



## Technology Insurance Company

An AmTrust Financial Company

A Stock Insurance Company

59 Maiden Lane, 6<sup>th</sup> Floor, New York, NY 10038

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### COMMERCIAL COMPUTER POLICY

This Policy, Declarations Page, Endorsements and applicable Coverage Sections constitute a complete Policy.

#### INSURING AGREEMENT

In return for the payment of premium shown on the Declarations Page, we will pay for direct physical loss or damage to the **scheduled covered property**.

#### DEFINITIONS

**We, us, and our** means Technology Insurance Company, Inc.

**You and your** means the **named insured** shown on the Declarations Page.

**Scheduled covered property** means any **electronic data processing equipment** or **software** and **media** that **you** own, lease or is in **your** entrusted user's care, custody or control and for which **you** are legally liable while at a location described on the Declarations Page, except as specifically provided for under **Standard Transit/Off Premises Coverage**.

**Electronic data processing equipment** means electronic computers and peripheral equipment used in conjunction with such computers. **Electronic data processing equipment** does not mean any of the following:

- (1) Equipment used to provide building utility service, other than communications or data processing; or
- (2) Equipment used to manufacture products other than data; or
- (3) Equipment used to provide a service other than data processing or communications.

**Software** refers to the operating system pre-loaded at the time of purchase on the **scheduled covered property**.

**Software key** refers to the device needed to execute the program to operate **your** electronic data processing equipment.

**Media** means the material on which data is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.

**Loss** means the direct physical damage of **scheduled covered property** as listed on the Declarations Page.

**Occurrence** means any one **loss** or series of losses arising out of one event for any one scheduled item.

**Extra expenses** mean equipment operating expenses over and above what it would normally cost **you** or the entrusted user to conduct **your** or the entrusted user's operation had no **loss** occurred, such as expenses to rent or use another computer system.

**Actual cash value (ACV)** means the cost of replacing damaged or destroyed **scheduled covered property** with comparable new property, minus depreciation and obsolescence.

**Like kind and quality** means any part equal to or better than the replaced part that is acquired from a licensed computer equipment manufacturer or dealer or reseller and includes factory authorized refurbished parts or replacements.

#### COVERAGES

**We** will pay for direct physical **loss** or damage to the **scheduled covered property** caused by or resulting from a **covered cause of loss** as outlined in the attached coverage section(s).

**In addition, this policy includes the following coverages:**

##### **Computer Virus**

**We** will pay for **loss** or damage caused by a **computer virus** that renders **your** covered equipment inoperable. This does not provide coverage for data reconstruction or data **loss**.

### **Standard Transit/Off Premises Coverage**

**We** will pay up to the amount indicated on the Declarations Page for **loss** or damage to **scheduled covered property** while it is in transit or off premises at a temporary location. **We** will not pay for any associated **extra expenses** or **loss** of business income.

### **Extra Expenses**

- A.** **We** will pay for necessary equipment expenses **you** or the entrusted user have in continuing **your** business because of **loss** covered under this Policy up to the amount indicated on the Declarations Page for the reasonable **extra expenses**.
- B.** **Extra expenses** do not include, and **we** will not pay for:
- (1) **Loss** due to suspension, cancellation, lapse or default of any lease, license, contract or order;
  - (2) Programming, data reconstruction, data recovery or program installation or reconfiguration;
  - (3) Costs, which are recoverable under any product warranty or extended warranty.
- C.** **We** will pay such **extra expenses you** or the entrusted user incur, from the date of **your** or the entrusted user's **loss**, for as long as it should reasonably take to resume normal operations. **You** or the entrusted user agrees to resume normal operations as soon as possible.
- D.** **Our** limit of insurance for this coverage is ten percent (10%) of the limit of insurance shown on the Declarations Page. This coverage is additional insurance.

### **Newly Acquired Property**

**We** will pay for **loss** or damage to new property that is acquired by **you** or the entrusted user after this Policy has taken effect.

- a. **Our** limit of insurance for this coverage is the lesser of the following amounts:
  1. ten percent (10%) of the limit of insurance shown on the Declarations Page; or
  2. ten thousand dollars (\$10,000).
- b. This coverage ends at the earliest of the following:
  1. At the end of the thirty (30) day period; or
  2. At the time the property is reported to **us**; or
  3. At the expiration of the Policy.

To obtain coverage, **you** must report Newly Acquired Property and value thereof to **us** within thirty (30) days of purchase and **you** or the entrusted user must pay additional premium.

## **CONDITIONS**

### **Policy Period/ Policy Territory**

Under this Policy:

- a. The **loss** must occur:
  - (1) During the Policy period shown on the Declarations Page; and
  - (2) Within the Policy territory.
- b. The Policy Territory is:
  - (1) The United States of America, the District of Columbia (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada.

### **Limit of Insurance**

Any payment made under this Policy will not be increased if more than one **named insured** is shown on the Declarations Page.

If two or more limits apply to the same portion of a **loss**, **we** will only pay the lesser limit.

The limit of **your** insurance under this Policy, from **loss** or expense arising from any one **occurrence**, is the amount shown on the Declarations Page.

