

EXHIBIT 5



Customarq Series

Electronics Insurance Program

FOR

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT.)

Producer.

ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Chubb Servicing Office:

PLEASANTON
HOPYARD CENTER
5050 HOPYARD ROAD, SUITE 400
PLEASANTON, CA 94588-3321



**Customarq Series
Electronics Insurance Program**

Premium Bill

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

PLEASE SEND PAYMENT TO AGENT OR BROKER.

<i>Date Payment Due</i>	<i>Premium</i>
APRIL 30, 1998	\$ 52,903 03
JULY 30, 1998	\$ 52,901 25
OCTOBER 30, 1998	\$ 52,901 25
JANUARY 30, 1999	\$ 52,901 25
TOTAL	\$ 211,606 78

WHEN SENDING PAYMENT, PLEASE INDICATE POLICY NUMBER ON YOUR CHECK.

NOTE PLEASE RETURN THIS BILL WITH PAYMENT AND INCLUDE ANY ADDITIONAL CHARGES

TOTAL OF ADDITIONAL CHARGES ARE INCLUDED IN AND PAYABLE WITH THE FIRST PAYMENT DUE ABOVE

NYFF \$ 1 78

Producer
 ALBURGER BASSO DE GROSZ INSURANCE SERVICES
 301 ISLAND PARKWAY
 BELMONT, CA 94002-4110



**Customarq Series
Electronics Insurance Program**

How To Report A Loss

To assist you in reporting a loss, the following procedure has been set up to allow you to notify us.

Loss Notification

Should you have a loss, contact your agent/broker in writing or by telephone as soon as possible

Agent/Broker name ALBURGER BASSO DE GROSZ INSURANCE SERVICES
Address 301 ISLAND PARKWAY
 BELMONT, CA 94002-4110

Telephone No 415-598-0900

Agent/Broker Unavailable

If for any reason you are unable to reach your agent/broker, please contact our Claim department in writing or by telephone as soon as possible

Chubb FEDERAL INSURANCE COMPANY
Address HOPYARD CENTER
 5050 HOPYARD ROAD, SUITE 400
 PLEASANTON, CA 94588-3321

Telephone No (925)598-6000

If you are reporting a loss by telephone, you can contact us between the hours of 8:30 a.m. to 4:30 p.m. Monday - Friday

Emergency

If you are unable to contact your agent/broker or our office and it is an emergency situation, the following toll free number is available during non-business hours

Telephone No 1-800-252-4670



**Customarq Series
Electronics Insurance Program**

Table Of Contents

This Table Of Contents is provided to acquaint you with the overall organization of this policy

POLICY ORGANIZATION

Insuring Agreement

Premium Summary

Property Insurance Section

Property Schedule Of Forms & Declarations

Property Contracts *

Common Property Conditions

Property Endorsements

Liability Insurance Section

Liability Schedule Of Forms & Declarations

Liability Contracts *

Liability Endorsements

Common Policy Section

Common Policy Conditions

Common Policy Endorsements

* Note Each contract within a section has its own Table Of Contents to facilitate your use of them



**Customarq Series
Electronics Insurance Program**

Insuring Agreement

**Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059**

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT.)
501 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No 0008279-99999

*Incorporated under the laws of
INDIANA*

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Company and Policy Period

Insurance is issued by the company in consideration of payment of the required premium.

This policy is issued for the period 12 01 AM standard time at the Named Insured's mailing address shown above

From APRIL 30, 1998 To APRIL 30, 1999

Your acceptance of this policy terminates, effective with the inception of this policy, any prior policy of the same number issued to you by us

This Insuring Agreement together with the Premium Summary, Schedule Of Forms, Declarations, Contracts, Endorsements and Common Policy Conditions comprise this policy. If this policy is a renewal, we have only reissued to you those policy documents containing changes from your previous policy period coverages and any new additional coverages or policy provisions. All other policy documents continue in effect.

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

FEDERAL INSURANCE COMPANY (incorporated under the laws of Indiana)

President

Secretary

Authorized Representative



**Customarq Series
Electronics Insurance Program**

Premium Summary

**Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059**

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT)
501 E MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

*Issued by the stock insurance company
indicated below, herein called the company.*

**FEDERAL INSURANCE
COMPANY**

Producer No 0008279-99999

*Incorporated under the laws of
INDIANA*

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Policy Period

From APRIL 30, 1998 To APRIL 30, 1999
12 01 A M standard time at the Named Insured s mailing address shown above.

Premium Payment

The first Named Insured shown in the Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay

Estimated Premiums

Premiums shown in this summary with an asterisk(*) are estimated premiums and are subject to audit.

For each audit period we will compute the earned premium for that period based on our audit. If as a result of our audit additional premiums are due, they are payable upon notice to the First Named Insured. If the premium paid is greater than the earned premium, we will return the excess to the first Named Insured. The audit period will be determined by the company and will be that period of time which we deem appropriate for adjustment of those policy premiums which are subject to audit. The first Named Insured must keep records of the information we need to perform the audit and send us copies at such times as we may request.

Coverage	Rate	Premium	*
PROPERTY INSURANCE SECTION		\$ 105,601	
PERSONAL PROPERTY	053	\$ 41,023	*

Issue Date SEPTEMBER 1, 1998

continued

Premium Summary*(continued)*

BUSINESS INCOME		\$ 44,526	
AUDITORS FEES		\$ 365	
LOSS OF UTILITIES		\$ 1,927	
RESEARCH AND DEVELOPMENT PROPERTY		\$ 149	
VALUABLE PAPERS		\$ 233	
BUILDING UNDER CONSTRUCTION		\$ 5,910	
EDP AT ANY OTHER LOCATION		\$ 856	
MACHINERY BREAKDOWN		\$ 5,095	
PERSONAL PROPERTY IN TRANSIT		\$ 638	
PERSONAL PROPERTY ANY OTHER LOCATION		\$ 1,681	
BUSINESS INCOME ANY OTHER LOCATION		\$ 1,939	
PERSONAL PROPERTY EXHIBITION, FAIR OR TRADE SHOW		\$ 1,259	
LIABILITY INSURANCE SECTION		\$ 98,748	*
GENERAL LIABILITY		\$ 34,942	*
PREMISES/OPERATIONS	05	\$ 24,245	*
PRODUCTS/COMPLETED OPERATIONS	019	\$ 9,197	*
EMPLOYEE BENEFITS ERRORS OR OMISSIONS		\$ 300	
COMPUTER SOFTWARE AND SERVICES ERRORS OR OMISSIONS	.085	\$ 63,506	*
STOP GAP		\$ 1,500	
INTERNATIONAL INSURANCE SECTION		\$ 7,256	
TOTAL		\$ 211,605	

Payment Plan

This policy premium is being billed as follows. The amounts shown are due and payable as of the dates shown below.

<u>Date Payment Due</u>	<u>Amount Due</u>
APRIL 30, 1998	\$ 52,903 03
JULY 30, 1998	\$ 52,901 25
OCTOBER 30, 1998	\$ 52,901 25

Issue Date SEPTEMBER 1, 1998

continued



**Customarq Series
Electronics Insurance Program**

Premium Summary

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

Premium Summary

(continued)

JANUARY 30, 1999

\$ 52,901.25

TOTAL OF ADDITIONAL CHARGES ARE INCLUDED IN AND PAYABLE WITH THE FIRST PAYMENT
DUE ABOVE

NYFF

\$ 1.78

DECLARATIONS

Property Insurance Section

Declarations



Property Insurance

Schedule of Forms

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

The following is a schedule of forms issued as of the date shown above:

<i>Form Number</i>	<i>Edition Date</i>	<i>Form Name</i>	<i>Effective Date</i>	<i>Date Issued</i>
80-02-0005	4-94	PROPERTY DECLARATIONS	04/30/98	09/01/98
80-02-0006	4-94	PROPERTY SUPPLEMENTARY DECLARATIONS	04/30/98	09/01/98
80-02-0007	4-94	PROPERTY SUPPLEMENTARY DECLARATIONS - BI	04/30/98	09/01/98
80-02-1000	4-94	BUILDING AND PERSONAL PROPERTY	04/30/98	09/01/98
80-02-1002	4-94	BUILDING UNDER CONSTRUCTION	04/30/98	09/01/98
80-02-1004	4-94	BUSINESS INCOME (WITH EXTRA EXPENSE)	04/30/98	09/01/98
80-02-1016	4-94	ACCOUNTS RECEIVABLE	04/30/98	09/01/98
80-02-1017	4-94	ELECTRONIC DATA PROCESSING PROPERTY	04/30/98	09/01/98
80-02-1018	4-94	EXTRA EXPENSE	04/30/98	09/01/98
80-02-1019	4-94	FINE ARTS	04/30/98	09/01/98
80-02-1020	4-94	MONEY AND SECURITIES	04/30/98	09/01/98
80-02-1021	4-94	PERSONAL PROPERTY IN TRANSIT	04/30/98	09/01/98
80-02-1022	4-94	RESEARCH AND DEVELOPMENT PROPERTY	04/30/98	09/01/98
80-02-1023	4-94	VALUABLE PAPERS	04/30/98	09/01/98
80-02-1024	4-94	COMMON PROPERTY CONDITIONS	04/30/98	09/01/98
80-02-1342	4-94	AOL WORLDWIDE DEFINITION	04/30/98	09/01/98
80-02-1344	4-94	LENDERS/LOSS PAYEE CONDITION ADDED	04/30/98	09/01/98
80-02-1355	4-94	EARTHQUAKE SPRINKLER LEAKAGE-DEDUCTIBLE(CA)	04/30/98	09/01/98
80-02-1359	4-95	SPECIAL PROPERTY AND BUSINESS INC. DEDUCTIBLE	04/30/98	09/01/98
80-02-1501	4-94	AMENDED PROPERTY CONDITIONS - INTERNATIONAL	04/30/98	09/01/98
80-02-1503	4-94	DIC/EXCESS - INTERNATIONAL	04/30/98	09/01/98
80-02-1512	4-94	EXTENDED BI/GP/EE TERRITORY - INTERNATIONAL	04/30/98	09/01/98
80-02-1513	4-94	DUAL TRIGGER BI/GP - INTERNATIONAL	04/30/98	09/01/98
80-02-1517	4-94	AMENDED IM TERRITORY - INTERNATIONAL	04/30/98	09/01/98

last page



Property Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT)
501 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

Issued by the stock insurance company indicated below, herein called the company

FEDERAL INSURANCE COMPANY

Producer No. 0008279-99999

Incorporated under the laws of INDIANA

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Policy Period

From. APRIL 30, 1998 To APRIL 30, 1999
12.01 A.M. standard time at the Named Insured's mailing address shown above

The following displays the premises covered under this insurance.

