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## COMPUTER COVERAGE

This policy is amended to include the following "terms". All other "terms" of the policy apply, except as amended by this endorsement.

The coverage provided by this endorsement does not:

1. increase the Coverage C "limit"; or
2. change the "terms" under Limitations On Certain Property or Personal Property Not Covered.

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### DEFINITIONS

The following definition is added with respect to the coverage provided by this endorsement:

"Computer equipment" means:

- a. computer hardware, including but not limited to:
  - 1) personal computers and workstations;
  - 2) laptops and other portable computer devices and accessories; and
  - 3) peripheral data processing equipment, such as printers, keyboards, monitors, and modems; and
- b. computer software, including but not limited to the following types of property used with computer hardware:
  - 1) media;
  - 2) programs; and
  - 3) data.

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### PROPERTY COVERAGES

#### INCIDENTAL PROPERTY COVERAGES

With respect to "computer equipment", the Incidental Property Coverage for Collapse is deleted.

#### PERILS INSURED AGAINST

With respect to "computer equipment", the Perils Insured Against that apply to Coverage C are deleted and replaced by the following:

"We" cover an "insured's" "computer equipment" for direct physical loss, unless the loss is excluded under the Exclusions That Apply To Computer Equipment.

#### a. Exclusions That Apply To Computer Equipment

- 1) "We" do not pay for loss excluded under the Exclusions That Apply To Property Coverages or the Additional Exclusions That Apply To Property Coverages.
- 2) "We" do not pay for loss caused by:
  - a) freezing of, or the resulting discharge, leakage, or overflow from, a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance in the building where "computer equipment" is located, except as stated in (1) and (2) below.
    - (1) When the building is protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:
      - (a) maintain heat in the building; and
      - (b) continue the water supply.
    - (2) When the building is not protected by an automatic fire protective sprinkling system, this exclusion does not apply if "you" have taken reasonable care to:
      - (a) maintain heat in the building; or

- (b) shut off the water supply and completely empty water from all systems, heaters, and appliances.

With respect to this exclusion and the exceptions stated in (1) and (2) above, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;

- b) theft in or to a residence being built until the residence is occupied for its intended use;
- c) continuous or repeated discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor over a period of weeks, months, or years, unless no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water or the presence or condensation of humidity, moisture, or vapor and such loss is not otherwise excluded by this policy.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss caused by continuous or repeated discharge, seepage, or leakage of water from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" if no "insured" knew of or could reasonably be expected to suspect such discharge, seepage, or leakage of water. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed

to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment;

- d) dampness of atmosphere or extremes of temperature.

However, this does not apply to loss caused directly by rain, snow, sleet, or hail;

- e) a process to repair, refinish, or renovate the covered property.

However, if such process results in a fire or explosion, "we" do cover the loss or damage caused by that fire or explosion;

- f) the collision, sinking, swamping, or stranding of a watercraft, but this does not include collision of a watercraft with a land vehicle; or
- g) any of the following:

- (1) wear and tear, marring, or deterioration;
- (2) mechanical breakdown, latent defect, inherent vice, or any quality, fault, or weakness in property that causes it to damage or destroy itself;
- (3) rust or other corrosion or smog;
- (4) smoke from agricultural smudging or industrial operations;
- (5) discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage of "pollutants", unless the discharge, dispersal, disposal, emission, escape, leaching, leakage, migration, release, seepage, or spillage is caused by a Peril Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy; or
- (6) animals owned or kept by an "insured", birds, "vermin", rodents, or insects.

However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.

**b. Exceptions To Exclusions That Apply To Computer Equipment**

- 1) "We" pay for an ensuing loss that results from a cause or event excluded under exclusions 2)a), 2)b), 2)c), or 2)g) above, unless the ensuing loss itself is excluded.
- 2) Unless the loss is otherwise excluded by this policy, "we" pay for loss to "computer equipment" that results from water or steam that, due to a cause or event excluded under 2)g) above, accidentally discharges or overflows from:
  - a) a storm drain, or a water, steam, or sewer pipe, away from the "described location"; or
  - b) a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location".

In this exception, plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

Under Exclusions That Apply To Property Coverages, 1)b) and 3) of the Water exclusion that apply to surface water and water below the surface of the ground do not apply with respect to loss by water covered under this exception.

**EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**

With respect to "computer equipment", the Exclusions That Apply To Property Coverages are amended as follows.

1. Under Earth Movement, the statement in item 2)f) indicating that earth movement does not include Sinkhole Collapse as described under the Perils Insured Against is deleted and replaced by the following:

However, this does not include Sinkhole Collapse as described under the Perils Insured Against that would apply to "computer equipment" if this endorsement was not attached to the policy.

2. The following is added to Water:

With respect to these exclusions, surface water and water below the surface of the ground do not include water that accidentally discharges or overflows from a plumbing, heating, air-conditioning, or automatic fire protective sprinkling system, water heater, or domestic appliance on the "described location" when loss caused by such water is not otherwise excluded by this policy. Plumbing systems and domestic appliances do not include sumps, sump pumps, or related equipment; any other type of system designed to remove subsurface water which is drained from the foundation area; or roof drains, gutters, downspouts, or like equipment.

These exclusions do not apply with respect to direct physical loss to "computer equipment" while the "computer equipment" is away from a premises or location owned by, rented to, occupied by, or controlled by an "insured". With respect to such loss, the Weather Conditions exclusion under Additional Exclusions That Apply To Property Coverages does not apply.

3. The following is added to Bacteria, Fungi, Wet Rot, Or Dry Rot:

However, this exclusion does not apply with respect to direct physical loss to "computer equipment" involving the collapse of a building or a part of a building.

With respect to "computer equipment", Property Coverages is amended to include the following section, entitled Additional Exclusions That Apply To Property Coverages.

**ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY COVERAGES**

"We" do not pay for loss or damage that is caused by or results from one or more of the following excluded causes or events. However, "we" do pay for an ensuing loss that is otherwise covered by this policy.

- a. **Weather Conditions** -- "We" do not pay for loss caused by weather conditions that initiate, set in motion, or in any way contribute to a cause or event excluded under the Exclusions That Apply To Property Coverages.
- b. **Errors, Omissions, And Defects**
- 1) "We" do not pay for loss caused by one or more of the following:

- a) an act or decision of any person, group, organization, or governmental body or authority, or the failure of any person, group, organization, or governmental body or authority to act or decide; or
- b) a defect, a weakness, the inadequacy, a fault, or unsoundness in the:

- (1) development, planning, siting, surveying, zoning;
- (2) construction, compaction, design, grading, remodeling, renovation, repair, specification, workmanship;
- (3) materials used in construction, remodeling, renovation, or repair; or
- (4) maintenance;

of any property, whether in whole or in part, and whether on or away from the "described location".

- 2) However, this exclusion does not apply with respect to:
- a) direct physical loss to "computer equipment" involving the collapse of a building or a part of a building; or
- b) the Incidental Property Coverage for Emergency Removal.