### **Deductible**

The deductible applies on a per scheduled item and per **occurrence** basis. **We** will first subtract the deductible amount shown on the Declarations Page from the amount **we** would otherwise pay under this Policy. **We** will then pay the amount in excess of the deductible, up to the applicable limit of insurance per scheduled item, never to exceed the total limit of insurance stated on the Declarations Page.

### **Your Duties In the Event of Loss or Damage**

**You** or the entrusted user must do the following in the event of **loss** or damage:

- a. **Our** producer shown on the Declarations Page must be contacted prior to any repair or replacement of covered property. **We** reserve the right to specify or approve the licensed-authorized repair or replacement facility;
- b. Give **us** notice within sixty (60) days of the **loss** or damage, including but not limited to:

- (1) A detailed description of the **scheduled covered property** including but not limited to make, model, serial number; and
  - (2) A detailed description of the events including how, when, and where the **loss** or damage occurred; and
  - (3) A detailed description of the **loss** incurred including any visible damage or operational issues.
- c. Provide proof of ownership for the **scheduled covered property** including bill of sale, invoice, cancelled check, credit card receipt;
  - d. Allow **us** a reasonable time and opportunity to examine the property before repairs are undertaken or physical evidence of the **loss** is removed. But, **you** or the entrusted user must take whatever measures are necessary for protection from further damage;
  - e. Permit **us** to inspect the property and records. Also permit **us** to take samples of damaged and undamaged property for inspection, testing and analysis;
  - f. If requested, permit **us** to question **you** or the entrusted user under oath, at such times as may be reasonably required about any matter relating to this Policy or **your** claim including **your** books and records. In such event, **your** or the entrusted user's answers to our questions must be signed;
  - g. Send **us** a signed, sworn proof of **loss** containing the information **we** request to settle the claim. **You** or the entrusted user must do this within sixty (60) days after **our** request;
  - h. Cooperate with **us** in the investigation and settlement of the claim;
  - i. Promptly send **us** any legal papers or notices received concerning the **loss** or damage; and
  - j. Make no statement that will assume any obligation or admit any liability, for any **loss** or damage for which **we** may be liable, without **our** consent.

**If all the terms of these conditions (as detailed above) are not complied with, no claim under this Policy shall be payable.**

### Reducing Your Loss

**You** or the entrusted user must reduce the **loss**, if possible, by:

- a. Using all reasonable means to protect **scheduled covered property** that has been damaged;
- b. Resuming business that has been interrupted;
- c. Using merchandise or other property available;
- d. Using the property or services of others; or
- e. Salvaging the damaged property.

### Payment of Loss

Payment of **loss** will be made:

1. After the amount of covered **loss** is determined under this Policy, and
2. within thirty (30) days after:
  - a. **We** reach agreement with **you**;
  - b. Entry of a final judgment; or
  - c. The ruling of an appraisal award.

### Settlement Options

- a. **Electronic data processing equipment**  
**Our** payment for damaged **electronic data processing equipment** will be the lesser of the following:
    - (1) The amount of insurance on the Declarations Page for that unit; or
    - (2) The cost at the time of the **loss** to repair or replace the damaged property with property of the same or **like kind and quality**; or
    - (3) If the scheduled item is leased, **we** will at **our** discretion choose to pay the lease buy-out amount or **ACV** as determined by **us**; or
    - (4) Scheduled items three (3) years of age or older will be valued by using **ACV** as determined by **us**.  
**We** will not pay for any extra cost if **you** or the entrusted user decides to repair or replace the damaged property with property of a better than **like kind or quality** or of a larger capacity.
  - b. **We** further reserve the right to consult the manufacturer or other sources to determine replacement value or that of **like kind and quality** on the current market at the time of the **loss**. Factory or **refurbished** parts or replacements may be used in the course of repair or replacement by an authorized facility.
  - c. **Software** and /or **media**
    - (1) **We** will pay for the replacement of the same original operating system, or equivalent program that is commercially available and installed on the equipment at the time of purchase; **we** will not pay to reproduce **software** programs or programs acquired after the initial purchase of **scheduled covered property**.
    - (2) **Software Keys** must be scheduled to provide coverage. Upgrades must be purchased throughout the lifetime cycle of the **software keys** to stay up to date with the latest version published to receive full value.
    - (3) **Media** items will be replaced with the same or equivalent material. For the **media** materials, **you** or the entrusted user must provide proof of ownership for a **scheduled covered property loss** that has occurred.
- We** will not pay for any data reconstruction or retrieval of information.

### **Abandonment**

There can be no abandonment of any property to **us**.

### **Appraisal**

If **you** and **we** fail to agree on the amount of **loss**, each of **us** shall have the right to select a competent and disinterested appraiser within twenty (20) days from the date of disagreement. The appraisers will select an umpire. The appraisers will determine the amount of **loss** to the umpire. If they do not agree, then each appraiser will submit their amount of **loss** to the umpire. The agreement of any two will determine the amount of **loss**. **You** pay for **your** appraiser and **we** pay for **our** appraiser. **We** and **you** shall each share in the expense of the umpire.

The Appraisal Condition is voluntary and non-binding.