Premises Summary

PREMISES #1 685 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043
LOSS PAYEE AS PER SCHEDULE ON FILE WITH COMPANY

PREMISES #2 685 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043

PREMISES #3 575 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043

Premises Summary
(continued)

PREMISES #4	501 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #5	487 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #6	455 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #7	415 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #8	1295 CHARLESTON ROAD MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #9	300 FREGUSON MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #10	475 ELLIS STREET MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #11	501 ELLIS MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #12	555 ELLIS MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #13	626 WEST CALIFORNIA SUNNYVALE, CALIFORNIA 94086
PREMISES #14	645 ALMANOR MOUNTAIN VIEW, CALIFORNIA 94043
PREMISES #15	555 W. MIDDLEFIELD ROAD, UNIT S-208 MOUNTAIN VIEW, CALIFORNIA 94043



Property Insurance

Declarations

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

Premises Summary
(continued)

PREMISES #16 490 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043

PREMISES #17 401 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043

PREMISES #18 464 ELLIS, #S 20, 21, 22
MOUNTAIN VIEW, CALIFORNIA 94043

PREMISES #19 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043

PREMISES #20 6701 DEMOCRACY BLVD., SUITE 300
BETHESDA, MARYLAND 20817

PREMISES #21 599 LEXINGTON AVENUE, #2300
NEW YORK, NEW YORK 10022

PREMISES #22 NETSCAPE COMMUNICATIONS AUSTRALIA PTY LTD
28 CLARENDEN STREET
SOUTH MELBOURNE, AUSTRALIA

PREMISES #23 NETSCAPE COMMUNICATIONS AUSTRALIA OTD LTD
LEVEL 20, 99 WALKER STREET
NORTH SIDNEY, VICTORIA, AUSTRALIA

Premises Summary
(continued)

PREMISES #24 NETSCAPE COMMUNICATIONS SA
CNIT - B P 240,2
PLACE DE LA DEENSE
92053 PARIS-LA DEFENSE

PREMISES #25 NETSCAPE COMMUNICATIONS GMBH
AIRPORT OFFICE MUNICH
AM SOLDNERMOOS 8,
84398 HALLBERGMOOS GERMANY

PREMISES #26 NETSCAPE COMMUNICATIONS LIMITED
ROOM 3201-3, NAT WEST TOWER
TIMES SQUARE, 1 MATHESON ST
CAUSEWAY, BAY HONG KONG

PREMISES #27 NETSCAPE COMMUNICATIONS LTD.
D.I. SHANNON INDUSTRIAL ESTATE
CO CLARE, IRELAND

PREMISES #28 NETSCAPE COMMUNICATIONS LTD.
CITY WEST BUSINESS PARK
SAGGART, CO DUBLIN, IRELAND

PREMISES #29 NETSCAPE COMMUNICATIONS JAPAN LTD
TOKYO OPERA CITY TOWER 29F
3-20-2 NISHI SHINJUKU
SHINJUKU-KU, TOKYO 163-14

PREMISES #30 NETSCAPE COMMUNICATIONS UK LTD
STATUS PARK, STATUS 4,
NOBEL DRIVE, HAYES
MIDDLESEX UB3 5EY UNITED KINGDOM

PREMISES IN TRANSIT
PREMISES ANY OTHER LOCATION
PREMISES EXHIBITION, FAIR OR TRADE SHOW



Property Insurance

Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT)
501 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

Issued by the stock insurance company indicated below, herein called the company

FEDERAL INSURANCE COMPANY

Producer No 0008279-99999

Incorporated under the laws of INDIANA

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Policy Period

From: APRIL 30, 1998 To: APRIL 30, 1999
12:01 A.M standard time at the Named Insured's mailing address shown above

Deductible \$ 5,000

The deductible shown above applies to all coverages, except Business Income and Extra Expense, and all premises shown in this and all other property declarations, unless a specific deductible is shown following a coverage

The following displays the coverages provided at the premises stated below

- PREMISES #1 685 E MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043
Buildings Included: 1
- PREMISES #2 685 E MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043
Buildings Included: 1
- PREMISES #3 575 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043
Buildings Included: 1
- PREMISES #4 501 E MIDDLEFIELD ROAD
MOUNTAIN VIEW, CALIFORNIA 94043

Premises Coverages*(continued)*

	Buildings Included: 1
PREMISES #5	487 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #6	455 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #7	415 E. MIDDLEFIELD ROAD MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #8	1295 CHARLESTON ROAD MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #9	300 FREGUSON MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #10	475 ELLIS STREET MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #11	501 ELLIS MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #12	555 ELLIS MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #13	626 WEST CALIFORNIA SUNNYVALE, CALIFORNIA 94086 Buildings Included: 1
PREMISES #14	645 ALMANOR MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #15	555 W. MIDDLEFIELD ROAD, UNIT S-208 MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #17	401 ELLIS MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #18	464 ELLIS, #S 20, 21, 22 MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1
PREMISES #19	ELLIS MOUNTAIN VIEW, CALIFORNIA 94043 Buildings Included: 1



Property Insurance

Declarations

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

Premises Coverages

(continued)

PREMISES #20	6701 DEMOCRACY BLVD , SUITE 300 BETHESDA, MARYLAND 20817 Buildings Included 1
PREMISES #21	599 LEXINGTON AVENUE, #2300 NEW YORK, NEW YORK 10022 Buildings Included 1
PREMISES #22	NETSCAPE COMMUNICATIONS AUSTRALIA PTY LTD 28 CLARENDEN STREET SOUTH MELBOURNE, AUSTRALIA Buildings Included: 1
PREMISES #23	NETSCAPE COMMUNICATIONS AUSTRALIA OTD LTD LEVEL 20, 99 WALKER STREET NORTH SIDNEY, VICTORIA, AUSTRALIA Buildings Included. 1
PREMISES #24	NETSCAPE COMMUNICATIONS SA CNIT - B.P 240,2 PLACE DE LA DEENSE 92053 PARIS-LA DEFENSE Buildings Included: 1
PREMISES #25	NETSCAPE COMMUNICATIONS GMBH AIRPORT OFFICE MUNICH AM SOLDNERMOOS 8, 84398 HALLBERGMOOS GERMANY Buildings Included 1
PREMISES #26	NETSCAPE COMMUNICATIONS LIMITED ROOM 3201-3, NAT WEST TOWER TIMES SQUARE, 1 MATHESON ST CAUSEWAY BAY HONG KONG Buildings Included 1
PREMISES #27	NETSCAPE COMMUNICATIONS LTD D 1 SHANNON INDUSTRIAL ESTATE CO CLARE, IRELAND Buildings Included. 1
PREMISES #28	NETSCAPE COMMUNICATIONS LTD CITY WEST BUSINESS PARK SAGGART, CO DUBLIN, IRELAND

Premises Coverages

(continued)

PREMISES #29 Buildings Included: 1
 NETSCAPE COMMUNICATIONS JAPAN LTD.
 TOKYO OPERA CITY TOWER 29F
 3-20-2 NISHI SHINJUKU
 SHINJUKU-KU, TOKYO 163-14

PREMISES #30 Buildings Included: 1
 NETSCAPE COMMUNICATIONS UK LTD.
 STATUS PARK, STATUS 4,
 NOBEL DRIVE, HAYES
 MIDDLESEX UB3 5EY UNITED KINGDOM

PERSONAL PROPERTY
 EDP EQUIPMENT
 EDP MEDIA
 PERSONAL PROPERTY OF EMPLOYEES
 PROPERTY OF OTHERS
 BLANKET LIMIT OF INSURANCE **5 200,000,000**
 DEDUCTIBLE **5000 D/2500 F**
 REPORTING - PERSONAL PROPERTY **QUARTERLY**

*** * * * * *
PREMISES #1 685 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #2 685 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #3 575 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #4 501 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #5 487 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #6 455 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #7 415 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043
 Buildings Included: 1
PREMISES #8 1295 CHARLESTON ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043



Property Insurance

Declarations

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

Premises Coverages
(continued)

- Buildings Included 1
- PREMISES #9 300 FREGUSON
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included 1
- PREMISES #10 475 ELLIS STREET
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included 1
- PREMISES #11 501 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #12 555 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #13 626 WEST CALIFORNIA
SUNNYVALE, CALIFORNIA 94086
- Buildings Included: 1
- PREMISES #14 645 ALMANOR
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #15 555 W MIDDLEFIELD ROAD, UNIT S-208
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #17 401 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #18 464 ELLIS, # S 20, 21, 22
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #19 ELLIS
MOUNTAIN VIEW, CALIFORNIA 94043
- Buildings Included: 1
- PREMISES #20 6701 DEMOCRACY BLVD., SUITE 300
BETHESDA, MARYLAND 20817
- Buildings Included 1

Premises Coverages*(continued)*

PREMISES #21 599 LEXINGTON AVENUE, #2300
NEW YORK, NEW YORK 10022
Buildings Included: 1

PREMISES #22 NETSCAPE COMMUNICATIONS AUSTRALIA PTY LTD
28 CLARENDEN STREET
SOUTH MELBOURNE, AUSTRALIA
Buildings Included: 1

PREMISES #23 NETSCAPE COMMUNICATIONS AUSTRALIA OTD. LTD.
LEVEL 20, 99 WALKER STREET
NORTH SIDNEY, VICTORIA, AUSTRALIA
Buildings Included: 1

PREMISES #24 NETSCAPE COMMUNICATIONS SA
CNIT - B.P. 240,2
PLACE DE LA DEENSE
92053 PARIS-LA DEFENSE
Buildings Included: 1

