

## BUSINESS INSURANCE COVERAGE GLOSSARY

*The definitions in this coverage glossary are informational only. Please refer to the specific state form for applicable policy terms and conditions. In the event of any conflicts between this document and the specific policy, the policy will govern.*

COVERAGE	COVERAGE DESCRIPTION (for all industries, unless noted)
<b>A</b>	
<b>Abuse &amp; Molestation (Abusive Acts)</b>	Provides coverage for acts of abuse or molestation and defense costs inside the limit and not in addition to the limit of insurance. In Oklahoma, for the Institutional program, separate limits are provided for indemnity and defense costs.
<b>Accounts Receivable – On Premises/Off Premises</b>	Pays for direct physical loss or damage to accounts receivable caused by or resulting from a covered cause of loss. A lower limit is provided for accounts receivable losses not at the described premises.
<b>Additional Insured – Controlling Interest</b>	Adds as an additional insured the person or organization with a controlling interest, but only for their liability arising out of their financial control of the insured or premises they own, maintain, or control while the insured leases or occupies those premises.
<b>Additional Insured – Co-Owner of Insured Premises</b>	Adds as an additional insured a person or organization that is a co-owner of the insured premises, but only with respect to liability as a co-owner of the premises.
<b>Additional Insured – Designated Person or Organization</b>	Adds a designated person or organization as an additional insured.
<b>Additional Insured – Engineer, Architects or Surveyors not Engaged by the Named Insured</b>	Adds as an additional insured an engineer, architect or surveyor not directly engaged by the insured, but only with respect to liability arising out of the insured's ongoing operations performed by the insured or on the insured's behalf.
<b>Additional Insured – Engineers, Architects or Surveyors</b>	Adds as an additional insured an engineer, architect or surveyor engaged by the insured, but only with respect to liability arising out of the insured's premises or ongoing operations performed by the insured or on the insured's behalf.
<b>Additional Insured – Grantor of Franchise</b>	Adds as an additional insured a person or organization, but only with respect to their liability as a grantor of a franchise.
<b>Additional Insured – Lessor of Leased Equipment</b>	Adds as an additional insured a person or organization, but only with respect to their liability arising out of the maintenance, operation or use by the insured of equipment leased to the insured by that person or organization.
<b>Additional Insured – Managers or Lessors</b>	Adds as an additional insured a person or organization, but only with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased to the insured.
<b>Additional Insured – Mortgagees, Assignees, or Receivers</b>	Adds as an additional insured a person or organization, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by the insured.
<b>Additional insured – Owner, Lessees, or Contractors</b>	Adds as an additional insured a named person or organization, but only with respect to liability arising out of the insured's ongoing operations performed for that additional insured.
<b>Additional Insured – Owners of Garage Premises</b>	Adds as an additional insured a person or organization but only with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased to the insured.
<b>Additional Insured – Owners or Other Interests From Whom Land Has Been Leased</b>	Adds as an additional insured a named person or organization, but only with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to the insured and shown in the schedule.
<b>Additional Insured – State or Political Subdivisions, Permits Relating to Premises</b>	Adds as an additional insured governmental organizations issuing permits to contractors for certain premises hazards. This endorsement provides no coverage for operations performed for such governmental organizations.
<b>Additional Insured – Vendors</b>	Adds as an additional insured a named person or organization, but only with respect to bodily injury or property damage arising out of the distribution or sale of the insured's products as shown in the schedule.
<b>Advertising Injury</b>	See Personal & Advertising Injury.
<b>Animal Bailee – Pet Services / Veterinarian</b>	Pays for loss, from a covered cause of loss, of domestic animals owned by others while in the insured's care, custody or control.
<b>Arson Conviction Reward</b>	Pays persons, other than the Named Insured or person responsible for a fire, for information leading to an arson conviction regarding loss or damage to covered property.
<b>Art Gallery</b>	Pays for loss of or damage from a covered cause of loss to Fine Arts owned by others in the insured's care, custody and control. The loss may be subject to a per-item limit.
<b>Assault or Battery</b>	Pays for sums that the insured becomes legally obligated to pay as damages because of bodily injury, property damage or personal and advertising injury arising from assault or battery to which this insurance applies.
<b>Association Fees and Extra Expense</b>	Pays for Association Fees that become uncollectible from unit owners whose units have been rendered uninhabitable due to direct physical loss or damage caused by or resulting from a covered cause of loss. Also covers extra expense incurred during the period of restoration that would not have been incurred had there been no loss or damage from a covered cause of loss.
<b>B</b>	

<b>Back Up of Sewer or Drains</b>	Pays for loss or damage caused by water that backs up or overflows from the insured's sewer or drain or enters into and overflows from a sump pump or any other system designed to remove subsurface water from a foundation area.
<b>Bailees (Customer's Personal Property)</b>	Pays for direct physical loss or damage to property in the care, custody or control of the insured.
<b>Barbers and Beauticians Professional Liability</b>	Pays for an amount the insured is legally obligated to pay as a result of failing to provide a professional standard of care to a customer.
<b>Brands and Labels</b>	Pays for costs to stamp, salvage, or to remove brands or labels and re-label the merchandise to comply with the law, on property for which we have paid for a covered loss and have elected to take all or part of the property at an agreed or appraised value.