### **Salvage and Recoveries**

- a. When, in connection with any **loss** under this Policy, any salvage or recovery is received subsequent to the payment of such **loss**, the **loss** shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the **loss** was originally determined. Any amounts thus found to be due either party from the other shall be paid promptly.
- b. If **we** pay a claim on the insured property and **you** and/or **we** recover property:
  - (1) The benefit of recovery will be **ours** up to the total amount of **our** payment; and
  - (2) **We** will retain all salvage value of the recovered property until **we** have been fully reimbursed for **our** payment.

### **Subrogation**

If **we** make any payment under this Policy and **you** have a right to recover damages from another, **we** shall be subrogated to that right. However, **our** right to recover is subordinate to that person or organization's right to be fully compensated for **loss**.

### **Waiver or Change of Policy Provisions**

This Policy contains all the agreements between **you** and **us** concerning the insurance afforded. Any changes in the terms of this Policy can only be made with **our** consent. This Policy's terms can be amended or waived only by endorsement issued by **us** and made a part of this Policy.

### **Examination of Your Books and Records**

**We** may examine and audit **your** books and records as they relate to this Policy at any time during the Policy period and up to three years afterward.

### **Inspections and Audits**

**We** have the right but are not obligated to:

1. Make inspections and audits at any time;
2. Give **you** reports on the conditions **we** find; and
3. Recommend changes to be implemented.

Any inspections, audits, reports or recommendations relate only to insurability and the premiums to be charged. **We** do not make safety inspections. **We** do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. **We** do not warrant that conditions:

- (a) Are safe or healthful; or
- (b) Comply with laws, regulations, codes or standards.
4. **We** may periodically perform underwriting inspections to ensure proper processes and procedures are being followed and that correct data and information are being submitted.

This condition applies not only to **us**, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, audits reports or recommendations.

### **Premiums**

1. **You** are responsible for the payment of all premiums; and
2. **You** will be the payee for any return premiums **we** pay.

### **Transfer of Your Rights and Duties under this Policy**

**Your** interests, rights and duties under this Policy may not be transferred without **our** prior written consent except in the case of **your** death.

If **you** die, **your** rights and duties will be transferred to **your** legal representative but only while acting within the scope of duties as **your** legal representative. Until **your** legal representative is appointed, anyone having proper temporary custody of **your** covered property will have **your** rights and duties, but only with respect to **your scheduled covered property**.

### **Assignment**

This Policy may not be assigned without **our** written consent. **We** will have no liability under this Policy in the case of assignment without such written consent.

### **Other Insurance**

a. **You** may have other Computer Systems or data Processing insurance. If **you** do, this Policy provides excess insurance. This means that **we** will pay only after the other Computer Systems or data processing insurance is exhausted.

b. **You** may have other **extra expense** insurance. If **you** do, this Policy provides excess insurance. This means that **we** pay only after the other **extra expense** insurance is exhausted.

In no case will **we** pay more than the applicable limits.

### **Action Against Us**

No action shall apply against **us** unless:

1. There has been full compliance with all the terms of this Policy; and
2. The action is brought within two years from the date when **you** or the entrusted user discovers the **loss**.

### **Cancellation**

1. **You** may cancel this Policy by mailing or delivering to **us** advance written notice of cancellation.

2. **We** may cancel this Policy by mailing or delivering to **you** written notice of cancellation at least:

- a. Ten (10) days before the effective date of cancellation if **we** cancel for nonpayment of premium; or
- b. Thirty (30) days before the effective date of cancellation if **we** cancel for any other reason.

3. **We** will mail or deliver our notice to **you** at **your** last mailing address known to **us**.

4. Notice of cancellation will state the effective date of cancellation. The Policy period will end on that date.

5. If this Policy is canceled, **we** will send you any premium refund due. If **we** cancel, the refund will be pro rata. If **you** cancel, any unearned premium will be refunded to **you** computed in accordance with the customary short-rate procedure. The cancellation will be effective even if **we** have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

7. Coverage will not be provided to **you** under this Policy if, whether before or after a **loss**, **you** or the entrusted user has:

- a. Intentionally concealed or misrepresented any material fact or circumstance; or
- b. Engaged in fraudulent conduct; or
- c. Made false statements.

### **Nonrenewal**

**We** may elect not to continue this Policy. **We** may do so by mailing to **you** written notice at least thirty (30) days before the effective date of cancellation on this Policy. Proof of mailing will be sufficient proof of notice.

### **Concealment, Misrepresentation or Fraud**

**We** will not pay for any **loss** if **you** or the entrusted user at any time intentionally conceal or misrepresent a material fact concerning:

- a. This Policy;
- b. The **scheduled covered property**, including the value of such property reported to **us**;
- c. **Your** interest in the **scheduled covered property**; or
- d. A claim under this Policy.

If any material fact is concealed or misrepresented, **we** reserve the right to:

- (1) Deny claim based on facts presented; or
- (2) Re-rate risk associated with material facts; or
- (3) Collect any premiums due on re-rate of risk and new exposure calculated from the date of purchase.

### **Benefits from Policy**

No person or organization, other than **you**, having custody of the property will benefit from this insurance.

### **Physical Environment**

**You** and the entrusted user agree to take due care to maintain a physical environment, levels of temperature, humidity, dust, in keeping with the recommendations of the manufacturer for the insured property.