PREMISES #25 NETSCAPE COMMUNICATIONS GMBH
AIRPORT OFFICE MUNICH
AM SOLDNERMOOS 8,
84398 HALLBERGMOOS GERMANY
Buildings Included: 1

PREMISES #26 NETSCAPE COMMUNICATIONS LIMITED
ROOM 3201-3, NAT WEST TOWER
TIMES SQUARE, 1 MATHESON ST.
CAUSEWAY, BAY HONG KONG
Buildings Included: 1

PREMISES #27 NETSCAPE COMMUNICATIONS LTD.
D 1. SHANNON INDUSTRIAL ESTATE
CO. CLARE, IRELAND
Buildings Included: 1

PREMISES #28 NETSCAPE COMMUNICATIONS LTD.
CITY WEST BUSINESS PARK
SAGGART, CO. DUBLIN, IRELAND
Buildings Included: 1

PREMISES #29 NETSCAPE COMMUNICATIONS JAPAN LTD
TOKYO OPERA CITY TOWER 29F
3-20-2 NISHI SHINJUKU
SHINJUKU-KU, TOKYO 163-14
Buildings Included: 1

PREMISES #30 NETSCAPE COMMUNICATIONS UK LTD
STATUS PARK, STATUS 4,
NOBEL DRIVE, HAYES
MIDDLESEX UB3 5EY UNITED KINGDOM
Buildings Included: 1

BUSINESS INCOME WITH EXTRA EXPENSE



Property Insurance

Declarations

Effective Date APRIL 30, 1998

Policy Number 3535-11-19

Premises Coverages

(continued)

BLANKET LIMIT OF INSURANCE \$ 75,000,000
 INDEMNITY PERIOD 0 HOURS

PREMISES #1 685 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043

BUSINESS INCOME
 AUDITORS FEES
 LIMIT OF INSURANCE \$ 100,000

RESEARCH AND DEVELOPMENT PROPERTY
 LIMIT OF INSURANCE \$ 200,000
 DEDUCTIBLE \$ 5,000

VALUABLE PAPERS
 LIMIT OF INSURANCE \$ 250,000

PREMISES #16 490 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CALIFORNIA 94043

BUILDING UNDER CONSTRUCTION
 LIMIT OF INSURANCE \$ 9,000,000

PREMISES: IN TRANSIT

PERSONAL PROPERTY
 LIMIT OF INSURANCE \$ 50,000

BUSINESS INCOME WITH EXTRA EXPENSE
 LIMIT OF INSURANCE \$ 100,000

PREMISES: EXHIBITION, FAIR OR TRADE SHOW

PERSONAL PROPERTY
 LIMIT OF INSURANCE \$ 500,000

OVERHEAD TRANSMISSION LINES
 LIMIT OF INSURANCE \$ 1,000,000

Premises Coverages
(continued)

PROPERTY/EDP AOL WORLDWIDE
LIMIT OF INSURANCE \$ 500,000

Newly Acquired Premises or Newly Acquired Or Constructed Property

<i>Coverages</i>	<i>Limit Of Insurance</i>
BUILDING	\$ 2,000,000
PERSONAL PROPERTY	\$ 1,000,000
ELECTRONIC DATA PROCESSING MEDIA	\$ 100,000
ELECTRONIC DATA PROCESSING EQUIPMENT	\$ 1,000,000
FINE ARTS	\$ 20,000
ELECTRONIC DATA PROCESSING MEDIA DUPLICATES	\$ 100,000



Property Insurance

Supplementary Declarations

Chubb Group of Insurance Companies
15 Mountain View Road
Warren, NJ 07059

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
(SEE NAMED INSURED ENDT)
501 E. MIDDLEFIELD ROAD
MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Producer No. 0008279-99999

Incorporated under the laws of INDIANA

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
301 ISLAND PARKWAY
BELMONT, CA 94002-4110

Policy Period

From APRIL 30, 1998 To APRIL 30, 1999
12.01 A.M. standard time at the Named Insured's mailing address shown above

Covered Premises \$250,000 Blanket Limit Of Insurance

The Blanket Limit Of Insurance shown above applies over all of the Coverages shown below. This Blanket Limit Of Insurance applies separately at each covered premises shown in the Declarations and is subject to the Property Deductible shown in the Declarations. This Blanket Limit Of Insurance does not apply to premises shown in the Declarations as Any Other Location. At time of loss, the first Named Insured may elect to apportion this Blanket Limit Of Insurance to one or any combination of the Coverages shown, but under no circumstance will the aggregate apportionment be permitted to exceed the Blanket Limit Of Insurance shown above at any one covered premises.

Separate specific Limits Of Insurance may be purchased for each of these Coverages. If purchased, these Limits Of Insurance and any applicable deductible will be shown in the Declarations with the Coverage. If no deductible is shown in the Declarations with the Coverage, then the Property Deductible will apply. When a specific Limit Of Insurance is purchased for any of these Coverages, this Limit Of Insurance will apply in addition to whatever amount the first Named Insured apportions to that Coverage at time of loss as provided in the previous paragraph.

Property Coverages

- | | |
|-------------------------------------|---------------------------------|
| ACCOUNTS RECEIVABLE | CONSEQUENTIAL LOSS |
| ELECTRONIC DATA PROCESSING PROPERTY | EXTRA EXPENSE |
| FINE ARTS | FIRE DEPARTMENT SERVICE CHARGES |

Covered Premises \$250,000 Blanket Limit Of Insurance

Property Coverages
(continued)

LEASEHOLD INTEREST - IMPROVEMENTS & BETTERMENTS	OUTDOOR TREES, SHRUBS, PLANTS, LAWNS
PERSONAL PROPERTY OF EMPLOYEES	VALUABLE PAPERS

Additional Coverage

The Limits Of Insurance shown below are provided for the Coverages shown at no additional cost to you. These Limits Of Insurance apply separately at each of your premises unless otherwise shown. You may purchase additional Limits Of Insurance, and we will charge you an additional premium. If you purchase additional limits for any of these Coverages, the Limits Of Insurance shown in the Declarations will reflect your total limit, including the Limits Of Insurance shown below. Any applicable deductible will be shown in the Declarations with the Coverage. If no deductible is shown in the Declarations with the Coverage, then the Property Deductible will apply.

<i>Property Coverages</i>	<i>Limit Of Insurance</i>
ACCOUNTS RECEIVABLE - IN TRANSIT	\$ 10,000
DEBRIS REMOVAL	\$ 250,000
DEFERRED PAYMENTS	\$ 50,000
ELECTRONIC DATA PROCESSING PROPERTY - IN TRANSIT	\$ 50,000
FINE ARTS - IN TRANSIT	\$ 10,000
INSTALLATION - ANY JOB SITE	\$ 50,000
INVENTORY OR APPRAISALS	\$ 10,000
MONEY & SECURITIES - ON PREMISES	\$ 20,000
OFF PREMISES	\$ 10,000
PERSONAL PROPERTY - ANY OTHER LOCATION	\$ 10,000
POLLUTANT CLEAN-UP & REMOVAL	\$ 25,000
VALUABLE PAPERS - IN TRANSIT	\$ 10,000

Authorized Representative





Property Insurance

Supplementary Declarations

Chubb Group of Insurance Companies
 15 Mountain View Road
 Warren, NJ 07059

Named Insured and Mailing Address

NETSCAPE COMMUNICATIONS CORPORATION
 (SEE NAMED INSURED ENDT.)
 501 E. MIDDLEFIELD ROAD
 MOUNTAIN VIEW, CA 94043

Policy Number 3535-11-19

Effective Date APRIL 30, 1998

Issued by the stock insurance company indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Producer No 0008279-99999

Incorporated under the laws of
 INDIANA

Producer ALBURGER BASSO DE GROSZ INSURANCE SERVICES
 301 ISLAND PARKWAY
 BELMONT, CA 94002-4110

Policy Period

From APRIL 30, 1998 To APRIL 30, 1999
 12 01 A.M standard time at the Named Insured's mailing address shown above.

Additional Coverage - Business Income

The Limits Of Insurance shown below are provided for the Coverages shown at no additional cost to you. These Limits Of Insurance apply separately at each of your premises unless otherwise shown. You may purchase additional Limits Of Insurance, and we will charge you an additional premium. If you purchase additional limits for any of these Coverages, the Limits Of Insurance shown in the Declarations will reflect your total limit, including the Limits Of Insurance shown below

Property Coverages

Limit Of Insurance

<i>BUSINESS INCOME -</i>	
ANY OTHER LOCATION	\$ 10,000
AUDITORS FEES	\$ 10,000
CONTRACTUAL PENALTIES	\$ 10,000
DEPENDENT BUSINESS PREMISES	\$ 250,000
LOSS OF UTILITIES	\$ 25,000
POLLUTION CLEAN-UP & REMOVAL	\$ 10,000

Newly Acquired Premises

The following displays the coverage provided for each newly acquired premises

<i>Coverages</i>	<i>Limit Of Insurance</i>
BUSINESS INCOME	\$ 250,000

Authorized Representative

Robert Hamburger

Property Insurance

Building And Personal Property

Table Of Contents

Section	Page No.
Coverage	3
Extension Of Coverage	3
Additional Coverages	4
Exclusions	7
Coverage Territory	10
Limits Of Insurance	10
Deductible	11
Loss Payment Basis	11
Loss Payment Basis Exceptions	14
Conditions	15
Definitions	19

PROPERTY CONTRACT BUILDING AND PERSONAL PROPERTY

THIS PAGE INTENTIONALLY LEFT BLANK



Building And Personal Property

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance

Coverage

Building Or Personal Property

We will pay for direct physical loss or damage to **building or personal property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit of Insurance for Building or Personal Property shown in the Declarations

The loss or damage must occur at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations, unless otherwise stated.

This coverage applies only at those premises for which a Limit of Insurance for Building or Personal Property is shown in the Declarations

Newly Acquired Premises

We will pay for direct physical loss or damage to

- **building** under construction at existing or newly acquired premises; and
- **building or personal property** at newly acquired premises.

caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Building or Personal Property shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property

This coverage applies until the first of the following occurs.

