



SMP/FIRE POLICY EXTENDER ENDORSEMENT

Endorsement # 3

WHAT *WE* COVER

In addition to any coverage shown on:

1. the Declarations Page,
2. the Supplemental Declarations Page,
3. the General Policy Provisions, or
4. any other coverage attached to *your* policy.

For an additional premium, *we* provide the following coverages or extensions of coverage subject to the *terms* contained in the policy. These added coverages apply only as excess over other coverage contained in *your* policy.

PRINCIPAL COVERAGES

ACCOUNTS RECEIVABLE

What *We* Pay For:

We pay up to \$2,000 for loss or damage to Accounts Receivable on the described premises.

What *We* Do Not Pay For:

1. loss due to any fraudulent, dishonest or criminal act by any *insured*, a partner, or an officer, director or trustee, while working or otherwise, and whether acting alone or in collusion with others;
2. loss due to bookkeeping, accounting or billing errors or omissions;
3. loss, the proof of which as to factual existence, is dependent upon an audit of records or an inventory computation. This shall not prevent the use of such procedures in support of a claim for loss which the *insured* can prove, through evidence wholly apart from an audit of records or an inventory, is due solely to a risk of loss of records of accounts receivable but not otherwise excluded under this policy;
4. loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of **money, securities** or other property but only to the extent of such wrongful giving, taking obtaining or withholding;
5. loss due to electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
6. loss due to nuclear reaction, nuclear radiation or radioactive contamination, or any other act or condition incident to them; or
7. loss caused by or resulting from:
 - a. hostile or warlike action in time of peace or war, including any action in hindering, combating or defending against an actual, impending or expected attack by:
 - 1) any government or sovereign power, or by any authority maintaining or using military, naval or airforces;
 - 2) military, naval or airforces; or
 - 3) an agent of any such government, power, authority or forces;
 - b. any weapon of war employing atomic fission or radioactive force whether in time of peace or war; or
 - c. insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

ADDED WATER DAMAGES COVERAGE

What *We* Pay For:

We pay up to \$2,000 for direct loss or damage to property caused by the backup of water:

1. through sewers and/or drains; and
2. through sump pump basins caused by failure of sump pump operations.

What *We* Do Not Pay For:

1. loss or damage resulting from *your* negligence;

2. loss or damage resulting from **your** neglect or failure to service or maintain the sump pump or any plumbing appliance; or
3. generalized or localized flooding resulting from excess runoff or overflow of streams, rivers or other bodies of water.

ADDITIONAL DEBRIS REMOVAL

What We Pay For:

We pay up to \$5,000, as an additional amount, only when the sum of necessary expense of removal of the covered debris and the covered property loss exceeds the amount of insurance applicable on **your** policy.

BUSINESS CREDIT CARD, FORGERY AND COUNTERFEIT MONEY

What We Pay For:

We pay up to \$2,000 for loss when **you**:

1. become legally obligated to pay for the unauthorized use of credit card(s) issued or registered in **your** name;
2. suffer a loss through forgery or alteration of checks, drafts, certificates of deposit and notes including negotiable orders of withdrawal drawn or issued by **you**; or
3. accept in good faith, counterfeit United States or Canadian paper currency.

What We Do Not Pay For:

1. any loss sustained as a result of **your** failure to comply with all of the requirements of the credit card;
2. any loss resulting from **your** dishonesty;
3. any loss resulting from use of the credit card by anyone with **your** permission; or
4. any loss involving a bank debit card or similar device used to deposit, withdraw or transfer funds.

BUSINESS PROPERTY AT NEWLY ACQUIRED LOCATIONS

What We Pay For:

We pay up to \$5,000 for **business** personal property at newly acquired locations.

What We Do Not Pay For:

This coverage ceases:

1. on the date more specific insurance takes effect;
2. 30 days from the date of the acquisition of the newly acquired **business** property;
3. on the date that the value of such property is reported to **us**; or
4. on the date this coverage is terminated; whichever occurs first.