### **Errors in Description**

**We** will pay **your loss** covered by this Policy if such **loss** is otherwise not payable solely because of any unintentional error in listing the insured property under this Policy. This is limited to typographical errors on submitted schedules with a restriction of five (5) allowable typographical errors per Policy year. **You** or the entrusted user agrees to give **us** notice within thirty (30) days of any such error when discovered.

### **Bankruptcy**

The bankruptcy or insolvency of **you** or **your** estate will not relieve **us** of any obligation under this Policy.

### **Liberalization**

If **we** adopt any revision that would broaden the coverage under this Policy without additional premium within forty-five (45) days prior to or during the Policy period, the broadened coverage will immediately apply to this Policy.

### **Loss Payable**

- a. **We** will pay **you** and the loss payee shown on the Declarations Page for **loss** covered by this Policy, as interests may appear. The Policy covers **your** interest and the interest of the loss payee, unless the **loss** results from conversion, secretion or embezzlement on **your** part.
- b. **We** may cancel the Policy as allowed by the Cancellation Condition. Cancellation ends this agreement as to the loss payee's interest. If **we** cancel, **we** will mail **you** and the loss payee the same advance notice.
- c. If **we** make any payment to the loss payee, **we** will obtain their rights against any other party.

### **Calculation of Premium**

The premium shown on the Declarations Page was computed based on rates in effect at the time the Policy was issued. On each renewal, continuation, or anniversary of the effective date of this Policy, **we** will compute the premium in accordance with **our** rates and rules then in effect.

### **Conformity to Statute**

This Policy is amended to comply with the statutes of the jurisdiction:

1. Where it is issued; and
2. On the effective date.

In Witness thereof, **we** have caused **your** Policy to be signed on the Declarations Page by **our** President and Secretary and countersigned, if required, by **our** duly authorized representative.



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### COMMERCIAL COMPUTER ACCIDENTAL DAMAGE COVERAGE SECTION

#### Definitions:

**Accidental physical damage** means an unexpected and unintentional external event that results in physical damage to **your** or the entrusted user's property. The damage shall not be foreseeable and shall be beyond the control of **you** or the individual entrusted with care, custody and control of the **scheduled covered property**.

**Neglect** means **your** or the entrusted user's disregard to use all reasonable means to save and preserve **your** or the entrusted user's property.

**Abuse** means:

- a. Improper usage or careless treatment of **scheduled covered property** by **you** or the entrusted user;
- b. Intentionally or recklessly damaging or destroying property by **you** or the entrusted user;
- c. Operating the product outside the permitted or intended uses described by the manufacturer's instructions.

**Intentional Damage** means any **loss** arising out of any act, or willful **neglect** by **you** or the entrusted user to commit or conspire to commit with the intent to cause a **loss**, including imposition of any abnormal conditions to **your** or the entrusted user's **scheduled covered property**.

**Mechanical and/or electrical breakdown** means the failure of a covered part due to faulty workmanship or faulty materials supplied by the original manufacturer or distributor when operated according to the manufacturer's instructions.

**Preexisting condition** means failures, defects, damages or **loss**, that **you** or the entrusted user should have reasonably known to be present prior to the effective date of the Policy.

**Wear and tear** means the reduction in value to **scheduled covered property** stemming from routine use and exposure.

**Cosmetic damage or restoration** means damages or changes to the physical appearance of the **scheduled covered property** that do not impede or hinder the normal operational function of the **scheduled covered property** such as scratches, abrasion, change in color, texture or finish.

**Flood** means surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

**Mysterious disappearance** means the disappearance of property without the knowledge as to place, time or manner of its **loss**.

**Theft** means the unlawful taking or removing of property without **your** or the entrusted user's consent and the intent to deprive **you** or the entrusted user.

#### Covered Cause of Loss:

**We** will provide coverage to **your scheduled covered property** against **accidental physical damage**.

#### Exclusions:

**We** will not pay for **loss** or damage caused by or resulting from the following, even though any other cause or event contributes concurrently or in any sequence to the **loss**:

1. Fire, lightning, internal explosion, windstorm or hail, explosion, riot or civil commotion, aircraft, vehicles, smoke, volcanic eruption, vandalism or malicious mischief, damage by burglars, falling objects, weight of ice, snow, or sleet, sudden cracking of steam or hot water heating system, freezing, sudden damage from artificial electric currents, or flood.
2. Depreciation, depletion, deterioration, obsolescence, corrosion, erosion, **wear and tear**, faulty materials or design errors.
3. **Neglect, abuse** or **intentional damage** including not following the original equipment manufacturer guidelines for operations and use.
4. **Cosmetic damage or restoration**.
5. Any increase in **loss** caused by or resulting from enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation.
6. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.

