



COMPUTER COVERAGE

Refer to Supplemental Declarations if information is not shown on this form.

AGREEMENT

This form is part of policy no. _____.

We will provide the insurance stated in this form in return for **your** payment of the premium due and **your** compliance with all of the **terms** of this policy.

Named Insured: _____.

CAUSES OF LOSS

We insure the described property against covered causes of loss. Covered causes of loss means risks of direct physical loss except as excluded or limited by **your** policy.

SCHEDULE

Item	Description	Amount of Insurance
Equipment:		\$ _____

Media and Extra Expense-The amount of insurance for Media and Extra Expense shall each be 10% of the applicable amount for equipment.

SPECIFIC ADDITIONAL COVERAGE-Any specific amount of insurance for Media or Extra Expense applies in addition to the 10% amount for Media and Extra Expense.

	Amount of Insurance
Media	\$ _____.
Extra Expense	\$ _____.

DEDUCTIBLE

From each adjusted claim for loss or damage in a single **occurrence**, **we** will deduct \$ _____.

LOSS PAYABLE PROVISION

We will adjust any loss with **you**.

We will pay any loss to **you** and the payee (named below) as their interest may appear:

Name and Address	Description of Equipment
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WHAT WE COVER

We cover the property described below:

Equipment Coverage-Data processing equipment, including its component parts, owned by **you**, leased or rented from others or under **your** control and for which **you** are legally liable.

Media Coverage-Converted data, programs or instructions used in **your** data processing operations including the materials on which data is recorded. This coverage applies to **your** property or for that which **you** are legally liable.

Extra Expense Coverage-The necessary expenses in excess of normal operating expenses incurred by **you** to continue **your** customary data processing operations following direct physical loss or damage, not otherwise excluded, to real or personal property. This coverage applies from the date of loss and only for the period of time reasonably required to restore normal data processing operations.

EXTENSIONS OF COVERAGE

NEWLY ACQUIRED COMPUTER:

You may apply up to 50% of the amount of insurance to newly acquired equipment of similar type. This extension of coverage ceases:

1. on the date more specific insurance takes effect;
 2. 60 days from the date of acquisition of the equipment;
 3. on the date the value of such property is reported to **us**; or
 4. on the date this coverage is terminated;
- whichever occurs first.

WHAT WE DO NOT PAY FOR

We do not pay for:

1. property while leased or rented to others;
2. documents and records pertaining to **your** data processing operations unless they are converted to data form and then only in that form;
3. custom programs;
4. data or media which cannot be replaced with other of like kind or quality; or
5. obsolete or blank media.

EXCLUSIONS

The following exclusions apply:

We do not pay for loss or damage:

1. to electrical or magnetic injury, disturbance or erasure of electronic recordings;
2. to electrical equipment, including wiring, caused by or resulting from artificially generated electric current, except for ensuing direct loss by fire or explosion;
3. to media caused by error in machine programming or instructions to the machine;
4. to extra expense;
 - a. caused by any local or state ordinance or law regulating the construction, repair or demolition of any property; or
 - b. caused by or resulting from interference at the location by strikers or anyone else with:
 - 1) repairing or replacing the damaged or destroyed property; or
 - 2) the resumption or continuation of the **insured's** operations;
5. caused by or resulting from mechanical breakdown or failure except for an ensuing direct loss by fire or explosion;
6. caused by or resulting from actual work upon the property; error, omission or deficiency in design, specifications, workmanship or materials; all except for ensuing direct loss by fire or explosion;
7. caused by rust, corrosion, dampness or dryness of atmosphere or changes in temperature unless resulting directly from physical damage to the data processing system's air conditioning facilities caused by a loss not otherwise excluded;
8. caused by wear and tear, deterioration, depreciation, inherent vice, latent defect, insects or vermin;
9. caused by any dishonest act on **your** part or the part of other parties of interest, the employees or agents of either, or others to whom the property is entrusted, other than carriers for hire;
10. caused by delay, loss of market or loss of income; or

11. caused by or resulting from:
 - a. hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack by:
 - 1) any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces;
 - 2) military, naval or air forces; or
 - 3) an agent of any such government, power, authority or forces;
 - b. any weapon of war employing atomic fission or radioactive force whether in time of peace or war; or
 - c. insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an **occurrence**; seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

HOW MUCH WE PAY FOR LOSS OR CLAIM

The following provisions apply in addition to those contained in this policy.

Equipment:

1. **Replacement Cost**-Equipment shall be valued at its replacement cost at the time of loss but not exceeding the lesser of the following amounts:
 - a. the replacement cost of the property equivalent to the property sustaining the loss and intended for the same use;
 - b. the amount actually and necessarily expended in repairing or replacing the property: or
 - c. the amount of insurance scheduled in this form.

You may elect to disregard this provision and make claim on an actual cash value basis. However, further claim for any additional amount on a replacement cost basis may then be made, provided **we** are notified of such intention in writing within 180 days after the date of loss.
2. **Media**-The value shall not exceed the actual cost of reproducing such property.