- you report the value of the **building or personal property** at the newly acquired premises to us,
- 180 days pass from the date you acquire the premises or construction begins on the **building**; or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises or construction begins on the **building**

Extension Of Coverage

The following extension of coverage is included under your coverage for **building or personal property**, and is subject to the applicable Limit of Insurance for Building or Personal Property shown in the Declarations

Removal

We will pay for

- any direct physical loss or damage to **personal property** while it is being moved to or while stored at another location for up to 180 days, or

Extension Of Coverage

*Removal
(continued)*

- the cost to remove **personal property** from any premises, if you must move the **personal property** from a premises to preserve it from loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided at each covered premises only if a Limit of Insurance for such Additional Coverages at each covered premises is shown in the Declarations

Any Other Location

We will pay for direct physical loss or damage to **personal property** at unspecified premises shown in the Declarations under Premises Summary as Any Other Location, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Any Other Location shown under Personal Property in the Declarations

This additional coverage does not apply to

- **salespersons samples;**
- **personal property** while at any exhibition, fair, or trade show;
- **personal property** at a newly acquired premises;
- **personal property** at a job site or temporarily warehoused elsewhere awaiting installation at the job site; or
- **personal property** while in transit

Consequential Loss

We will pay for the consequential loss to undamaged **personal property** that is part of:

- your product, or
- any product in your care, custody or control,

which has become unmarketable as a complete product, because of covered direct physical loss or damage to **personal property** which is part of the same product, not to exceed the Limit of Insurance for Consequential Loss shown in the Declarations

This additional coverage applies only when you have purchased a Limit of Insurance for **personal property**

Debris Removal

We will pay for the costs you incur to demolish and remove debris of lost or damaged **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns** at the premises shown in the Declarations, caused by or resulting from a peril not otherwise excluded that occurs during the policy period

- A The most we will pay for debris removal is the lesser of:
- 1 25% of the covered direct physical loss or damage, or
 - 2 the remaining applicable Limit of Insurance for Building or Personal Property shown in the Declarations after payment of the covered direct physical loss or damage



Building And Personal Property

Additional Coverages

Debris Removal (continued)

B. If the amount in A above is insufficient to pay the debris removal, we will pay the remaining debris removal, subject to the Limit of Insurance for Debris Removal shown in the Declarations.

We will also pay up to \$1,000 for the costs you incur at each premises to remove debris of outdoor trees, shrubs or plants that are blown onto your premises by wind

Debris removal will be paid only if:

- reported to us in writing within 180 days of the date of the direct physical loss or damage to the **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns**, and
- a Limit of Insurance applicable to the lost or damaged **building, personal property, personal property of employees or outdoor trees, shrubs, plants or lawns** is shown in the Declarations.

Debris removal does not apply to costs to

- clean-up or remove **pollutants** from land or water, or
- clean-up, remove, restore or replace polluted land or water.

Deferred Payments

We will pay for your interest in **personal property** that suffers direct physical loss or damage caused by or resulting from a peril not otherwise excluded, and sold by you under a conditional sale or trust agreement or any installment or deferred payment plan, after delivery to buyers, not to exceed the Limit of Insurance for Deferred Payments shown in the Declarations

Fire Department Service Charges

We will pay the charges you assume by contract or agreement executed prior to loss, or charges that you are required to pay by local ordinance if the fire department is called to save or protect your **building or personal property** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Fire Department Service Charges shown in the Declarations

Fire Protective Equipment

We will pay the cost you incur to refill your discharged fire protective equipment, whether or not there is direct physical loss or damage to your **building or personal property**

This Additional Coverage is provided regardless of whether a Limit of Insurance is shown in the Declarations

Installation

We will pay for direct physical loss or damage to **personal property** caused by or resulting from a peril not otherwise excluded while such **personal property** is at a job site or temporarily warehoused elsewhere

- awaiting and during installation,
- awaiting and during tests, or
- awaiting acceptance by the buyer,

not to exceed the Limit of Insurance for Installation shown in the Declarations.

Additional Coverages
*Installation
(continued)*

We will not pay for any loss or damage to:

- **personal property** not a part of or destined to become part of the installation;
- tools; or
- contractors' equipment.

This Additional Coverage ends when the first of the following occurs:

- your interest in the **personal property** ceases;
- the buyer accepts the **personal property**;
- the **personal property** is put to use for its intended purpose, or
- this policy is terminated

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **building, personal property, personal property of employees, or outdoor trees, shrubs, plants or lawns**, not to exceed the Limit of Insurance for Inventory or Appraisals shown in the Declarations.

*Leasehold Interest -
Improvements And
Betterments*

We will pay for the value of undamaged **improvements and betterments** when your lease is canceled:

- by the lessor, and
- by a valid condition of your lease,

due to direct physical loss or damage to **building or personal property** caused by or resulting from a peril not otherwise excluded at the premises shown in the Declarations, not to exceed the Limit of Insurance for Leasehold Interest - Improvements and Betterments shown in the Declarations

When you rent the **building**, we will pay only if

- at least 25% of the entire **building** has been damaged, or
- a minimum of 6 months remains in your lease and at least 6 months is required to repair the **building** for your occupancy

When you rent a portion of the **building**, we will pay only if

- a minimum of 6 months remains in your lease, and
- at least 6 months is required to repair the **building** for your occupancy

*Outdoor Trees, Shrubs,
Plants Or Lawns*

We will pay for direct physical loss or damage to **outdoor trees, shrubs, plants or lawns** caused by or resulting from:

- fire;
- lightning;
- explosion;
- riot or civil commotion; or
- aircraft or self-propelled missiles.



Building And Personal Property

Additional Coverages

*Outdoor Trees, Shrubs,
Plants Or Lawns
(continued)*

not to exceed the Limit of Insurance for Outdoor Trees, Shrubs, Plants or Lawns shown in the Declarations

*Personal Property of
Employees*

We will pay for direct physical loss or damage to **personal property of employees** caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Personal Property of Employees shown in the Declarations

*Pollutant Clean Up Or
Removal*

We will pay the costs you incur to clean-up or remove **pollutants** from land or water at the premises shown in the Declarations if the discharge, dispersal, seepage, migration, release, or escape of the **pollutants** is caused by or results from a peril not otherwise excluded.

The costs will be paid only if they are reported to us in writing within 180 days of the date the peril occurred which caused or resulted in the discharge, dispersal, seepage, migration, release or escape of the **pollutants**

The Limit of Insurance shown in the Declarations for Pollutant Clean Up or Removal is the most we will pay at the premises for the sum of all such covered costs caused by or resulting from perils not otherwise excluded that occur during each separate 12 month policy period, regardless of whether this Additional Coverage appears in any other contract or contracts that form part of this policy

We will not pay for the costs to test for, monitor, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**, other than payment for testing which is performed during the clean-up or removal of the **pollutants** from the land or water

Exclusions

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body

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

Disappearance

This insurance does not apply to loss or damage caused by or resulting from disappearance or shortage disclosed on taking inventory, where there is no physical evidence to show what happened

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

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, and employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose

This exclusion does not apply to:

- acts of vandalism,

Exclusions

*Dishonesty
(continued)*

- acts committed by common carriers for hire or anyone claiming to be a common carrier for hire, or
- ensuing loss or damage unless another exclusion applies

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake, 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 ensuing loss or damage caused by or resulting from a **specified peril**

*Errors In Systems
Programming*

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

- errors in systems programming; or
- errors in instructions to a machine

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

Flood

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

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water, or watercourse, whether driven by wind or not, 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 ensuing loss or damage caused by or resulting from a **specified peril**

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, 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.



Building And Personal Property

Exclusions

Governmental Action (continued)

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

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of:

- insects,
- birds,
- rodents, or
- other animals

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

Loss Of Market

This insurance does not apply to loss or damage caused by or resulting from loss of market, loss of use or delay

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

Mistakes

This insurance does not apply to loss or damage caused by or resulting from error in the development, distribution, processing, manufacturing, testing, installation, alteration or repair of property

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

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, 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 ensuing loss or damage caused by or resulting from fire

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,

Exclusions

Planning, Design, Materials Or Maintenance (continued) 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.

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.



Building And Personal Property

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

Building Extended Limit Of Insurance

If an Extended Limit of Insurance for Building is shown in the Declarations, the most we will pay in any one occurrence is the amount of loss or damage, not to exceed 125% of the Limit of Insurance for Building shown in the Declarations

The Extended Limit of Insurance for Building:

- applies only to a premises shown in the Declarations for which the Extended Limit of Insurance is shown; and
- does not apply to any Blanket Limit of Insurance for Building shown in the Declarations.

Automatic Increase In Limits

The Limits of Insurance for Building or Personal Property will automatically increase by the annual percentage shown in the Declarations under Automatic Increase In Limits. At the time of loss or damage the amount of increase will be determined by multiplying the applicable Limit of Insurance shown in the Declarations by the percentage of annual increase applied on a pro rata basis

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 or Personal Property shown in the Declarations.

- A **building or personal property** 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 personal property** valuation includes costs you incur as described below under Ordinance or Law, Construction Fees, Brands and Labels, 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 personal property**,
- pay the cost of repairing or replacing the lost or damaged **building or personal property**, plus any reduction in value of the repaired item,
- take all or any part of the **building or personal property** at an agreed or appraised value, or
- repair or replace the **building or personal property** with another **building or personal property** of comparable material and quality for the same use or occupancy

Loss Payment Basis*(continued)***Replacement Cost Basis**

Lost or damaged **building** or **personal property** 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 **personal property** 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 **personal property**, 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 **personal property** 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 **personal property** 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 **personal property**, and if that ordinance or law affects the repair or replacement of the lost or damaged **building** or **personal property**, and if you.