7. Nuclear hazard, reaction or radiation, or radioactive contamination, however caused.
8. War, including undeclared or civil war, and war like 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.
9. Strikers or anyone else at the site of **your** or the entrusted user's property that interferes with **your** or the entrusted user's efforts to prevent a **loss** or damage or to fix the damage or resume **your** or the entrusted user's normal business or operations.
10. The suspension, cancellation, lapse or default of any lease, license, contract or order.
11. A delay in or interruption of any business, manufacturing or processing activity.
12. Any intentional dishonest, fraudulent or criminal acts by **you**, the entrusted user, or **your** partners, employees, **your** officers, trustees, directors or anyone else with an interest in the **scheduled covered property**, their employees or authorized representatives or anyone entrusted with the **scheduled covered property**, whether or not acting in collusion with other person(s). This does not apply to a carrier or hire.
13. Programming errors including the inability of a program to function properly beyond a naturally occurring calendar date.
14. **Loss** to accounts, bills, checks, valuable papers, records, abstracts, deeds or manuscripts.
15. **Loss** to **electronic data processing equipment** contained on or installed in rolling stock, watercraft, aircraft, spacecraft or motor vehicles licensed for highway use.
16. **Loss** caused by **you** or the entrusted user due to **neglect** or for failure to use all reasonable means to resume business that has been interrupted or consequential **loss** or damages arising out of the use of or inability to use the **scheduled covered property**.
17. **Loss** or damage to **scheduled covered property** while it is being serviced or repaired by a non-authorized facility, a non-licensed repairer, or a non-authorized or non-licensed on-site facility.
18. **Loss** or damage to **scheduled covered property** held by **you** or the entrusted user for sale, rent or lease.
19. **Theft** or **mysterious disappearance**.
20. **Loss** or damage caused by **mechanical and/or electrical breakdown**, faulty construction, **preexisting conditions**, error or omission in design.
21. **Physical environment** such as dust, condensation or evaporation, dampness, dryness, cold or heat including rust or corrosion caused by any of these factors. This includes but is not limited to continuous or repeated exposure to the same general harmful conditions in addition to vermin and insects.
22. **Loss** or damage caused by:
  - a. The failure, malfunction or inadequacy of the following due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times:
    - (1) **Electronic data processing equipment**; or
    - (2) Data; or
    - (3) **Software and/or media**;
  - b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by **you** or the entrusted user, or for **you** or the entrusted user by an licensed-authorized repair technician to determine, rectify or test for, any potential or actual problems described in item a. above.
  - c. Any **loss** of data resulting from problems described in item a. above.

If an excluded Cause of **loss** as described in Item a., b., and c. results in a **covered cause of loss**, **we** will pay only for the **loss** or damage caused by such **covered cause of loss**.

**We** will not pay for repair, replacement or modification of any items in item a. to correct any deficiencies or change any features.
23. Additional cost(s) of on-site service to **you** or the entrusted user's location, such as travel charges.
24. Costs which are recoverable under any product or manufacturer's warranty or extended warranty.
25. Losses that occur outside the Policy Territory unless an approved International Coverage endorsement is attached, and additional premium has been paid.
26. Programming, data reconstruction, data recovery, program installation and/or reconfiguration, except as defined in the Policy.
27. Any other direct or indirect result of a **loss** to **scheduled covered property** not listed on the Declarations Page.





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## COMMERCIAL COMPUTER STANDARD COVERAGE SECTION

### Definitions:

**Neglect** means the **you** or the entrusted user's disregard to use all reasonable means to save and preserve **your** or entrusted user's property.

**Abuse** means:

- a. improper usage or careless treatment of **scheduled covered property** by **you** or the entrusted user;
- b. intentionally or recklessly damaging or destroying property by **you** or the entrusted user;
- c. operating the product outside the permitted or intended uses described by the manufacturer's instructions.

**Intentional damage** means any **loss** arising out of any act, or willful **neglect** by **you** or the entrusted user to commit or conspire to commit with the intent to cause a **loss**, including imposition of any abnormal conditions to **your** or the entrusted user's **scheduled covered property**.

**Mechanical** and **electrical breakdown** means the failure of a covered part due to faulty workmanship or faulty materials supplied by the original manufacturer or distributor when operated according to the manufacturer's instructions.

**Preexisting condition** means failures, defects, damages or **loss**, that **you** or the entrusted user should have reasonably known to be present prior to the effective date of the Policy.

**Wear and tear** means the reduction in value to **scheduled covered property** stemming from routine use and exposure.

**Cosmetic damage** or **restoration** means damages or changes to the physical appearance of the **scheduled covered property** that do not impede or hinder the normal operational function of the **scheduled covered property** such as scratches, abrasion, change in color, texture or finish.

**Flood** means surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

**Mysterious disappearance** means the disappearance of property without the knowledge as to place, time or manner of its **Loss**.

**Accidental physical damage** means an unexpected and unintentional external event that results in physical damage to **your** or the entrusted user's property. The damage shall not be foreseeable and shall be beyond **your** control or the individual entrusted with care, custody and control of the **scheduled covered property**.

**Theft** means the unlawful taking or removing of property without **your** or the entrusted user's consent and with the intent to deprive **you** or the entrusted user.

### Covered Cause of Loss:

**We** will provide coverage to **your scheduled covered property** against direct, physical **loss** or damage caused by:

1. fire;
2. lightning;
3. internal explosion;
4. windstorm or hail;
5. explosion;
6. riot or civil commotion;
7. aircraft;
8. vehicles;
9. smoke;
10. volcanic eruption;
11. vandalism or malicious mischief;
12. damage by burglars;
13. falling objects;

14. weight of ice, snow or sleet;
15. accidental discharge of water or steam;
16. sudden cracking of a steam or hot water heating system;
17. freezing;
18. sudden damage from artificial electric currents; or
19. **flood**.