BUSINESS PROPERTY OF OTHERS

What We Pay For:

We pay up to \$2,000 for loss to **business** personal property of others in **your** care, custody and control while on the **insured premises**.

DEMOLITION COVERAGE

What We Pay For:

We pay up to \$5,000 for the costs incurred in demolishing any undamaged portion of the building(s) covered under this policy. The order for demolition must rise from enforcement of a state or municipal law or ordinance regulating the construction or repair of buildings and it must be in force at the time of loss necessitating such demolition.

EMPLOYEE DISHONESTY

What We Pay For:

We pay up to \$2,000 for loss of **money**, **securities** and other **business** property by any fraudulent or dishonest act committed by any of **your employees**, whether acting alone or in collusion with others.

What We Do Not Pay For:

This endorsement does not apply:

1. to loss due to any fraudulent, dishonest or criminal act by **you**, or by any of **your** partners, officers, directors, trustees or joint venturers, whether acting alone or in collusion with others;
2. to loss, the proof of which, either as to its factual existence or its amount, is dependent upon an inventory computation or profit and loss computation. However, this exclusion does not apply to loss which **you** can prove through evidence wholly apart from such computations; or
3. to any mysterious or unexplained disappearance or shortage of property.

The loss must be discovered not later than one year from the date on which the coverage terminates.

Employee dishonesty coverage shall be canceled as to any **employee** immediately on discovery by the **insured**, or by any partner or officer of the company not in collusion with such **employee**, of any fraudulent or dishonest act on the part of such **employee**.

Our payment of any loss under this agreement shall not reduce the amounts of insurance of **your** policy.

DEFINITIONS-The following definitions apply to this policy for **Employee** Dishonesty;

Money means currency, coins, bank notes and bullion; and travelers checks, register checks and **money** orders held for sale to the public.

Securities means all negotiable and non-negotiable instruments or contracts representing either **money** or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include **money**.

Employee means a person who is engaged in a service usual to **your business** operations and to whom **you** pay salary, wages or commission. **You** have the exclusive right to direct this person in the performance of his/her service. This definition excludes any broker, factor, commission merchant, consignee, contractor or other agent or representative.

EXTERIOR SIGNS

What We Pay For:

We pay up to \$2,000 for the repair or replacement of any physically damaged or destroyed exterior signs located at the **business** address shown on the Declarations Page.

PERSONAL EFFECTS

What We Pay For:

We pay up to \$2,000 for loss or damage to **your** personal effects and household furniture and at **your** option, personal effects of officers, partners or employees which are not usual and incidental to **your business** for an amount not exceeding \$250 for any one person or \$2,000 in any one occurrence. This coverage does not include loss by theft.

PROPERTY IN TRANSIT

What We Pay For:

We pay up to \$2,000 for loss or damage to **your business** property in transit aboard a conveyance of a common carrier. Loss will be adjusted at the amount of invoice, including prepaid or advance freight. In the absence of an invoice, the actual cash value of the **business** property at the point of shipment will be used.

REFRIGERATED FOOD PRODUCTS

What We Pay For:

We pay up to \$2,000 for direct loss or damage from spoilage to the contents of a freezer or refrigeration unit on the **insured premises** and owned by **you** caused by or resulting from:

1. Temperature change due to:
 - a. mechanical breakdown or failure of the refrigeration system;
 - b. burning out of electrical motors;
 - c. blowing of fuses or circuit breakers;
 - d. the breakdown or malfunction of the equipment or apparatus connecting or controlling refrigeration systems, electrical motors or electric power; or
 - e. complete or partial lack of power to operate the refrigeration system.
2. Contamination by refrigerant.