- A. repair or replace the **building** or **personal property** as soon as reasonably possible, the valuation will include.
1.
 - a. the replacement cost of the damaged and undamaged portions of the **building** or **personal property**, or
 - b. the actual cash value of the damaged and undamaged portions of the **building** or **personal property** (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 **personal property**, and
 3. the increased cost to repair or replace the **building** to the same general size or **personal property** for the same general use, 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**,
 - b. incurred outside the legal property boundary of the premises shown in the Declarations, or
 - c. if **building** or **personal property** is valued on an actual cash value basis



Building And Personal Property

Loss Payment Basis

Ordinance Or Law (continued)

- B do not repair or replace the **building** or **personal property**, the valuation will include:
- 1 the actual cash value of the damaged and undamaged portions of the **building** or **personal property**; and
 - 2 the cost to demolish and clear the site of the undamaged portion of the **building** or **personal property**.

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

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**, or
- for undamaged improvements and betterments that are payable under the Additional Coverage for Leasehold Interest - Improvements and Betterments

Construction Fees

Building valuation includes necessary and incurred architectural, engineering, consulting, and supervisory fees related to the construction and repair of the lost or damaged **building**

Brands And Labels

Personal property valuation includes the cost of

- replacing labels, capsules, wrappers or containers from damaged **personal property**, or
- identifying and reconditioning damaged **personal property**

In the event of damage to **stock** you have two options when

- you do not want to sell your damaged **stock** under your brand or label; or
- the owner of any damaged **stock** in your care, custody or control does not want to sell that damaged **stock** under the owner's brand or label,

even though the damaged **stock** has salvage value,

You may

- remove the brand or label and then relabel the damaged **stock** to comply with the law, or
- label the damaged **stock** as 'salvage' but, in doing so, cause no further damage to the **stock**

In either case, the **personal property** valuation will include the difference between

- the salvage value of the damaged **stock** with the brand or label attached, and
- the salvage value of the damaged **stock** with the brand or label removed

Loss Payment Basis

(continued)

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 And Personal Property Of Employees

Subject to the applicable Limit of Insurance for Outdoor Trees, Shrubs, Plants or Lawns and Personal Property of Employees shown in the Declarations, **outdoor trees, shrubs, plants or lawns**, and **personal property of employees** are valued on the same basis as **personal property**, unless:

- the Loss Payment Basis shown in the Declarations is actual cash value; or
- otherwise stated under Loss Payment Basis Exceptions.

We will not pay more than the amount for which you are legally liable

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.

Deferred Payments

When a total loss occurs, coverage for deferred payments is valued based on the amount shown on your books as due from the buyer

When partial loss or damage occurs and the buyer refuses to continue payment, forcing you to repossess, coverage for deferred payments will be valued as follows.

- if the realized value of the repossessed **personal property** is greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; or
- if the realized value of the repossessed **personal property** is less than the amount shown on your books as due from the buyer, we will pay the difference

When partial loss or damage occurs and the buyer continues to pay you, we will not make any payment

Finished Stock And Sold Personal Property

Finished stock and sold **personal property** completed and awaiting delivery are valued based on your selling price less the value of discounts and costs you would have incurred



Building And Personal Property

Loss Payment Basis Exceptions

(continued)

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

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.

Stock In Process

Stock in process is valued based on raw materials and costs expended as of the date of loss or damage

Undamaged Improvements And Betterments

Undamaged **improvements and betterments** are valued based on:

- the cost to replace undamaged **improvements and betterments** at the time of loss or damage on the same or another site if you commence replacement within 24 months following the termination of your lease, or
- the **unamortized** portion of their original cost to you if you do not replace undamaged **improvements and betterments**

Conditions

Abandonment

There can be no abandonment of any **building, personal property, personal property of employees, or outdoor trees, shrubs, plants or lawns** to us unless we specifically agree to such abandonment in writing.

Loss Payable

For covered **personal property, personal property of employees, 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

Conditions
Loss Payment
(continued)

- B. We will not pay you more than your financial interest in the **building, personal property, personal property of employees, or outdoor trees, shrubs, plants or lawns.**
- C. We may adjust losses with the owners of lost or damaged **building, personal property, personal property of employees, 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, personal property, personal property of employees, 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, personal property, personal property of employees, 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** 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**

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



Building And Personal Property

Conditions

Other Insurance (continued)

This insurance is excess of

- the amount you recover under any other insurance for the loss of your interest in **improvements and betterments** or for the repair or replacement of lost or damaged **improvements and betterments**; or
- any other insurance for **personal property of others** or **personal property of employees**

Recovered Property

If any lost or damaged **building, personal property, personal property of employees, 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, personal property, personal property of employees, 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, personal property, personal property of employees, 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, personal property, personal property of employees, 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

THIS PAGE INTENTIONALLY LEFT BLANK



Building And Personal Property

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**

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.

Definitions*(continued)***WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:***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 Insurance.

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.

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**



Building And Personal Property

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Personal Property (continued)

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; except as otherwise stated, or
- animals, except animals owned by others and boarded by you or animals owned by you and held for sale

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

Definitions*(continued)***WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:****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

Raw Stock

Raw stock means **personal property** made up of material in the state in which you receive it for conversion into **finished stock**.

Salespersons' Samples

Salespersons' samples means **personal property** that is in the custody of any one of your salespersons and used only for sample purposes

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**

Specified Peril

Specified peril means

- aircraft or self-propelled missiles;
- explosion,
- fire or lightning;
- leakage from fire protection equipment;
- mine subsidence,
- riot or civil commotion,
- sinkhole collapse,
- smoke;
- vandalism;
- vehicles,



Building And Personal Property

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Specified Peril
(continued)

- volcanic action; or
- wind or hail.

Stock

Stock means **personal property** consisting of

- goods held in storage or for sale,
- **raw stock**,
- **stock-in-process**,
- **finished stock**, and
- **merchandise**

including supplies used in their packing or shipping.

Stock In Process

Stock in process means **raw stock** which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**

Unamortized

Unamortized means the period of time remaining in your lease at the time of loss or damage divided by the period of time from the date the **improvements and betterments** were made to the date that your lease expires

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

Business Income (With Extra Expense)

Table Of Contents

Section	Page No.
Coverage	3
Extensions Of Coverage	3
Additional Coverages	4
Coverage Territory	7
Limits Of Insurance	7
Deductible	7
Loss Determination	7
Loss Payment Option	8
Loss Payment Limitations	9
Conditions	9
Definitions	11

PROPERTY INSURANCE CONTRACT
 BUSINESS INCOME EXTRA EXPENSE

THIS PAGE INTENTIONALLY LEFT BLANK



Business Income (With Extra Expense)

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance

Coverage

Business Income And Extra Expense

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the applicable Limit of Insurance for Business Income with Extra Expense shown in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations, unless otherwise stated

This coverage applies only at those premises

- where you incur a **business income** loss, and
- for which a Limit of Insurance for Business Income With Extra Expense is shown in the Declarations

Newly Acquired Premises

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Business Income shown in the Declarations under Newly Acquired Premises

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at each newly acquired premises. This coverage applies until the first of the following occurs

- you notify us of how you want Business Income coverage to apply to the newly acquired premises; or
- 180 days pass from the date you acquire the premises, or
- this policy expires.

We will charge you additional premium from the date you acquire the premises

Extensions Of Coverage

The following extensions of coverage are included under your coverage for **business income** and **extra expense**, and are subject to the Limit of Insurance for Business Income with Extra Expense shown in the Declarations

Civil Authority

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment, or delay in the start of your **operations** when a civil authority prohibits access to your premises

Extensions Of Coverage

*Civil Authority
(continued)*

This actual or potential impairment or delay in the start of **operations** must be caused by or result from direct physical loss or damage to **property** away from your premises by a **covered peril**

This coverage is limited to 30 days from the time the Civil Authority prohibits access

This coverage does not apply if the direct physical loss or damage is caused by or results from earthquake or **flood**

Computer Virus

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**.

This actual or potential impairment of **operations** must be caused by or result from **computer virus** that occurs at the premises shown in the Declarations.

Remote And Consequential

We will pay for the actual **net income** loss you incur and discover after the **period of restoration**

We will pay:

- for the same length of time from the direct physical loss or damage to when your **property** is restored to the condition that existed prior to the loss, and
- only if the discovery is made within 24 months after the date of the direct physical loss or damage.

This loss must be caused by or result from direct physical loss or damage by a **covered peril** to your **property** at your premises shown in the Declarations, or within 1,000 feet of your premises shown in the Declarations, unless otherwise stated.

Additional Coverages

* * * *

Unless otherwise stated, the following Additional Coverages are provided at each covered premises only if a Limit of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Any Other Location

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Any Other Location shown under Business Income in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril to property** at unspecified premises shown in the Declarations under Premises Summary as Any Other Location

This additional coverage does not apply to **business income** loss and **extra expense** you incur caused by or resulting from loss or damage to property

- used by utility companies to supply you with services,
- at a **dependent business premises**,
- at a newly acquired premises,



Business Income (With Extra Expense)

Additional Coverages

Any Other Location (continued)

- at any exhibition, fair or trade show, or
- in transit

Auditors Fees

We will pay for reasonable fees you are obligated to pay your accountants or auditors following a loss covered by this contract when we require your accountants or auditors to certify your expenses, profit or loss, not to exceed the Limit of Insurance for Auditors Fees shown in the Declarations under Business Income in the Declarations

This additional coverage applies only at those premises for which you have incurred a loss covered by this contract

Contractual Penalties

We will pay for the contractual penalties you are legally liable to pay under the written provisions of a contract due to late or non-completion of orders, not to exceed the Limit of Insurance for Contractual Penalties shown under Business Income in the Declarations

This liability must be the direct result of direct physical loss or damage by a **covered peril** to **property** at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations

Dependent Business Premises

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Dependent Business Premises shown under Business Income in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** or **personal property of a dependent business premises** at a **dependent business premises**

This additional coverage does not apply to any **dependent business premises** within any country on which either the United States government or Canadian government have imposed sanctions, embargoes, or any similar prohibitions

Exhibition, Fair Or Trade Show

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Exhibition, Fair or Trade Show shown under Business Income in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property** at, or while in transit to or from, any exhibition, fair or trade show.