<b>Broad Form Liability</b>	Broadens liability coverage by adding or modifying coverage for the following: Incidental Malpractice; Aircraft or Watercraft; Additional Insured – Broad Form Vendors; Unintentional Failure to Disclose Hazards; Other Insurance – Primary Additional Insured; Newly Acquired organizations as insureds; and Volunteers as Insureds.
<b>Broad Form Products</b>	Removes the Defective Products Exclusion under the Garage coverage form.
<b>Building</b>	Pays for direct physical loss or damage from a covered cause of loss to the described building(s) or structure(s), including completed additions, fixtures, permanently installed machinery and equipment, and personal property used to maintain or service the buildings or structures, such as fire extinguishing equipment, outdoor furniture, floor coverings, and appliances.
<b>Building – Automatic Increase Amount</b>	Provision to automatically increase the building coverage amount by the specified percentage.
<b>Building – Tenant Obligation</b>	If the insured is a tenant, this coverage pays for loss or damage to part of the building occupied at the described premises that the insured is contractually required to pay pursuant to a written lease agreement.
<b>Building Limit – Automatic Increase</b>	Automatically increases the Limit of Insurance for buildings, during the policy period, by the pro-rated annual increase percentage.
<b>Building Ordinance or Law – (A) Loss to Undamaged Portion of Building</b>	Pays for loss in value of the undamaged portion of the covered building due to demolition pursuant to a building ordinance or law.
<b>Building Ordinance or Law – (B) &amp; (C) Combined</b>	Under a single blanket limit, provides coverage for (1) costs to demolish and remove debris of undamaged parts of the covered building when it is required by building ordinance or law; (2) increased costs to repair, reconstruct or remodel damaged or undamaged parts of the covered building to comply with a building ordinance or law.
<b>Building Ordinance or Law – (B) Demolition Cost</b>	Pays for costs to demolish and remove debris of undamaged parts of the covered building when it is required by building ordinance or law.
<b>Building Ordinance or Law – (C) Increased Cost of Construction</b>	Pays for increased costs to repair, reconstruct or remodel damaged or undamaged parts of the covered building to comply with a building ordinance or law.
<b>Building Ordinance or Law – Business Income &amp; Extra Expense</b>	Pays for actual loss of Business Income and Extra Expense sustained during the increased period of suspension caused by or resulting solely from the enforcement of ordinance or law.
<b>Business Income – 72 Hour Waiting Period Buyback</b>	Removes the 72-hour waiting period requirement before the period of restoration begins for Business Income Coverage.
<b>Business Income – Boil Water Order</b>	Pays for actual loss of Business Income sustained, and necessary Extra Expense incurred, due to the suspension of operations caused by a boil-water order issued by a governmental, health or water authority. A 24-hour waiting period applies.
<b>Business Income – Franchisor</b>	Clarifies the definition of continuing normal operating expense to include franchisor fees and royalties as stipulated in a franchise agreement.
<b>Business Income – from Dependent Property</b>	Pays for loss of Business Income if the insured has to suspend operations because of direct physical loss to a dependent property. A dependent property is one that delivers goods or services to the insured, accepts the insured's products or services, or attracts customers to the insured's business.
<b>Business Income – Off Premises Event Cancellation</b>	Pays for loss of Business Income sustained if a special event, not at a covered location, is canceled due to direct physical damage caused by a covered cause of loss.
<b>Business Income – Tips Included</b>	Business Income coverage is extended to include tips/gratuity income of employees, as reported to the IRS, as part of an ordinary payroll expense.
<b>Business Income &amp; Extra Expense – Civil Authority</b>	Pays for loss of business income and extra expense incurred caused by the action of a civil authority that prohibits access to the described premises due to a covered loss to property, other than at the described premises. Coverage may be subject to a specified limit of insurance for each insured premises.
<b>Business Income &amp; Extra Expense – Newly Acquired or Constructed Property</b>	Pays for covered loss of Business Income and Extra Expense incurred due to the necessary suspension of the insured's operations at a newly acquired or constructed location.
<b>Business Income &amp; Extra Expense (BI&amp;EE)</b>	Pays for loss of Business Income (including Extended Business Income), and Extra Expense incurred, due to the suspension of the Insured's operations from a covered direct physical loss at the described premises. Coverage may be subject to a specified limit of insurance for each insured premises.
<b>Business Income &amp; Extra Expense (BI&amp;EE) – Time Period</b>	Maximum number of consecutive months allowed for a covered Period of Restoration after the date of direct physical loss or damage.

<b>Business Personal Property</b>	Pays for direct physical loss to: property the insured owns that is used in the business; property of others in the insured's care, custody and control; tenant's improvements & betterments; and leased property for which the insured has a contractual responsibility.
<b>Business Personal Property – Blanket</b>	If two or more locations are shown on the Declarations, and the Limit of Insurance shown for Business Personal Property at each covered location is at least equal to the required % of the value of the Business Personal Property at the time of a covered loss, the combined limit for all Business Personal Property at all locations described on the Declarations may be applied to any one location.
<b>Business Personal Property – Newly Acquired or Constructed Property</b>	Pays for damage to Business Personal Property at newly acquired or constructed buildings.
<b>Business Personal Property – Newly Acquired Premises</b>	Pays for damage to Business Personal Property at newly acquired buildings, subject to specific limitations.