**Exclusions:**

**We** will not pay for **loss** or damage caused by or resulting from the following, even though any other cause or event contributes concurrently or in any sequence to the **loss**:

1. Depreciation, depletion, deterioration, obsolescence, corrosion, erosion, **wear and tear**, faulty materials or design errors.
2. **Neglect, abuse or intentional damage** including not following the original equipment manufacturer's guidelines for operations and use.
3. **Cosmetic damage or restoration**.
4. Any increase in **loss** caused by or resulting from enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation.
5. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.
6. Nuclear hazard, reaction or radiation, or radioactive contamination, however caused.
7. War, including undeclared or civil war, and war like 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.
8. Strikers or anyone else at the site of **your** or the entrusted user's property that interferes with **your** or the entrusted user's efforts to prevent a **loss** or damage or to fix the damage or resume **your** or the entrusted user's normal business or operations.
9. The suspension, cancellation, lapse or default of any lease, license, contract or order.
10. A delay in or interruption of any business, manufacturing or processing activity.
11. Any intentional dishonest, fraudulent or criminal acts by **you**, the entrusted user, or **your** partners, employees, **your** officers, trustees, directors or anyone else with an interest in the **scheduled covered property**, their employees or authorized representatives or anyone entrusted with the **scheduled covered property**, whether or not acting in collusion with other person(s). This does not apply to a carrier or hire.
12. Programming errors including the inability of a program to function properly beyond a naturally occurring calendar date.
13. **Loss** to accounts, bills, checks, valuable papers, records, abstracts, deeds or manuscripts.
14. **Loss to electronic data processing equipment** contained on or installed in rolling stock, watercraft, aircraft, spacecraft or motor vehicles licensed for highway use.
15. **Loss** caused by **you** or the entrusted user due to **neglect** or for failure to use all reasonable means to resume business that has been interrupted or consequential **Loss** or damages arising out of the use of or inability to use the **scheduled covered property**.
16. **Loss** or damage to **scheduled covered property** while it is being serviced or repaired by a non-authorized facility, a non-licensed repairer, or a non-authorized or non-licensed on-site facility.
17. **Loss** or damage to **scheduled covered property** held by **you** or the entrusted user for sale, rent or lease.
18. **Theft and mysterious disappearance**.
19. **Loss** or damage caused by **mechanical and/or electrical breakdown**, faulty construction, **preexisting conditions**, error or omission in design.
20. Physical environment such as dust, condensation or evaporation, dampness, dryness, cold or heat including rust or corrosion caused by any of these factors. This includes but is not limited to continuous or repeated exposure to the same general harmful conditions in addition to vermin and insects.
21. **Loss** or damage caused by:
  - a. The failure, malfunction or inadequacy of the following due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times:

(1) **Electronic data processing equipment;** or

(2) Data; or

(3) **Software** and/or **media**;

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by **you** or the entrusted user, or for **you** or the entrusted user by an licensed-authorized repair technician to determine, rectify or test for, any potential or actual problems described in item a. above.

c. Any **loss** of data resulting from problems described in item a. above.

If an excluded cause of **loss** as described in Item a., b., and c. results in a covered cause of **loss**, **we** will pay only for the **loss** or damage caused by such covered cause of **loss**.

**We** will not pay for repair, replacement or modification of any items in item a. to correct any deficiencies or change any features.

22. Additional cost(s) of on-site service to **you** or the entrusted user's location, such as travel charges.

23. Costs which are recoverable under any product or manufacturer's warranty or extended warranty.

24. Losses that occur outside the Policy Territory unless an approved International Coverage endorsement is attached, and additional premium has been paid.

25. Programming, data reconstruction, data recovery, program installation and/or reconfiguration, except as defined in the Policy.

26. Any other direct or indirect result of a **loss** to **scheduled covered property** not listed.

27. **Accidental physical damage.**

The following has been added to the **CONDITION, Your Duties In the Event of Loss or Damage:**

k. Submit a copy of the law enforcement agency or fire department report, as applicable, detailing the **loss** incurred;



Technology Insurance Company

An AmTrust Financial Company

A Stock Insurance Company

59 Maiden Lane, 6<sup>th</sup> Floor, New York, NY 10038

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## COMMERCIAL COMPUTER BURGLARY / ROBBERY COVERAGE SECTION

### Definitions:

**Burglary** means the forcible entry or exit of the premises, which are not open, and illegally taking away **scheduled covered property** from **you** or the entrusted user. Visible signs of forced entry must be present in order for **loss** to be covered.

**Robbery** means the taking of **your** or the entrusted user's **scheduled covered property** by using violence, threats or intimidation.

**Neglect** means **your** disregard or the entrusted user's to use all reasonable means to save and preserve **your** or entrusted user's property.

**Accidental physical damage** means an unexpected and unintentional external event that results in physical damage to **your** or the entrusted user's property. The damage shall not be foreseeable and shall be beyond **your** control or the individual entrusted with care, custody and control of the **scheduled covered property**.

