE NAMED INSURED ENDT)
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	SEPTEMBER 1, 1998

This Endorsement applies to the following forms.

BUILDING AND PERSONAL PROPERTY  
BUSINESS INCOME (WITH EXTRA EXPENSE)  
ELECTRONIC DATA PROCESSING PROPERTY  
RESEARCH AND DEVELOPMENT PROPERTY  
VALUABLE PAPERS

### SCHEDULE

DIRECT DAMAGE DEDUCTIBLE	5,000 D/ 2,500 F
WAITING PERIOD	24 HOURS
PREMISES	ALL SCHEDULED LOCATIONS

Under Deductible, and only with respect to the premises shown in the Schedule above, the following is added

#### Deductible

**Electric Arcing, Mechanical Breakdown Or Steam Boiler Deductible** We will pay the amount of loss or damage in excess of the deductible amount or after the waiting period shown in the Schedule above, if such loss or damage is caused by or results from **electric arcing, mechanical breakdown or steam boiler**

The deductible amount or waiting period will apply separately at each premises in each occurrence

If a waiting period is shown in the Schedule above, the waiting period begins immediately following the direct physical loss or damage. Hours shown for a waiting period mean only the normal business hours