<b>Business Personal Property Limit – Seasonal Increase</b>	The limit of insurance for Business Personal Property will automatically increase by the specified percentage.
<b>C</b>	
<b>Claims Expense</b>	Pays for reasonable expenses the insured incurs at the insurer's request to assist in the investigation of a claim or suit, or the determination of the amount of loss, such as taking inventory.
<b>Coinsurance Clause</b>	A coinsurance clause requires that the insured purchases an adequate amount of insurance in order to be indemnified for the total amount of the actual loss, subject to policy limits. If this requirement is not met, then there would be a reduction in the payable amount after a property loss.
<b>Collapse</b>	Pays for direct physical loss or damage caused by collapse of a covered building in part or whole, if the collapse is caused by causes specified in the policy.
<b>Commercial Condominium – Unit Owners Loss Assessment</b>	Pays for the policyholder's share of an assessment charged to all unit owners for causes of loss covered under the policy. A loss assessment limit applies for assessments as a result of a deductible in the association's insurance policy.
<b>Computer – EDP/EM&amp;R</b>	Pays for direct physical loss or damage to Electronic Data Processing (EDP) Equipment, meaning computers and associated peripheral equipment such as printing, or auxiliary functions such as data transmission. Electronic Media & Records (EM&R), including recording or storage media such as films, tapes, discs, drums or cells, data stored on such media, and programming records used for electronic data processing or electronically controlled equipment, are covered up to 25% of the equipment limit.
<b>Computer Coverage / Equipment</b>	See Computer – EDP/EM&R.
<b>Computer Fraud and Funds Transfer Fraud</b>	Pays for loss or damage resulting directly from fraudulent transfer of covered property by the use of computers. Also pays for loss of money or securities from a fraudulent instruction directing a financial institution to transfer money or securities from the insured's account.
<b>Contamination Shutdown</b>	See Food Contamination Shutdown.
<b>Contract Penalties</b>	Pays for contractual penalties required for failure to timely deliver products or services according to the contract terms. The breach of duty must result from direct physical loss or damage by a covered cause of loss.
<b>Contractor's Errors &amp; Omissions</b>	Pays for amounts the insured is legally obligated to pay due to their negligent act, error or omission, including the use of defective materials or products, while performing the described contractor services. This is an occurrence coverage but with a separate defense expense limit, and it does not extend to damages performed on the insured's behalf by a subcontractor.
<b>Contractors' Installation</b>	Pays for direct physical loss or damage to materials, supplies, equipment, machinery and fixtures which are to be installed by the insured, and temporary structures built or assembled on site. The property is covered while at any job site the insured does not own or operate, awaiting or during installation, in transit or at a temporary storage location.
<b>Contractor's Pollution Liability</b>	Pays for amounts the insured is legally obligated to pay because of bodily injury or property damage due to a pollution incident at a job site. This is a claims-made coverage with defense expenses included within the limit of insurance.
<b>Contractors' Tools and Equipment</b>	Pays for direct physical loss or damage to miscellaneous tools and equipment owned by, or in the care, custody or control of the insured.
<b>Contractual Liability</b>	Provides liability coverage for occurrences for which the insured would have been liable in the absence of the contract or agreement, as well as liability assumed in a contract or agreement deemed an insured contract.
<b>Credit Card Forgery</b>	Pays for loss involving written instruments required in conjunction with the insured's customers' credit, debit or charge cards resulting directly from forgery or alteration of such written instruments by the insured's customers.
<b>Credit Card Slip Theft, Disappearance or Destruction</b>	Pays for loss caused directly by the theft, disappearance, or destruction of written instruments required in conjunction with customer credit, debit or charge cards at the described premises.
<b>Crime Conviction Reward</b>	Pays a reward to persons, other than an insured or person in any way responsible for the subject loss, providing information which leads to a criminal conviction in connection with loss or damage covered by the policy.

<b>Customer's Property (Bailee)</b>	Pays for direct physical loss of or damage to property the insured accepts for servicing. Coverage applies to accidental loss or damage to such property in the insured's possession caused by or resulting from a Covered Cause Of Loss. Actual cash valuation, limitation of coverage based on the location of the Customer's Property and a per-item limit may apply.
<b>Customer's Property (Laundry – Bailee)</b>	Pays for direct physical loss of or damage to customer's property accepted by the insured for servicing. Coverage applies to such property in the insured's possession caused by or resulting from a Covered Cause Of Loss. Actual cash valuation, limitation of coverage based on the location of the Customer's Property and a per-item limit may apply.
<b>Cyber Liability and Data Breach</b>	Provides coverage for: information security and privacy liability; privacy breach response services and expenses incurred to notify parties affected by a security breach, including fees and costs related to hiring a company to operate a call center; and reimbursing an insured for post-event credit monitoring costs for victims of breach; cyber extortion; regulatory defense and penalties; website media content liability; payment card industry (PCI) fines, expenses and costs; data protection; network business interruption.
<b>D</b>	
<b>Debris Removal</b>	Provides coverage for reasonable cleanup expenses up to the specified percentage of the amount otherwise paid for the direct physical damage as a result of a covered cause of loss. If the physical damage exceeds the policy limit and/or the cleanup expenses exceed the above limitation, an additional limit is provided.
<b>Deferred Payments</b>	Pays for the insured's interest in lost or damaged Business Personal Property sold by the insured under a conditional sale or any installment payment plan.