### Covered Cause of Loss:

**We** will provide coverage to **your scheduled covered property** against direct, physical **loss** or damage caused by **burglary** or **robbery**.

### Exclusions:

**We** will not pay for **loss** or damage caused by or resulting from the following, even though any other cause or event contributes concurrently or in any sequence to the **loss**:

1. Depreciation, depletion, deterioration, obsolescence, corrosion, erosion, **wear and tear**, faulty materials or design errors.
2. **Neglect** including not following the original equipment manufacturer's guidelines for operations and use.
3. **Cosmetic damage or restoration to your scheduled covered property** that does not impede or hinder the normal operation function of the **scheduled covered property** such as scratches, abrasion, change in color, texture or finish.
4. Any increase in **loss** caused by or resulting from enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation.
5. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.
6. Nuclear Hazard, reaction or radiation, or radioactive contamination, however caused.
7. War, including undeclared or civil war, and war like 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.
8. Strikers or anyone else at the site of **your** or the entrusted user's property that interferes with **your** or the entrusted user's efforts to prevent a **loss** or damage or to fix the damage or resume **your** or the entrusted user's normal business or operations.
9. The suspension, cancellation, lapse or default of any lease, license, contract or order.
10. A delay in or interruption of any business, manufacturing or processing activity.
11. Any intentional dishonest, fraudulent or criminal acts by **you**, the entrusted user, or **your** partners, employees, **your** officers, trustees, directors or anyone else with an interest in the **scheduled covered property**, their employees or authorized representatives or anyone entrusted with the **scheduled covered property**, whether or not acting in collusion with other person(s). This does not apply to a carrier or hire.

12. Programming errors including the inability of a program to function properly beyond a naturally occurring calendar date.
13. **Loss** to accounts, bills, checks, valuable papers, records, abstracts, deeds or manuscripts.
14. **Loss** to **electronic data processing equipment** contained on or installed in rolling stock, watercraft, aircraft, spacecraft or motor vehicles licensed for highway use.
15. **Loss** caused by **you** or the entrusted user due to **neglect** or for failure to use all reasonable means to resume business that has been interrupted or consequential **loss** or damages arising out of the use of or inability to use the **scheduled covered property**.
16. **Loss** or damage to **scheduled covered property** while it is being serviced or repaired by a non-authorized facility, a non-licensed repairer, or a non-authorized or non-licensed on-site facility.
17. **Loss** or damage to **scheduled covered property** held by **you** or the entrusted user for sale, rent or lease.
18. **Mysterious disappearance**.
19. **Loss** or damage caused by **mechanical and/or electrical breakdown**, faulty construction, **preexisting conditions**, error or omission in design.
20. Physical environment such as dust, condensation or evaporation, dampness, dryness, cold or heat including rust or corrosion caused by any of these factors. This includes but is not limited to continuous or repeated exposure to the same general harmful conditions in addition to vermin and insects.
21. **Loss** or damage caused by:
  - a. The failure, malfunction or inadequacy of the following due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times:
    - (1) **Electronic data processing equipment**; or
    - (2) Data; or
    - (3) **Software** and/or **media**;
  - b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by **you** or the entrusted user, or for **you** or the entrusted user by an licensed-authorized repair technician to determine, rectify or test for, any potential or actual problems described in item a. above.
  - c. Any **loss** of data resulting from problems described in item a. above.

If an excluded cause of **loss** as described in Item a., b., and c. results in a **covered cause of loss**, **we** will pay only for the **loss** or damage caused by such **covered cause of loss**.

**We** will not pay for repair, replacement or modification of any items in item a. to correct any deficiencies or change any features.
22. Additional cost(s) of on-site service to **you** or the entrusted user's location, such as travel charges.
23. Costs, which are recoverable under any product or manufacturer's warranty or extended warranty.
24. **Losses** that occur outside the Policy Territory unless an approved International Coverage endorsement is attached, and, additional premium has been paid.
26. Programming, data reconstruction, data recovery, program installation and/or reconfiguration, except as defined in the Policy.
26. Any other direct or indirect result of a **loss** to **scheduled covered property** not listed.
27. **Accidental physical damage**.

The following has been added to the **CONDITION, Your Duties In the Event of Loss or Damage**:

- m. Notify the accredited law enforcement agency within five (5) days of knowledge of the **occurrence**, and, obtain and submit a copy of the field report to **us**.



Technology Insurance Company

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A Stock Insurance Company

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## COMMERCIAL COMPUTER THEFT COVERAGE SECTION

### Definitions:

**Theft** means the unlawful taking or removing of property without **your** or the entrusted user's consent and with the intent to deprive **you** or the entrusted user.

**Neglect** means **your** or entrusted user's disregard to use all reasonable means to save and preserve **your** or the entrusted user's property.

**Mechanical and/or electrical breakdown** means the failure of a covered part due to faulty workmanship or faulty materials supplied by the original manufacturer or distributor when operated according to the manufacturer's instructions.

**Preexisting condition** means failures, defects, damages or **loss**, which **you** or the entrusted user should have reasonably known to be present prior to the effective date of the Policy.

**Wear and tear** means the reduction in value to **scheduled covered property** stemming from routine use and exposure.

**Cosmetic damage or restoration** means damages or changes to the physical appearance of the **scheduled covered property** that do not impede or hinder the normal operational function of the **scheduled covered property** such as scratches, abrasion, change in color, texture or finish.