In Transit

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for In Transit shown under Business Income in the Declarations

This actual potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property** while in transit, including registered shipments by mail or **salespersons samples**

Additional Coverages

In Transit (continued)

This additional coverage does not apply:

- to any property while in transit to or from any exhibition, fair or trade show;
- when you are acting as a carrier for hire, or
- if you have purchased separate ocean marine insurance which covers any property in transit.

International Air Shipments

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for International Air Shipments shown under Business Income in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **personal property** while in transit via regularly scheduled airlines to or from.

- the Continental United States of America,
- Canada;
- the state of Hawaii,
- Puerto Rico; or
- territories or possessions of the United States of America,

and points worldwide. This coverage applies from the delivery of **personal property** at the point of origin shown in the airway bill until it is discharged at the destination shown in the airway bill.

This additional coverage does not apply

- to any property 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;
- if you have purchased separate ocean marine insurance which covers any property in transit; or
- if you are required to provide a negotiable special cargo policy of insurance to any seller, buyer or bank

Loss Of Utilities

We will pay for the actual **business income** loss and **extra expense** you incur due to the actual or potential impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Loss of Utilities shown under Business Income in the Declarations

This actual or potential impairment of **operations** must be caused by or result from direct physical loss or damage by a **covered peril** to **property** or **personal property of a utility**, excluding **overhead communication, transmission or distribution equipment**, not on your premises and used by the following utilities:

- water supply companies;
- communication supply companies,
- power supply companies, or
- natural gas supply companies,

to supply your premises with services



Business Income (With Extra Expense)

Additional Coverages

Loss Of Utilities (continued)

We will pay such loss provided that,

- the disruption of service is not due to your failure to comply with the terms and conditions of any contract, and
- the disruption of services has been reported to the utility

We will not pay for the actual **business income** loss and **extra expense** you incur during the first 12 normal business hours immediately following the direct physical loss or damage

Pollutant Clean-Up Or Removal

We will pay for the actual **business income** loss you incur due to the actual impairment of your **operations** during the **period of restoration**, not to exceed the Limit of Insurance for Pollutant Clean-Up or Removal shown under Business Income in the Declarations

This actual impairment of **operations** must be caused by or result from the enforcement of any ordinance or law that requires you to clean-up or remove **pollutants** from land or water as a result of direct physical loss or damage by a **covered peril to property** at the premises shown in the Declarations

Coverage Territory

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

The coverage territory for Dependent Business Premises coverage and International Air Shipments coverage is worldwide, unless otherwise stated

Limits Of Insurance

The most we will pay in any one occurrence, is the amount of loss, not to exceed the applicable Limit of Insurance shown in the Declarations

Deductible

We will pay the amount of loss in excess of the deductible amount or after the waiting period shown in the Declarations for each occurrence

If a waiting period is shown in the Declarations, the waiting period begins immediately following the direct physical loss or damage by a **covered peril** to property

If two or more Business Income or Extra Expense deductibles or waiting periods apply to the same occurrence, only the largest single deductible or waiting period will apply, unless otherwise stated

Loss Determination

In making any loss determination under this coverage we will utilize relevant sources of information, including

- your financial records and accounting procedures,
- bills, invoices and other vouchers, and
- deeds, liens and contracts

Loss Determination*(continued)***Net Income**

The amount of **net income** loss incurred will be determined based on:

- the **net income** of the business before the direct physical loss or damage occurred; and
- the likely **net income** of business if no loss or damage occurred.

Continuing Expenses

The amount of **continuing expenses** will be determined based on those incurred during the **period of restoration** and necessary to resume **operations** with the same quality of service that existed just before the direct physical loss or damage.

Extra Expense

The amount of **extra expense** loss will be determined based on:

- all expenses that exceed your normal operating expenses that would have been incurred by **operations** during the **period of restoration** if no physical loss or damage had occurred; and
- all necessary expenses that would reduce the **business income** loss that otherwise would have been incurred

We will deduct from the total of such expenses:

- the salvage value that remains of any **property** bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra expense** that is paid for by other insurance.

Resumption Of Operations

We will reduce the amount of any **business income** loss payment

- to the extent you can resume your **operations**, in whole or in part, by using damaged or undamaged **property**, including **merchandise** or **stock**; or
- to the extent you can resume your **operations**, in whole or in part, by using any other available premises or **dependent business premises**

If you do not resume **operations**, any loss determination will be based on the length of time it would have taken to resume **operations** with reasonable speed

Loss Payment Option

The following Loss Payment Option applies when a Monthly Limit of Indemnity under Business Income is shown in the Declarations.

Monthly Limit Of Indemnity

The most we will pay for the actual **business income** loss incurred in each period of 30 consecutive days after the direct physical loss or damage by a **covered peril to property** will be determined by multiplying the Limit of Insurance for Business Income with Extra Expense by the Monthly Limit of Indemnity shown in the Declarations.

If all of the amount determined by this calculation is not used in the 30 day period, the unused portion may be applied to the next 30 day period



Business Income (With Extra Expense)

Loss Payment Limitations

Loss Or Damage To Finished Stock

We will not pay for that part of any **business income** loss involving **finished stock**.

Increase Of Loss Due To Strikers Or Others Causing A Delay

We will not pay for any increase of loss caused by or resulting from delay in repairing or replacing any property or resuming **operations**, due to interference at the location of the repair or replacement by strikers or other persons

Conditions

Loss Payment

A We will pay for covered loss 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

Other Insurance

If you have other insurance against loss 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

THIS PAGE INTENTIONALLY LEFT BLANK



Business Income (With Extra Expense)

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

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**

Business Income

Business income means

- **net income**, and
- **continuing expenses**

Computer Virus

Computer virus means an intentional unwanted entry into **electronic data processing media** which results in unintended functions distorting, corrupting or manipulating the **electronic data processing media**

Contaminant

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

Definitions*(continued)***WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:****Continuing Expenses****Continuing expenses** means

- A. your continuing normal
 - 1. operating expenses,
 - 2. payroll, and
 - 3. rental payments as tenants; and
- B. charges which are the legal obligation of your tenant(s) and which would otherwise be your obligations.

Covered Peril

Covered peril means a peril covered by the Form(s) shown in the Property Insurance Schedule of Forms, except care, custody or control legal liability, applicable to the covered direct physical loss or damage.

Dependent Business Premises

Dependent business premises means premises operated by others on whom you depend to:

- deliver materials or services to you or to others for your account,
- accept your products or services,
- manufacture products for delivery to your customers under contract of sale; or
- attract customers to your business

Dependent business premises does not mean premises operated by others on whom you depend to:

- deliver utility services to you, or
- accept utility services from you

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.

Extra Expense**Extra expense** means expenses you incur

- in an attempt to continue **operations**, over and above the expenses you would have normally incurred, and
- to repair or replace any **property**, or to research or restore the lost information on damaged **valuable papers**, records and media, if such action will reduce any loss we would pay under this insurance.



Business Income (With Extra Expense)

Definitions
(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

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 Insurance

Flood

Flood means

- waves, tidal water or tidal waves; or
- rising or overflowing or breaking of any boundary,

of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans, or any other body of water, or watercourse, whether driven by wind or not

Improvements And Betterments

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

- made a part of a **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 Income

Net income means net profit or loss, including rental income from tenants, that would have been earned or incurred before income taxes

Operations

Operations means your business activities occurring at your premises prior to the loss, including the tenantability of these premises.

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.

Overhead Communication, Transmission Or Distribution Equipment

Overhead communication, transmission or distribution equipment means:

- overhead communication, transmission or distribution lines;
 - overhead transformers;
 - other similar overhead communication, transmission or distribution equipment;
- and supporting towers and poles

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

Period Of Restoration

Period of restoration means the period of time that begins with.

- A the date of the direct physical loss or damage, or
- B the date **operations** would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of **operations**:
 - 1 new **buildings** whether complete or under construction,
 - 2 alterations or additions to existing **buildings**, or
 - 3 **personal property** consisting of materials, machinery, equipment, supplies and temporary structures used in the construction, or for making additions, alterations or repairs to the structure

Period of Restoration will continue until your **operations** are restored, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred, including the time required to

- A repair or replace the property, or
- B repair or replace the property to comply with the minimum standards of any ordinance or law that
 1. regulates the repair or replacement of any property,
 2. requires the tearing down of parts of any property not damaged by a **covered peril**; and
 3. is in force on the date of the direct physical loss or damage

The expiration date of this policy will not cut short the **period of restoration**.



Business Income (With Extra Expense)

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

*Period Of Restoration
(continued)*

Period of restoration does not include any increased period required due to 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**, except as provided under Pollutant Clean-Up or Removal in this contract.

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

*Personal Property Of A
Dependent Business
Premises*

Personal property of a dependent business premises means personal property owned or leased by a **dependent business premises**

Personal property of a dependent business premises does not mean:

- **building,**
- land,
- water,
- growing crops,
- **outdoor trees, shrubs, plants or lawns.**

Definitions**WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:***Personal Property Of A
Dependent Business
Premises
(continued)*

- 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**, or
- animals

*Personal Property Of A
Utility*

Personal property of a utility means personal property owned or leased by a utility.

Personal property of a utility 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

*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**;



Business Income (With Extra Expense)

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Personal Property Of Employees
(continued)

- 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 employees 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 property covered by the Form(s) shown in the Property Insurance Schedule of Forms

Raw Stock

Raw stock means **personal property** made up of material in the state in which you receive it for conversion into **finished stock**

Salespersons' Samples

Salespersons' samples means **personal property** that is in the custody of any one of your salespersons and used only for sample purposes

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**

Stock

Stock means **personal property** consisting of

- goods held in storage or for sale,
- **raw stock**,
- **stock-in-process**.

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

(continued)

Stock
(continued)

- **finished stock**, and
 - **merchandise**,
- including supplies used in their packing or shipping

Stock In Process

Stock in process means **raw stock** which has undergone any aging, seasoning, mechanical or other process of manufacture but which has not become **finished stock**

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

Accounts Receivable

Table Of Contents

<i>Section</i>	<i>Page No.</i>
<i>Coverage</i>	3
<i>Extension Of Coverage</i>	3
<i>Additional Coverages</i>	3
<i>Exclusions</i>	4
<i>Coverage Territory</i>	6
<i>Limits Of Insurance</i>	6
<i>Deductible</i>	6
<i>Loss Payment Determination</i>	6
<i>Conditions</i>	7
<i>Definitions</i>	9

PROPERTY CONTRACT ACCOUNTS RECEIVABLE

THIS PAGE INTENTIONALLY LEFT BLANK



Accounts Receivable

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverage

Accounts Receivable

We will pay for **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit of Insurance for Accounts Receivable shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations, unless otherwise stated.