<b>Delivery Errors and Omissions</b>	Pays for legal liability for damages caused by failing to deliver or misdelivery of items held for sale.
<b>Designated Person or Organization</b>	Adds a designated person or organization as an additional insured.
<b>Directors and Officers Liability – Habitational</b>	Pays for sums the insured is legally obligated to pay as a result of a claim against any insured for wrongful acts arising out of their capacity as a director, trustee, officer, employee or committee member of the insured organization.
<b>Directors and Officers Liability – Religious Institution</b>	Pays for sums the insured is legally obligated to pay as a result of a claim against any insured for wrongful acts arising out their capacity as a director, trustee, officer, committee member or volunteer of the insured organization.
<b>E</b>	
<b>Each Occurrence Liability Limit</b>	This is the most the policy will pay for each covered claim.
<b>Earthquake (Building and/or Business Personal Property)</b>	Pays for direct damage resulting from an earthquake or volcanic eruption.
<b>Earthquake Sprinkler Leakage</b>	Pays for direct damage to Covered Property caused by the leakage of water from sprinkler heads or feed pipes resulting from an earthquake or volcanic eruption.
<b>Electronic Data Processing &amp; Media</b>	See Computer – EDP/EM&R.
<b>Employee Benefit Liability</b>	Pays for amounts the insured is legally obligated to pay due to errors in the administration of any employee benefit program.
<b>Employee Dishonesty</b>	Pays for direct physical loss to business personal property and money and securities resulting from dishonest acts of the insured's employees
<b>Employee Dishonesty – Customer Loss</b>	Pays for direct loss of or damage to the property of customers, including money and securities, resulting directly from dishonest acts committed by the insured's employees.
<b>Employee Dishonesty – Designated Agents</b>	Extends Employee Dishonesty coverage to scheduled designated persons or entities appointed by the insured, in writing, to act as their agent.
<b>Employee Dishonesty ERISA</b>	Extends Employee Dishonesty coverage to apply to an applicable Employee Welfare Benefit Plan or Employee Pension Benefit Plan as defined in the policy.
<b>Employee's Tools</b>	Provides coverage for an employee's tools used in connection with the insured's business for direct physical loss from specified causes of loss, subject to a per-item, employee and claim limit.
<b>Employees as an Insured</b>	Employees are also an insured for acts within the scope of their employment or while performing duties related to the conduct of the business.
<b>Employers Liability (Stop Gap)</b>	See Stop Gap (Employers Liability).
<b>Employment Practices Liability Insurance (EPLI)</b>	Depending on the coverage level, provides coverage to employers for liability arising from such workplace actions as discrimination (age, sex, race, disability, etc.) wrongful termination and sexual harassment. This is a claims-made coverage.
<b>Equipment Breakdown</b>	Pays for direct damage and resulting loss of income caused by or resulting from covered equipment breakdown.
<b>Equipment Breakdown – Ammonia Contamination</b>	This additional Equipment Breakdown coverage pays for spoilage to Covered Property contaminated by ammonia, including any salvage expense.
<b>Equipment Breakdown – Business Income and Extra Expense (Included with Equipment Breakdown)</b>	This additional Equipment Breakdown coverage pays for loss of business income resulting from covered equipment breakdown.
<b>Equipment Breakdown – Expediting Expense</b>	This additional Equipment Breakdown coverage pays for a reasonable extra cost to make temporary repairs and to expedite permanent repairs or replacement of the damaged property.

<b>Equipment Breakdown – Hazardous Substance</b>	This additional Equipment Breakdown coverage pays for clean-up, repair or replacement or disposal of Covered Property that is damaged, contaminated, or polluted by a Hazardous Substance.
<b>Equipment Breakdown – Water Damage</b>	This additional Equipment Breakdown coverage pays for damage to Covered Property by water, including any salvage expenses, except no coverage applies to such damage resulting from leakage of a sprinkler system or domestic water piping.
<b>Equipment Breakdown – Drying Out</b>	This additional Equipment Breakdown coverage pays for costs to dry out equipment as a result of a covered flood.
<b>Extended Business Income</b>	Provides coverage for loss of business income after operations have been restored. Pays the difference in the level of business income generated before and after the loss, and may be subject to a specified limit of insurance for each insured premises.
<b>Extended Replacement Cost Coverage A – Building</b>	Pays for repair or replacement of the building(s) at the described premises, up to a specified amount higher than the limits of insurance shown on the Declarations page, when replacement cost exceeds the policy limit, but only if the terms of this endorsement are met, including that the building(s) are insured to 100% of estimated replacement cost at policy inception. This does not apply to earthquake, outdoor sign, other outdoor property, or ordinance or law coverage.
<b>Exterior Building Glass</b>	Pays for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of the exterior of the building or structure at the described premises.
<b>Extra Expense</b>	Pays for necessary extra expenses incurred during the period of restoration following direct physical loss or damage from a covered cause of loss. Extra expenses means expenses incurred to avoid or minimize the suspension of business and continue operations.
<b>F</b>	
<b>Fine Arts – Blanket</b>	Pays for loss to Fine Arts owned and used in the insured's business and Fine Arts of others in the insured's care, custody or control. It may be subject to a per-item limit.
<b>Fine Arts – Scheduled</b>	Pays for loss to scheduled Fine Arts owned and used in the insured's business and Fine Arts of others in the insured's care, custody or control.
