

results, then only that resulting damage is insured:

1. Faulty workmanship, material, construction or design from any cause.
2. Loss or damage to stock or material attributable to manufacturing or processing operations while such stock or material is being processed, manufactured, tested, or otherwise worked on.
3. Deterioration, depletion, rust, corrosion or erosion, wear and tear, inherent vice or latent defect.
4. Settling, cracking, shrinking, bulging, or expansion of foundations (including any pedestal, pad, platform or other property supporting machinery), floors, pavements, walls, ceilings or roofs.
5. Changes:
  - a) Of temperature damage (except to machinery or equipment); or
  - b) In relative humidity damage;
 all whether atmospheric or not.
  1. Insect, animal or vermin damage.

[ This policy does not exclude negligence. These exclusions may not be effective in those situations where employee error is the first event in a continuous chain of events even if one of these exclusions is intended to interrupt such a chain of events. The resulting damage language makes this possible, particularly in certain jurisdictions. ]

D. This Policy excludes the following unless directly resulting from other physical damage, not excluded by this Policy:

1. Contamination including but not limited to the presence of pollution or hazardous material; and

[ This may be viewed as ambiguous when taken in light of other provisions of the policy. The intent to provide coverage for sudden contamination by a gas or liquid entering on insured property continues to be difficult to explain. The intent to exclude sudden contamination by introduction of a solid is equally difficult to explain. Examples of covered events of physical loss or damage include leakage of piping within other piping or vessels, and chlorine gas cloud introduction to insured property. An example of excluded contamination is introduction of incorrect plastic chips to a bin containing other plastic chips.]

2. Shrinkage, changes in color, flavor, texture or finish.

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