**Flood** means surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

**Mysterious disappearance** means the disappearance of property without the knowledge as to place, time or manner of its **loss**.

**Accidental physical damage** means an unexpected and unintentional external event that results in physical damage to **your** or the entrusted user's property. The damage shall not be foreseeable and shall be beyond **your** control or the individual entrusted with care, custody and control of the **scheduled covered property**.

### Covered Cause of Loss:

We will provide coverage to **your scheduled covered property** against direct, physical **loss** or damage caused by **theft**.

### Exclusions:

We will not pay for **loss** or damage caused by or resulting from the following, even though any other cause or event contributes concurrently or in any sequence to the **loss**:

1. Depreciation, depletion, deterioration, obsolescence, corrosion, erosion, **wear and tear**, faulty materials or design errors.
2. **Neglect** including not following the original equipment manufacturer's guidelines for operations and use.
3. **Cosmetic damage or restoration**.
4. Any increase in **loss** caused by or resulting from enforcement of any ordinance, law, regulation, rule or ruling regulating or restricting repair, replacement, alteration, use, operation, construction or installation.
5. Any earth movement, including but not limited to earthquake, subsidence, sinkhole collapse, landslide, mudslide, earth sinking, tsunami or volcanic action.
6. Nuclear Hazard, reaction or radiation, or radioactive contamination, however caused.
7. War, including undeclared or civil war, and war like 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.
8. Strikers or anyone else at the site of **your** or the entrusted user's property that interferes with **your** or the entrusted user's efforts to prevent a **loss** or damage or to fix the damage or resume **your** or the entrusted user's normal business or operations.
9. The suspension, cancellation, lapse or default of any lease, license, contract or order.
10. A delay in or interruption of any business, manufacturing or processing activity.

11. Any intentional dishonest, fraudulent or criminal acts by **you**, the entrusted user, or **your** partners, employees, **your** officers, trustees, directors or anyone else with an interest in the **scheduled covered property**, their employees or authorized representatives or anyone entrusted with the **scheduled covered property**, whether or not acting in collusion with other person(s). This does not apply to a carrier or hire.
12. Programming errors including the inability of a program to function properly beyond a naturally occurring calendar date.
13. **Loss** to accounts, bills, checks, valuable papers, records, abstracts, deeds or manuscripts.
14. **Loss** to **electronic data processing equipment** contained on or installed in rolling stock, watercraft, aircraft, spacecraft or motor vehicles licensed for highway use.
15. **Loss** caused by **you** or the entrusted user due to **neglect** or for failure to use all reasonable means to resume business that has been interrupted or consequential **loss** or damages arising out of the use of or inability to use the **scheduled covered property**.
16. **Loss** or damage to **scheduled covered property** while it is being serviced or repaired by a non-authorized facility, a non-licensed repairer, or a non-authorized or non-licensed on-site facility.
17. **Loss** or damage to **scheduled covered property** held by **you** or the entrusted user for sale, rent or lease.
18. **Mysterious disappearance**.
19. **Loss** or damage caused by **mechanical** and/or **electrical breakdown**, faulty construction, **preexisting conditions**, error or omission in design.
20. **Physical environment** such as dust, condensation or evaporation, dampness, dryness, cold or heat including rust or corrosion caused by any of these factors. This includes but is not limited to continuous or repeated exposure to the same general harmful conditions in addition to vermin and insects.
21. **Loss** or damage caused by:
  - a. The failure, malfunction or inadequacy of the following due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times:
    - (1) **Electronic data processing equipment**; or
    - (2) Data; or
    - (3) **Software** and/or **media**;
  - b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by **you** or the entrusted user, or for **you** or the entrusted user by an licensed-authorized repair technician to determine, rectify or test for, any potential or actual problems described in item a. above.
  - c. Any **loss** of data resulting from problems described in item a. above.

If an excluded cause of **loss** as described in Item a., b., and c. results in a Covered Cause of **loss**, **we** will pay only for the **loss** or damage caused by such Covered Cause of **loss**.

**We** will not pay for repair, replacement or modification of any items in item a. to correct any deficiencies or change any features.
22. Additional cost(s) of on-site service to **you** or the entrusted user's location, such as travel charges.
23. Costs, which are recoverable under any product or manufacturer's warranty or extended warranty.
24. Losses that occur outside the Policy Territory unless an approved International Coverage endorsement is attached, and additional premium have been paid.
25. Programming, data reconstruction, data recovery, program installation and/or reconfiguration, except as defined in the Policy Provisions.
26. Any other direct or indirect result of a **loss** to **scheduled covered property** not listed.
27. **Theft** from any unattended vehicle unless the following conditions are met:
  - a) The **loss** is a direct result of violent and forceful entry or which there is visible evidence; and
  - b) The vehicles doors, windows and compartments and its ignition were securely closed and locked.
28. **Accidental physical damage**.

The following has been added to the **CONDITION, Your Duties In the Event of Loss or Damage**:

- I. Notify the accredited law enforcement agency within five (5) days of knowledge of the **occurrence**, and obtain and submit a copy of the field report to **us**.