<b>Fine Arts (Habitational Only)</b>	Pays for certain covered loss or damage to Fine Arts at the insured premises.
<b>Fire Department Service Charge</b>	Pays fire response charges levied for service provided by contract or agreement made prior to the covered loss.
<b>Fire Extinguisher Systems Recharge</b>	Pays for necessary cost to recharge or replace fire extinguishers used to extinguish a covered fire at the described premises.
<b>Food Borne Illness Business Interruption</b>	Pays for loss of income and extra expense resulting from announcement by a public health authority or the media of an actual or alleged discovery of food borne illness at a scheduled location or another location with the same trade name.
<b>Food Contamination Shutdown</b>	Pays for loss of income as the result of a shutdown ordered by the Board of Health or other government authorities as well as certain other additional costs incurred to comply with such authority's requirement because of actual or suspected contamination.
<b>Forgery and Alteration</b>	Pays for loss directly resulting from forgery or alteration of any check, draft, promissory note, bill of exchange or similar written promise of payment in money that the insured or an agent has issued.
<b>Functional Building Valuation Endorsement</b>	Provides coverage for specifically scheduled buildings, which can be replaced with similar property that performs the same function as that currently used but that is less costly. Coverage is provided on a functional replacement cost basis when repair or replacement is contracted for within 180 days of the loss or damage. For partial losses, this pays for costs to repair or replace the damaged portion with less expensive material, if available, while still allowing the same architectural style.
<b>G</b>	
<b>Garagekeepers (Valet)</b>	See Garagekeepers Liability.
<b>Garagekeepers Liability</b>	Provides coverage for physical damage to customer autos left in the insured's care while the insured is attending, servicing, repairing, parking or storing it. This coverage applies on a Legal Liability basis unless Direct Excess or Direct Primary is selected. Direct Excess applies without regard to legal liability and is excess over any other collectible insurance. Direct Primary applies without regard to legal liability and is primary.
<b>General Aggregate Limit</b>	The most the insurer will pay in any one policy period for amounts the insured is legally obligated to pay for covered injuries and damages (except those included in the Products Completed Operation Hazard).
<b>Glass Deductible Buyback</b>	This provides the option to replace the policy deductible with a lower deductible with respect to claims for exterior building glass.
<b>H</b>	
<b>Hired &amp; Non-Owned Automobile</b>	Pays for Bodily Injury or Property Damage arising out of the maintenance or use of a hired automobile in the course of business by the insured or an employee, or the use of a non-owned automobile in the business by any person other than the insured.
<b>Host Liquor Liability</b>	Provides coverage for liability arising out of the incidental serving of alcohol by an insured who is not in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.
<b>I</b>	
<b>Installation Property – Blanket</b>	Pays for loss to property being installed by the insured while at a job site or temporarily warehoused elsewhere awaiting a buyer's acceptance.

<b>L</b>	
<b>Laundry Facilities and Dry Cleaners Additional Coverages</b>	Pays for a) loss or damage to property of others caused by actual work performed and b) loss of property of others due to unexplained disappearance or shortage found upon taking inventory.
<b>Leasehold Interest</b>	Pays for the loss of Net Leasehold Interest sustained due to the cancellation of favorable lease terms because of damage to the leased premises by a covered cause of loss.
<b>Limited Care, Custody or Control Property Damage</b>	Pays for amounts the insured is legally obligated to pay because of damage to property of others in the insured's care, custody, or control, provided such damage arises out of installation, repair, alteration or other operations away from the insured's premises.
<b>Limited Coverage for Fungi, Wet Rot, Dry Rot and Bacteria</b>	Pays for loss or damage by fungi, wet or dry rot or bacteria, resulting from certain causes of loss, if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
<b>Liquor Liability</b>	Pays for amounts the insured is legally obligated to pay as damages for injury due to the selling, serving or furnishing of any alcoholic beverage.
<b>Lock Replacement</b>	Pays for necessary replacement of lost or stolen keys or costs of repair or replacement of locks, made necessary by a covered cause of loss at a covered location.
<b>Lost Lease – Lessors' Interest</b>	Pays for actual loss sustained due to the cancellation of lease contracts by tenants due to direct physical loss or damage to the leased premises caused by or resulting from a covered cause of loss during the policy period.
<b>M</b>	
<b>Manufacturer's Stock Selling Price Valuation</b>	Pays for covered loss to stock the insured manufactures at the selling price, as if no loss or damage occurred, less discounts and expenses the insured would otherwise have had.
<b>Medical Expenses</b>	Pays for reasonable medical expenses of persons other than employees, owners and officers, for injuries sustained on the insured premises.
<b>Mine Subsidence</b>	Pays for direct physical loss of or damage to scheduled buildings due to ground movement caused by mine activity.
<b>Money and Securities</b>	Pays for loss resulting directly from theft (by someone other than an employee), disappearance or destruction of money and securities. Coverage only applies when the covered property is on the scheduled premises, at a bank or savings institution, within the living quarters of the insured, partners or employees, or in transit between any of these places.
<b>Money and Securities – Inside &amp; Outside the Premises</b>	Pays for loss due to theft, disappearance or destruction of the insured's money and securities on the premises, in a bank or savings institution, in the insured's living quarters, or the living quarters of partners or employees having use and custody, or in transit between any of the above.