Coverage Extensions

We agree to pay:

1. the reasonable expense **you** incur to reduce loss or damage covered under this endorsement to the extent that such loss or damage is reduced. However, the total expenses recoverable shall not increase the amount of insurance applicable to the covered property; and
2. the reasonable expenses **you** incur to clean up and dispose of spoiled property for which coverage is provided under this endorsement. The total expenses recoverable shall not increase the amount of insurance applicable to the covered property.

What We Do Not Pay For:

We do not pay for loss or damage due to:

1. explosion, rupture or bursting of:
 - a. water pipes;

- b. steam boilers, steam pipes, steam turbines or steam engines;
2. the disconnecting of any refrigeration units from the source of electrical power or the termination of electrical power caused by throwing off of any switch or other device (on *premises*) usual to the shutting off of electrical current or electrical power;
3. the leaking or escape of refrigerant gas or gases from any cause including the rupture or bursting of refrigerant gas pipes or lines;
4. the breaking of any glass that is a permanent part of any refrigerating unit;
5. insufficient fuel or complete lack of fuel used in the normal operation of the stationary heating plant;
6. gradual deterioration, inherent vice, natural spoilage or any processing operation; or
7. the intentional decision or inability of any electrical utility company or other source of electrical power to provide sufficient power due to lack of fuel or governmental order or lack of generating capacity to meet demand.

DEFINITIONS-The following definitions apply to this policy for refrigerated food *products*:

Change of Temperature as stated in this endorsement covers only direct damage to *stock* or merchandise and does not apply to any loss due to interruption of *business*.

Mechanical Breakdown is defined as being the actual breaking, parting, or separating of any mechanical part(s) of the refrigeration unit (other than gas pipes or lines or the breaking of any glass as is specifically excluded) or the "burning out" of any electrical motor serving such unit, when such breaking or burning out shall result in the complete stopping of the mechanical action of said refrigerant equipment and which shall then require replacement of damaged part(s) to become functional. Faulty operation or malfunction of equipment which results in temperature changes but does not cause the complete stopping of the mechanical action and does not require the replacement of broken parts shall not be construed as "**mechanical breakdown**" and there shall be no liability under this endorsement for spoilage resulting from such malfunction.

SIGNS AWAY FROM THE PREMISES

What We Pay For:

We pay up to \$2,000 for repair or replacement of any physically damaged or destroyed sign located elsewhere in the coverage territory other than the *business* address shown on the Declarations Page.

TREES, PLANTS AND SHRUBS

What We Pay For:

We pay up to \$2,000 for loss or damage to trees, plants and shrubs on the *insured premises* caused by a specified cause of loss. The specified causes of loss are fire, lightning, explosion, riot, civil commotion, aircraft, vehicles not owned or operated by an *insured*, an employee or any occupant of the *insured premises* and vandalism.

What We Do Not Pay For:

1. *We* do not pay for loss or damage to trees, plants and shrubs that are grown for *business* purposes; and
2. *We* do not pay more than \$250 for any one tree, plant or shrub including the cost of removing the debris of the covered item.

VALUABLE PAPERS AND RECORDS

What We Pay For:

We pay up to \$2,000 for loss or damage to **Valuable Papers and Records** on the described **premises**.

What We Do Not Pay For:

1. loss due to any fraudulent, dishonest or criminal act by *you*, a partner, an officer, director or trustee;
2. loss resulting from errors or omissions in processing or copying;
3. loss due to wear and tear;
4. loss to property which cannot be replaced with other of like kind or quality;
5. loss due to electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
6. loss to property held as samples or for sale or for delivery after sale; and
7. loss of **money** or **securities**.

DEFINITIONS-The following definitions apply to this policy for **Valuable Papers and Records**:

Valuable Papers and Records means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts.

Premises means the interior portion of the building occupied by *you* for *business* purposes.

Money means currency, coins, bank notes and bullion, travelers checks, register checks and **money** orders held for sale to the public.

Securities means all negotiable and non-negotiable instruments or contracts representing either **money** or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include **money**.