

THIS FORM CHANGES THE POLICY. PLEASE READ THIS FORM.

EQUIPMENT BREAKDOWN COVERAGE

This form changes the policy terms as follows:

COMMERCIAL PROPERTY COVERAGE PART

The following is added to 4. Additional Coverages of the Building and Personal Property Coverage Form:

Equipment Breakdown

- (1) The insurance provided by this Additional Coverage applies to loss caused by or resulting from an Accident. As used in this Additional Coverage, an Accident means direct physical loss as follows:
- (a) mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - (b) artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - (c) explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - (d) loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - (e) loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

If an initial Accident causes other Accidents, all will be considered one Accident. All Accidents that are the result of the same event will be considered one Accident.

(2) Coverage Extensions

(a) Expediting Expenses

With respect to your damaged Covered Property, we will pay the reasonable extra cost to:

- (i) make temporary repairs;
- (ii) expedite permanent repairs; and
- (iii) expedite permanent replacement.

(b) Hazardous Substances

We will pay for the additional cost, up to \$25,000, to repair or replace Covered Property because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such property.

Hazardous substance means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.

Additional costs mean those beyond what would have been required had no hazardous substance been involved.

(c) Drying Out Coverage

If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses of such drying out, subject to the Limit and Deductible for this Additional Coverage.

(d) Perishable Goods

- (i) We will pay, up to \$25,000, for your loss of "perishable goods" due to spoilage.
- (ii) We will also pay for your loss of "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.
- (iii) We will also pay any necessary expenses you incur to reduce the amount of loss under this coverage. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (iv) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the Accident, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Loss Payment condition.
- (v) Additional Definition. For the purpose of this coverage, "perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

(e) CFC Refrigerants

We will pay for the additional cost, up to \$25,000, to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorinated fluorocarbon) substances. This means the additional expense to do the least expensive of the following:

- (i) Repair the damaged property and replace any lost CFC refrigerant;
 - (ii) Repair the damaged property, retrofit the system to accept a non-CFC refrigerant and charge the system with a non-CFC refrigerant; or
 - (iii) Replace the system with one using a non-CFC refrigerant.
- Additional costs mean those beyond what would have been required had no CFC refrigerant been involved.

(f) Computer Equipment

We will pay for direct damage to "computer equipment" that is damaged by an Accident to such equipment. We will also pay for your loss of Business Income and Extra Expenses incurred if shown as covered, caused by such damage. "Computer Equipment" means Covered Property that is electronic computer or other data processing equipment, including "media" and peripherals used in conjunction with such equipment. "Media" means all forms of electronic, magnetic and optical tapes and discs for use in any electronic computer or electronic data processing equipment.

(4) Exclusions

- (a) All the exclusions in the applicable Causes of Loss form apply to this Additional Coverage except:

- (i) If Causes of Loss-- Basic Form applies, 2.a., 2.d. and 2.e.;
- (ii) If Causes of Loss-- Broad Form applies, 2.a., 2.b. and 2.c.;
- (iii) If Causes of Loss-- Special Form applies, 2.a., 2.d.(6) and 2.e.; and the last paragraph of exclusion 2.d. is deleted and replaced with the following:
But if loss or damage by the "specified causes of loss", Accident or building glass

breakage results, we will pay for that resulting loss or damage.

- (b) We will not pay under this Additional Coverage for loss or damage caused by or resulting from:
 - (i) the breakdown of any structure, foundation, cabinet, compartment or air supported structure or building;
 - (ii) the breakdown of any insulating or refractory material;
 - (iii) the breakdown of any sewer piping, any underground vessels or piping, any piping forming a part of a sprinkler system or water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (iv) the breakdown of any vehicle, dragline, excavation or construction equipment;
 - (v) any of the following tests:
 - a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
 - an insulation breakdown test of any type of electrical equipment;
 - (vi) The breakdown of any equipment manufactured by you for sale.
- (c) With respect to Perishable Goods coverage, we will also not pay for loss or damage as a result of your failure to use all reasonable means to protect the "perishable goods" from damage following an Accident.
- (d) With respect to Computer Equipment coverage, we will also not pay for loss or damage caused by or resulting from any defect, virus, loss of data or other situation within "media". But if loss or damage from an Accident results, we will pay for that resulting loss or damage.

(5) Condition
Suspension

When any equipment is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an Accident to that equipment. We can do this by mailing or delivering a written notice of suspension to your address as shown in the Declarations, or at the address where the equipment is located. Once suspended in this way, your insurance can be reinstated only by written notice from us. If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.