<b>Money Orders and Counterfeit Paper Currency</b>	Pays for loss due to the good faith acceptance of money orders not paid upon presentation to the issuer and for counterfeit paper currency which was received as part of normal business operations.
<b>N</b>	
<b>Newly Acquired or Constructed Buildings</b>	Provides coverage, for a limited number of days, for damage to new buildings being constructed on the described premises, or to buildings acquired at a new location, if intended for similar use as a building described in the declarations or used as a warehouse.
<b>Newly Acquired or Formed Organizations</b>	Adds, as a named insured, any organization that the insured newly acquires or forms, other than a partnership or joint venture, and in which ownership or a majority interest is maintained. Coverage is afforded for a limited number of days after acquisition, formation or policy expiration, whichever is earlier.
<b>Newly Acquired Organizations</b>	See Newly Acquired or Formed Organizations.
<b>Non-Owned Auto Liability</b>	Pays for Bodily Injury or Property Damage for any autos the insured does not own, lease, hire, rent or borrow that are used in connection with the insured business. This includes autos owned by the insured's employees, partners, members or members of their households but only while used in the insured business.
<b>O</b>	
<b>Off-Premises Power or Water Failure – Direct</b>	Pays for direct physical loss or damage to covered property caused by an interruption of covered utility services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to specified types of property away from the described premises.
<b>Off-Premises Power or Water Failure – Time Element</b>	Pays for loss of Business Income and Extra Expense caused by an interruption of covered utility services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to specified types of property away from the described premises.
<b>Ordinance or Law – Equipment Coverage</b>	Pays for additional costs, due to ordinance or law, in the repair or replacement of covered equipment damaged by a covered cause of loss.
<b>Outdoor Property</b>	Extends coverage to apply to outdoor fences, radio and television antennas (including satellite dishes), signs not attached to buildings, trees, shrubs and plants, including debris removal expense, due to certain specified causes of loss.
<b>Outdoor Property – Antennas and Satellite Dishes</b>	Pays for loss to radio and television antennas and satellite dishes, including their lead-in wiring, masts and towers due to certain specified causes of loss.

<b>Outdoor Property – Fences and Walls</b>	Pays for loss to free-standing fences and walls (but not retaining walls that are used to contain water) due to certain specified causes of loss.
<b>Outdoor Property – Trees, Plants, Shrubs &amp; Lawns</b>	Pays for loss to trees, shrubs, plants and lawns, other than those held in storage or for sale, including debris removal expense, due to certain specified causes of loss.
<b>Outdoor Signs</b>	Pays for direct physical loss of, or damage to, outdoor signs at the described premises that are owned by the insured or owned by others but in the care, custody, and control of the insured.
<b>Outdoor Signs – Non-Specified Premises</b>	Pays for direct physical loss or damage to outdoor signs owned by the insured that are located away from the described premises, due to Fire, Lightning, Explosion, Riot or Civil Commotion, Aircraft, or Vehicle.
<b>P</b>	
<b>Pairs or Sets</b>	Pays for reduction in value to undamaged pairs or sets of stock for a covered cause of loss. This coverage for pairs or sets is included within the Limit of Insurance for Business Personal Property.
<b>Patterns, Dies, and Molds</b>	Pays for loss to Patterns, Dies and Molds located anywhere in the coverage territory, including at exhibitions.
<b>Peak Season BPP Increase (Seasonal Increase) Amount</b>	See Business Personal Property Limit - Seasonal Increase.
<b>Per Location General Aggregate Limit</b>	For policies with multiple locations, a general aggregate limit (other than a products and completed operations aggregate limit) is provided separately for each location.
<b>Personal &amp; Advertising Injury</b>	Pays for liability associated with personal and advertising injuries from covered offenses as defined. Examples of such offenses are false arrest, malicious prosecution, wrongful eviction, violation of a person's right of privacy, slander and libel and misappropriation of advertising ideas.
<b>Personal Effects</b>	Extends coverage that applies to Business Personal Property to apply to personal effects owned by the insured, officers, partners or employees. Coverage does not extend to tools or equipment used in the business, or loss or damage by theft.
<b>Personal Effects – Clergy</b>	Extends coverage that applies to Business Personal Property to apply to personal effects, wherever located, owned by full-time Pastors or an equivalent, or officially appointed ministerial staff.
<b>Personal Injury</b>	See Personal and Advertising Injury.
<b>Personal Property – Newly Acquired or Constructed Premises</b>	For a limited period, this extends the coverage that applies to Business Personal Property to property at any premises the insured acquires or constructs.
<b>Personal Property Off Premises</b>	Extends coverage that applies to Business Personal Property to apply to Personal Property, other than money, securities, valuable papers and records and accounts receivable, while temporarily located at premises the insured does not own, lease or operate.
<b>Pollutant Clean Up and Removal</b>	Pays for expenses to extract pollutants from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the pollutants is caused by or results from a Covered Cause of Loss that occurs during the policy period.
<b>Pollution Exclusion – Hostile Fire Exception</b>	Provides an exception to the Pollution exclusion for bodily injury or property damage arising out of a fire which becomes uncontrollable or breaks out from where it was intended to be.
<b>Preferred Community Association Management Coverage</b>	Provides coverage for Directors and Officers Errors and Omissions, Third Party Discrimination, Employment Practices Liability and Crisis Response on a claims-made and reported basis.