Extension Of Coverage

The following extension of coverage is included under your coverage for **accounts receivable**, and is subject to the Limit of Insurance for Accounts Receivable shown in the Declarations.

Removal

We will pay for

- the **accounts receivable** loss you incur caused by or resulting from any direct physical loss or damage to your **accounts receivable records** while they are being moved to or while stored at another location for up to 180 days, or
- the cost to remove your **accounts receivable records** from any premises,

if you must move your **accounts receivable records** from a premises to preserve them from loss or damage by a peril not otherwise excluded.

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided at each covered premises only if a Limit of Insurance for such Additional Coverages at each covered premises is shown in the Declarations.

Accounts Receivable In Transit

We will pay for the **accounts receivable** loss you incur caused by or resulting from direct physical loss or damage to your **accounts receivable records** in transit, including registered shipments by mail, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for In Transit shown under Accounts Receivable in the Declarations.

Debris Removal

We will pay for the costs you incur to remove debris of your lost or damaged **accounts receivable records** at the premises shown in the Declarations, caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Additional Coverages

Debris Removal *(continued)*

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to your **accounts receivable records**

Debris removal does not apply to costs to

- clean-up or remove **pollutants** from land or water; or
- clean-up, remove, restore or replace polluted land or water

This Additional Coverage is provided regardless of whether a Limit of Insurance for Debris Removal is shown in the Declarations.

Fire Department Service Charges

We will pay the charges you assume by contract or agreement executed prior to loss, or charges that you are required to pay by local ordinance if the fire department is called to save or protect your **accounts receivable records** from direct physical loss or damage by a peril not otherwise excluded, not to exceed the Limit of Insurance for Fire Department Service Charges shown in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of the **accounts receivable** loss, not to exceed the Limit of Insurance for Inventory or Appraisals shown in the Declarations

Exclusions

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body

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

Audit

This insurance does not apply to loss or damage disclosed by an audit or inventory count. In the event the loss or damage is established by independent means, you may use an audit or inventory count to support your claim for that loss

Bookkeeping

This insurance does not apply to bookkeeping, accounting or billing errors or omissions

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, and employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose

This exclusion does not apply to:

- acts of vandalism,



Accounts Receivable

Exclusions

Dishonesty (continued)

- acts committed by common carriers for hire or anyone claiming to be a common carrier for hire; or
- ensuing loss or damage unless another exclusion applies

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, 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.

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, 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 ensuing loss or damage caused by or resulting from fire

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

War And Military Action

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

- war, including undeclared or civil war

Exclusions

War And Military Action
(continued)

- 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

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 and territorial waters, Canada, and Puerto Rico

The coverage territory for Accounts Receivable In Transit coverage includes the air space used for air shipments between the United States of America, its territories and possessions, Canada and Puerto Rico

Limits Of Insurance

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 amounts 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 Determination

- **Accounts receivable** loss payment will be determined as follows -
 - A when there is proof that a covered loss has occurred but you cannot accurately establish the amount of **accounts receivable** outstanding at the time of the loss, the amount of the loss will be based on your latest financial statements and will be computed as follows.
 1. determine the amount of all outstanding **accounts receivable** at the end of the same month in the year immediately preceding the year in which the loss occurred;
 2. determine your total gross sales of goods and services for the 12 month period immediately preceding the month in which the loss occurred.



Accounts Receivable

Loss Payment Determination

(continued)

3. determine your total gross sales of goods and services for the 12 month period immediately preceding the same month in the year immediately preceding the year in which the loss occurred,
 4. calculate the percentage increase or decrease of step 2 over step 3 ,
 5. the total amount of **accounts receivable** as of the last day of the month in which the loss occurs will be the amount determined in step 4 ; and
 6. the established monthly amount of **accounts receivable** will be adjusted for the normal fluctuation in the amount of **accounts receivable** in the month in which the loss occurs,
- B. we will deduct from the established total amount of **accounts receivable**
1. the amount of any accounts evidenced by records not lost or damaged,
 2. any other amounts you are able to establish or collect, and
 3. an amount to allow for probable bad debts, returns, discounts and allowances which you normally would have been unable to collect,
- C. if you recover the amount of any **accounts receivable** that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any **accounts receivable** you recover in excess of the amount of the paid loss,
- D. you shall take reasonable measures to attempt the reproduction of **accounts receivable records** in an effort to mitigate your **accounts receivable** loss

Conditions

Abandonment

There can be no abandonment of any **accounts receivable records** to us unless we specifically agree to such abandonment in writing

Loss Payable

For covered **accounts receivable** loss in which both you and a Loss Payee stated 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 loss 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

Other Insurance

If you have other insurance against a loss covered by this policy, we shall not be liable for a greater proportion of the loss than that which the applicable Limit of Insurance under this policy bears to the total applicable Limits of Insurance covering the loss or damage.

THIS PAGE INTENTIONALLY LEFT BLANK



Accounts Receivable

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Accounts Receivable

Accounts receivable means

- the money due you that you are unable to collect from customers,
- interest charges on any loan that you secure to offset your reduced cash flow,
- additional collection costs;
- reasonable expenses to re-establish your **accounts receivable records**, and
- the cost of blank **accounts receivable records**

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

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

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 Insurance

Electronic Data Processing Property

Table Of Contents

Section	Page No.
Coverage	3
Extension Of Coverage	4
Additional Coverages	4
Exclusions	5
Coverage Territory	8
Limits Of Insurance	8
Deductible	8
Loss Payment Basis	8
Loss Payment Basis Exceptions	9
Conditions	10
Definitions	13

PROPERTY CONTRACT
 ELECTRONIC PROPERTY
 DATA PROCESSING

THIS PAGE INTENTIONALLY LEFT BLANK



Electronic Data Processing Property

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverage

Electronic Data Processing Property

We will pay for direct physical loss or damage to **electronic data processing property** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit of Insurance for Electronic Data Processing Property shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations, unless otherwise stated.

Newly Acquired Electronic Data Processing Equipment

We will pay for direct physical loss or damage to any newly acquired **electronic data processing equipment** at the premises shown in the Declarations or at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Newly Acquired Electronic Data Processing Equipment shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the newly acquired **electronic data processing equipment** to us;
- 180 days pass from the date you acquire the **electronic data processing equipment**, or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the **electronic data processing equipment**.

Electronic Data Processing Media At Newly Acquired Premises

We will pay for direct physical loss or damage to **electronic data processing media** at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Electronic Data Processing Media shown in the Declarations under Newly

Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the **electronic data processing media** at the newly acquired premises to us,
- 180 days pass from the date you acquire the premises, or
- this policy expires.

We will charge you additional premium for the reported values from the date you acquire the premises.

Coverage*(continued)***Newly Acquired Electronic Data Processing Media Duplicates**

We will pay for direct physical loss or damage to newly acquired **electronic data processing media** duplicates at any premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Newly Acquired Electronic Data Processing Media Duplicates shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the newly acquired **electronic data processing media** duplicates to us;
- 180 days pass from the date you acquire the newly acquired **electronic data processing media** duplicates; or
- this policy expires

We will charge you additional premium for the reported values from the date you acquire the newly acquired **electronic data processing media** duplicates.

Extension Of Coverage

The following extension of coverage is included under your coverage for **electronic data processing property**, and is subject to the applicable Limit of Insurance for Electronic Data Processing Property shown in the Declarations

Removal

We will pay for:

- any direct physical loss or damage to **electronic data processing property** while it is being moved to or while stored at another location for up to 180 days, or
- the cost to remove **electronic data processing property** from any premises;

if you must move the **electronic data processing property** from a premises to preserve it from loss or damage caused by or resulting from a peril not otherwise excluded

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided at each covered premises only if a Limit of Insurance for such Additional Coverages at each covered premises is shown in the Declarations

Debris Removal

We will pay for the costs you incur to demolish and remove debris of lost or damaged **electronic data processing property** at the premises shown in the Declarations caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to the **electronic data processing property**

Debris removal does not apply to costs to

- clean-up or remove **pollutants** from land or water; or
- clean-up, remove, restore or replace polluted land or water



Electronic Data Processing Property

Additional Coverages

*Debris Removal
(continued)*

This Additional Coverage is provided regardless of whether a Limit of Insurance for Debris Removal is shown in the Declarations

*Electronic Data Processing
Property In Transit*

We will pay for direct physical loss or damage to **electronic data processing property**

- A in transit, including registered shipments by mail, caused by or resulting from a peril not otherwise excluded;
- B in transit sold "Free on Board" or other similar terms when the title of a shipment passes to the consignee and if the consignee refuses to pay because such property is lost or damaged by or resulting from a peril not otherwise excluded. We will not attempt to collect from the consignee unless you.
 1. provide us with your written consent to do so, or
 2. assign us your right of action, and
- C which is caused by or results from fraud perpetrated by any person or persons who represent themselves to be the proper party or parties to receive goods for shipments or accept goods for delivery,

not to exceed the applicable Limit of Insurance for In Transit shown under Electronic Data Processing Property in the Declarations

This additional coverage does not apply:

- when you are acting as a carrier for hire, or
- if you have purchased separate ocean marine insurance which covers any property in transit

*Fire Department Service
Charges*

We will pay the charges you assume by contract or agreement executed prior to loss, or charges that you are required to pay by local ordinance if the fire department is called to save or protect your **electronic data processing property** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Fire Department Service Charges shown in the Declarations.

Inventory Or Appraisals

We will pay for the cost of inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **electronic data processing property**, not to exceed the Limit of Insurance for Inventory or Appraisals shown in the Declarations

Exclusions

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body
This exclusion does not apply to ensuing loss or damage unless another exclusion applies

Exclusions

(continued)

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, and employees, or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose

This exclusion does not apply to:

- acts of vandalism;
- acts committed by common carriers for hire or anyone claiming to be a common carrier for hire, or
- ensuing loss or damage unless another exclusion applies.