<b>Premises Boundary</b>	Defines the designated distance from the described premises within which materials, equipment, supplies and temporary structures used for making additions, alterations or repairs to the buildings or structures will be considered covered property.
<b>Preservation of Property</b>	If it is necessary to move covered property from the described premises to preserve it from loss or damage by a covered cause of loss, direct physical loss or damage to such covered property will be covered, for a limited number of days, while it is being moved or while temporarily stored at another location.
<b>Printers Errors &amp; Omissions</b>	Pays for sums the insured is legally obligated to pay as damages resulting from the insured's negligent act, error or omission in providing printing services.
<b>Product Liability Exclusion</b>	Excludes bodily injury and property damage from the Products Completed Operation Hazard.
<b>Product Recall and Replacement</b>	Pays for necessary expenses incurred in withdrawing or recalling the insured's product from the market or from use because of a known or suspected defect that could reasonably be expected to cause covered injury or damages.
<b>Products Completed Operation Hazard</b>	Provides liability coverage for bodily injury and property damage, occurring away from the insured premises, arising out of products sold or distributed by the named insured or out of operations performed for someone else after the operations have been completed.
<b>Products Completed Operation Hazard Aggregate Limit</b>	This is the most the insurer will pay for damages arising out of the Products Completed Operation Hazard.
<b>Professional Liability – Barbers and Beauticians</b>	Pays for sums the insured is legally obligated to pay as a result of rendering or failure to render professional services in connection with the operation of a barber shop or beauty salon.
<b>Professional Liability – Cemetery Professional</b>	Pays for sums the insured is legally obligated to pay as a result of a negligent act or omission arising out of covered cemetery professional services.

<b>Professional Liability – Counseling Professionals</b>	Pays for sums the insured is legally obligated to pay as a result of professional liability damages because of a negligent act or omission arising out of a covered professional counseling service.
<b>Professional Liability – Pastoral Professional</b>	Pays for sums the insured is legally obligated to pay as a result of professional liability damages because of a negligent act or omission arising out of a covered pastoral counseling service.
<b>Property In Transit</b>	See Transportation - Excluding Spoilage.
<b>Protection Response Service Expense</b>	Pays for fees or service charges levied by civil authorities, police or independent protection agencies (other than fire departments) assumed by contract or agreement prior to the event or required by local ordinance.
<b>R</b>	
<b>Realty Tax – Increased Assessment</b>	Pays for increased realty taxes assessed – attributable to repair, rebuilding or reconstruction – following direct physical loss or damage caused by, or resulting from, a covered cause of loss.
<b>Reasonable Expenses</b>	See Claims Expenses.
<b>Replacement Cost Valuation</b>	Valuation option that provides for replacement cost of damaged property without deduction for depreciation, provided certain policy conditions are met.
<b>S</b>	
<b>Sales or Samples</b>	Extends Business Personal Property to include samples of stock in trade and similar property of others while it is in the care, custody or control of the insured's sales representatives or agents, including while in transit.
<b>Seasonal Automatic Increase – BPP</b>	See Business Personal Property Limit – Seasonal Increase.
<b>Services Errors and Omissions</b>	Pays for sums the insured is legally obligated to pay as damages as a result of a failure or error in providing facilities, goods or services.
<b>Spa Services Professional Liability</b>	Pays for sums the insured is legally obligated to pay as a result of failing to provide professional services in connection with the day spa.
<b>Specified Property – Habitational Only</b>	Pays for direct physical loss or damage to fences, walls, walks, driveways and pools at the described premises.
<b>Spoilage</b>	Pays for damage to the insured's personal property, at the described premises, due to mechanical breakdown or failure of refrigerating equipment, contamination by refrigerant or power outages beyond the insured's control.
<b>Stop Gap (Employers Liability)</b>	Pays for amounts the insured is legally obligated to pay because of bodily injury to an employee if such injury is covered by the policy, arising out of and in the course of the employee's employment by the insured.
<b>T</b>	
<b>Tenant's Exterior Glass</b>	Pays for direct physical loss of or damage to glass, including lettering or ornamentation, that is part of the exterior of a building or structure. We will also pay for necessary expenses incurred to put up temporary plates or board up openings, to repair or replace encasing frames, and to remove or replace obstructions. The glass must be owned by others but in the insured's care, custody or control as a tenant.
<b>Tenant's Improvements and Betterments</b>	Tenant's Improvements and Betterments (TIB) are fixtures, alterations, installations or additions acquired by or made at the insured's expense, that are made part of the building and cannot be legally removed. Coverage for TIB is provided automatically under the Business Personal Property (BPP) limit. The insured may elect to specify improvements and betterments as a separate, explicit coverage and enjoy an associated rate that is lower than the BPP rate.
<b>Tenants Liability</b>	Pays for amounts the insured is legally obligated to pay as a result of covered causes of loss to that part of a non-owned building rented to, or occupied by, the named insured.
<b>Tenants' Move Back Expense</b>	Pays for expenses the insured incurs to move displaced tenants back to the Described Premises after completion of repairs made necessary due to a covered loss.
<b>Theft of Bullion or Precious Metals</b>	Pays for loss or damage by theft of bullion, gold, silver, platinum and other precious alloys or metals.
<b>Theft of Patterns &amp; Dies</b>	Pays for loss or damage by theft of patterns, dies, molds and forms.
<b>Tools and Equipment – Scheduled</b>	Pays for direct physical loss or damage to scheduled tools and equipment, including mobile communications equipment not permanently installed in a vehicle, owned by, or in the care, custody or control of the insured.
<b>Tools and Equipment – Blanket</b>	Pays for direct physical loss or damage to tools and equipment, including mobile communications equipment not permanently installed in a vehicle, owned by, or in the care, custody or control of the insured.
<b>Transportation – Excluding Spoilage</b>	Pays for direct physical loss of or damage to Covered Property from any covered cause of loss, including an accident, while in the insured's custody or in the custody of a common or contract carrier. Applies while such property is in transit from the point of shipment to its destination and while located on docks, wharves, piers, bulkheads, depots or stations. Does not cover loss from spoilage.



<b>Transportation Including Spoilage</b>	Pays for the direct physical loss of or damage to Covered Property from any covered cause of loss, including an accident, while in the insured's custody or in the custody of a common or contract carrier. Applies while such property is in transit from the point of shipment to its destination and while located on docks, wharves, piers, bulkheads, depots or stations. Includes payment for loss to perishable goods from spoilage as a result of mechanical breakdown of temperature control equipment attached to the vehicle.
<b>Transportation</b>	See Transportation – Excluding Spoilage.
<b>Trees, Shrubs &amp; Plants</b>	See Outdoor Property – Trees, Plants, Shrubs & Lawns.
<b>Tuition and Fees</b>	Subject to the Business Income and Extra Expense Time Period, this coverage pays for loss of earnings, including the loss of tuition and other specified fees or revenues, when school operations are interrupted by physical damage to property due to a covered cause of loss. If the period of restoration ends 60 days or less before the opening of the next school term, it will be extended to include the following school term if operations cannot be resumed in time to avoid loss of Business Income in that term.
<b>U</b>	
<b>Unauthorized Business Card Use</b>	Pays for loss of money resulting directly from theft, forgery or unauthorized use of credit, debit or charge cards issued in the insured's name, including fund transfer cards, charge plates and telephone cards.
<b>Unintentional Errors and Omissions</b>	This is a provision not to penalize the insured for an unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by the policy.
<b>Unit Owner Coverage – Condominium (Habitational)</b>	<p>Building coverage for condominiums excludes any of the following types of property contained within a residential unit: Fixtures, improvements and alterations that are part of the building structure; appliances used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping; any other personal property owned by, used by or in the care, custody or control of a unit-owner.</p> <p>The insured (the Association) has the option to cover unit owners' building property. This should always be done if the Association by-laws require such coverage. Coverage pays for direct physical loss to any of the following types of property contained within a residential unit:</p> <p>(a) Fixtures, improvements and alterations that are a part of the building or structure; and</p> <p>(b) Permanently installed appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.</p> <p>Coverage can be provided by endorsement in one of three ways:</p> <p><b>E3418 (Unit Owner Coverage – Included):</b> This endorsement provides unit owner coverage that is included in the total building limit. The only deductible that applies is the Property Deductible.</p> <p><b>E3417 (Unit Owner Coverage – Blanket):</b> This endorsement provides unit owner coverage as a single blanket limit for all units and separate from the building limit. The Unit Owner Deductible applies to the Unit Owner Blanket Coverage limit. The Property Deductible applies to the building limit.</p> <p><b>E3440 (Unit Owner Coverage – Per Unit):</b> This endorsement provides unit owner coverage with a limit that applies per unit and is separate from the building limit. The Unit Owner Deductible applies separately to each unit. The Property Deductible applies to the building limit.</p> <p>Certain states, such as Utah, Washington and Illinois, mandate inclusion of unit owner coverage within the building property.</p>
<b>Utility Services – Direct Damage (Bldg. and/or BPP)</b>	Pays for direct physical loss or damage to covered property caused by an interruption of covered utility services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to specified types of property away from the described premises.
<b>Utility Services – Time Element</b>	Pays for loss of Business Income and Extra Expense caused by an interruption of covered utility services to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to specified types of property away from the described premises.
<b>V</b>	
<b>Valuable Papers and Records</b>	<p>Pays for direct physical loss or damage to valuable papers and records caused by or resulting from a covered cause of loss. It includes costs to research lost information on valuable papers and records for which duplicates do not exist.</p> <p>A lower limit is provided for losses of valuable papers and records not at the described premises.</p>
<b>W</b>	
<b>Waiver of Subrogation (Waiver or Transfer of Rights of Recovery of Others to Us)</b>	Waives our right of recovery, against any person or organization named in the endorsement, because of payments under the Businessowners Liability coverage form.
<b>Worldwide Mobile Phone, Laptop and Tablet Coverage</b>	Pays for direct physical loss or damage to electronic devices, including mobile phones, laptops, tablets, and their accessories, used in the insured's business, while located anywhere in the world.
<b>Wine Collection</b>	Pays for loss or damage to covered alcoholic beverage collections at the insured's net selling price subject to a per-bottle limit.

***The definitions in this coverage glossary are informational only. Please refer to the specific state form for applicable policy terms and conditions. In the event of any conflicts between this document and the specific policy, the policy will govern.***

Proprietary

9-23