Earthquake

This insurance does not apply to loss or damage caused by or resulting from earthquake that occurs in the state of California, 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 ensuing loss or damage caused by or resulting from a **specified peril**

Errors In Systems Programming

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

- errors in systems programming, or
- errors in instructions to a machine

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

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, 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



Electronic Data Processing Property

Exclusions

(continued)

Mistakes

This insurance does not apply to loss or damage caused by or resulting from error in the development, distribution, processing, manufacturing, testing, installation, alteration or repair of property.

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

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, 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 ensuing loss or damage caused by or resulting from fire

Planning, Design, Materials Or Maintenance

This insurance does not apply to loss or damage (including the cost 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

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

Additional Coverages

War And Military Action
(continued)

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

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, and territorial waters, Canada, and Puerto Rico.

The coverage territory for Electronic Data Processing Property In Transit coverage includes the air space used for air shipments between the United States of America, its territories and possessions, Canada and Puerto Rico.

Limits Of Insurance

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 Electronic Data Processing Property shown in the Declarations

- A. **electronic data processing property** 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. **electronic data processing property** valuation includes costs you incur as described below under 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 **electronic data processing property**,
- pay the cost of repairing or replacing the lost or damaged **electronic data processing property**, plus any reduction in value of the repaired item.
- take all or any part of the **electronic data processing property** at an agreed or appraised value; or



Electronic Data Processing Property

Loss Payment Basis

Our Loss Payment Options (continued) • repair or replace the **electronic data processing property** with other **electronic data processing property** of comparable material and quality for the same use

Replacement Cost Basis Lost or damaged **electronic data processing property** 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 **electronic data processing property** at the same or another location for the same use. There is no deduction for depreciation or deterioration.

If you do not repair or replace the **electronic data processing property**, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **electronic data processing property** 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 **electronic data processing property** 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.

Extended Warranties **Electronic data processing equipment** valuation includes the cost of non-refundable extended warranties, maintenance contracts or service contracts that you purchased, but are no longer valid, on lost or damaged **electronic data processing equipment** that you repair or replace.

Loss Payment Basis Exceptions

Electronic Data Processing Media **Electronic data processing media** is valued on the full cost of replacement or reproduction at the time of direct physical loss or damage when the **electronic data processing media** is actually replaced or reproduced.

If the **electronic data processing media** is not replaced or reproduced, the value is based on the cost of blank materials.

**Loss Payment Basis
Exceptions**

(continued)

Electronic Data Processing Property Of Others **Electronic data processing property** not owned by you and in your care, custody or control is valued on the same basis as your **electronic data processing 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.

Conditions

Abandonment There can be no abandonment of any **electronic data processing property** to us unless we specifically agree to such abandonment in writing

Loss Payable For insured **electronic data processing property** 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 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 covered **electronic data processing property**

C We may adjust losses with the owners of lost or damaged **electronic data processing property** if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners **electronic data processing property**. We will not pay the owners more than their financial interest in the insured **electronic data processing property**

D We may elect to defend you against suits arising from claims of owners of **electronic data processing property**. We will do this at our expense

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 **electronic data processing property of others**

Recovered Electronic Data Processing Property If any lost or damaged **electronic data processing property** 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 **electronic data processing property** is recovered, you may

- keep the recovered **electronic data processing property** and return the loss payment to us, or



Electronic Data Processing Property

Conditions

*Recovered Electronic Data
Processing Property
(continued)*

• keep the loss payment and we will keep the recovered **electronic data processing property**

If any recovered **electronic data processing 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 if applicable, any reporting condition of this insurance, and
- any uninsured loss resulting from an insufficient Limit of Insurance.

If there are any expenses in recovering any lost or damaged **electronic data processing property**, or through subrogation, we will share the expenses with you in proportion to the amount we are each reimbursed.

When any recovered **electronic data processing property** that you choose to keep is in need of repair, we will pay for the repairs subject to the applicable Limit of Insurance for the lost or damaged **electronic data processing property**.

THIS PAGE INTENTIONALLY LEFT BLANK



Electronic Data Processing Property

Definitions

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Contaminant

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

Electronic Data Processing Equipment

Electronic data processing equipment means.

- data processing systems,
- electronic systems consisting of separately identifiable and removable component memory or control boxes that are attached to and control production machinery, but not the production machinery itself, and
- equipment, component parts and related peripheral equipment, including air conditioning and fire protective equipment, used solely for data processing operations,

you own or in your care, custody or control

Electronic data processing equipment does not mean.

- equipment held for sale or distribution,
- equipment in the course of manufacture; or
- **telephone equipment**

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,

you own or in your care, custody or control

Electronic Data Processing Property

Electronic data processing property means

- **electronic data processing equipment,**
- **electronic data processing media,** and
- **telephone equipment**

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

Definitions

(continued)

WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT:

Specified Peril

Specified peril means

- aircraft or self-propelled missiles,
- explosion,
- fire or lightning;
- leakage from fire protection equipment,
- mine subsidence;
- riot or civil commotion,
- sinkhole collapse,
- smoke;
- vandalism,
- vehicles;
- volcanic action; or
- wind or hail

Telephone Equipment

Telephone equipment means telephone systems you own or in your care, custody or control

Property Insurance

Fine Arts

Table Of Contents

Section	Page No.
Coverage	3
Extension Of Coverage	3
Additional Coverages	4
Exclusions	4
Coverage Territory	6
Limits Of Insurance	6
Deductible	7
Loss Payment Basis	7
Loss Payment Basis Exceptions	7
Conditions	7
Definitions	9

PROPERTY
 CONTRACT
 FINE
 ARTS

THIS PAGE INTENTIONALLY LEFT BLANK



Fine Arts

Contract

Words and phrases that appear in **bold** print have special meanings and are defined in the definitions section of this contract.

Throughout this contract the words "you" and "your" refer to the Named Insured shown in the Declarations of this policy. The words "we", "us" and "our" refer to the company providing this insurance.

Coverage

Fine Arts

We will pay for direct physical loss or damage to **fine arts** caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Limit of Insurance for Fine Arts shown in the Declarations.

The loss or damage must occur at the premises shown in the Declarations, or within 1,000 feet of the premises shown in the Declarations, unless otherwise stated.

Newly Acquired Fine Arts

We will pay for direct physical loss or damage to newly acquired **fine arts** at the premises shown in the Declarations or at newly acquired premises caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for Newly Acquired Fine Arts shown in the Declarations under Newly Acquired Premises or Newly Acquired or Constructed Property.

This coverage applies until the first of the following occurs:

- you report the value of the newly acquired **fine arts** at the premises shown in the Declarations or at the newly acquired premises to us
- 180 days pass from the date you acquire the **fine arts**, or
- this policy expires

We will charge you additional premium for the reported values from the date you acquire

- the **fine arts**, or
- the premises

Extension Of Coverage

The following extension of coverage is included under your coverage for **fine arts**, and is subject to the Limit of Insurance for Fine Arts shown in the Declarations.

Removal

We will pay for

- any direct physical loss or damage to **fine arts** while being moved to or while stored at another location for up to 180 days, or
- the cost to remove **fine arts** from any premises.

if you must move the **fine arts** from a premises to preserve it from loss or damage caused by or resulting from a peril not otherwise excluded.

Additional Coverages

Unless otherwise stated, the following Additional Coverages are provided at each covered premises only if a Limit of Insurance for such Additional Coverages at each covered premises is shown in the Declarations

Debris Removal

We will pay for the costs you incur to demolish and remove debris of lost or damaged **fine arts** at the premises shown in the Declarations caused by or resulting from a peril not otherwise excluded that occurs during the policy period.

Debris removal will be paid only if reported to us in writing within 180 days of the date of the direct physical loss or damage to the **fine arts**.

Debris removal does not apply to costs to:

- clean-up or remove **pollutants** from land or water; or
- clean-up, remove, restore or replace polluted land or water

This Additional Coverage is provided regardless of whether a Limit of Insurance for Debris Removal is shown in the Declarations

Fine Arts In Transit

We will pay for direct physical loss or damage to **fine arts** in transit, including registered shipments by mail, caused by or resulting from a peril not otherwise excluded, not to exceed the Limit Of Insurance for In Transit shown under Fine Arts in the Declarations

Fire Department Service Charges

We will pay the charges you assume by contract or agreement executed prior to loss, or charges that you are required to pay by local ordinance if the fire department is called to save or protect your **fine arts** from direct physical loss or damage caused by or resulting from a peril not otherwise excluded, not to exceed the Limit of Insurance for Fire Department Service Charges shown under Fine Arts in the Declarations.

Inventory Or Appraisals

We will pay for the cost of any inventory or appraisal that we require from you to determine the extent of direct physical loss or damage to **fine arts**, not to exceed the Limit of Insurance for Inventory or Appraisals shown in the Declarations

Exclusions

Acts Or Decisions

This insurance does not apply to loss or damage caused by or resulting from acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body. This exclusion does not apply to ensuing loss or damage unless another exclusion applies

Dishonesty

This insurance does not apply to loss or damage caused by or resulting from fraudulent, dishonest, or criminal acts or omissions committed alone or in collusion with others by you, your partners, directors, trustees, and employees or by anyone authorized to act for you, or anyone to whom you have entrusted covered property for any purpose

This exclusion does not apply to

- acts of vandalism,



Fine Arts

Exclusions

Dishonesty (continued)

- acts committed by common carriers for hire or anyone claiming to be a common carrier for hire, or
- ensuing loss or damage unless another exclusion applies

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, 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

Insects Or Animals

This insurance does not apply to loss or damage caused by or resulting from nesting or infestation by, or discharge or release of waste products or secretions of

- insects,
- birds,
- rodents, or
- other animals

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

Nuclear Hazard

This insurance does not apply to loss or damage caused by or resulting from nuclear reaction or radiation, or radioactive contamination, 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 ensuing loss or damage caused by or resulting from fire

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,