

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FOOD AND BEVERAGE - PREMIER**

\*This endorsement is **EFFECTIVE**

\*and is part of Policy Number:

\*issued to:

\*Entry optional if shown in the Policy Declarations. If no entry is shown, the effective date of the endorsement is the same as the effective date of the policy.

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM  
 CAUSES OF LOSS - SPECIAL FORM  
 COMMERCIAL PROPERTY CONDITIONS

**SCHEDULE OF COVERAGES**

The Limits Of Insurance shown in this Schedule Of Coverages are included in the Coverage Form and apply unless a Revised Limit Of Insurance or Not Covered is shown in the Revised Limit Of Insurance column.

<b>Coverage</b>	<b>Limit Of Insurance</b>	<b>Revised Limit Of Insurance</b>
Fire Department Service Charge	\$2,000	
Electronic Data	\$10,000	
Limited Drain Back-Up Coverage	\$50,000	
Food Contamination Costs	\$25,000	
Spoilage Coverage	\$15,000	
Personal Effects And Property Of Others	\$10,000	
Valuable Papers And Records (Other Than Electronic Data)	\$10,000	
Outdoor Property	\$50,000	
Accounts Receivable	\$10,000	
Employee Dishonesty	\$50,000	
Money And Securities	\$10,000 on premises, \$5,000 elsewhere	
Extra Expense	\$10,000	
Business Fine Arts	\$10,000	
Public Relations Crisis Management Services Expense	\$10,000	
Product Recall Expense Coverage	\$10,000	
Outdoor Signs	\$10,000	
Beer Contamination	\$20,000 each 12-month period	
Beer Leakage	\$20,000 each 12-month period	

**A. ADDITIONAL COVERAGES**

- The following replaces Paragraph **4.c.** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement for service at each premises described in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

2. The following replaces the first sentence of Paragraph **4.f.(4)** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

The most we will pay under this Additional Coverage - Electronic Data is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved.

3. The following coverage is added to the Building and Personal Property Coverage Form:

#### **Limited Drain Back-Up Coverage**

- a. Covered Causes of Loss and "specified causes of loss" are extended to include Drain Back-Up, meaning water or sewage that backs up or overflows from any drains within a building.
  - b. Exclusion **B.1.g.(3)** does not apply to this coverage. But we will not pay for loss or damage caused by or resulting from:
    - (1) The emanation of water or sewage from a sump or similar device designed to prevent overflow or seepage or leakage of subsurface water; or
    - (2) The emanation of water or sewage from any drain that is itself directly or indirectly caused by or the result of:
      - (a) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
      - (b) Mudslide or mudflow;
      - (c) Water under the ground surface pressing on, or flowing or seeping through:
        - (i) Foundations, walls, floors or paved surfaces;
        - (ii) Basements, whether paved or not; or
        - (iii) Doors, windows or other openings;or
    - (d) Waterborne material carried or otherwise moved by any water excluded in **b.(1)**, **b.(2)(a)** or **b.(2)(c)** above, or carried or otherwise moved by mudslide or mudflow.
  - (3) The emanation of water or sewage from any drain that results from an insured's failure to perform any maintenance or repair necessary to keep the drain free from obstructions.
- c. The most we will pay for loss or damage caused directly or indirectly by Drain Back-Up in any one occurrence under this coverage is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement. This limit is part of, and not in addition to, the Limits Of Insurance provided in this Coverage Part. Amounts payable under any coverage, including any Additional Coverage or Coverage Extension, do not increase this limit.

4. The following is added to the Additional Coverages section of the Business Income (and Extra Expense) Coverage Form.

## Food Contamination Costs

- a. If a "public health authority" requires that your "operations" be suspended due to discovery of, suspicion of, or exposure to "food contamination" at your described premises to which this Coverage Form applies, we will pay for the following:
- (1) The actual loss of Business Income you sustain until the "suspension" is lifted by the "public health authority";
  - (2) Your costs to clean and sanitize your machinery and equipment as directed by the "public health authority";
  - (3) Your costs to replace your food declared contaminated by the "public health authority";
  - (4) The extra costs of advertising including, the expense of telephone, radio, television, newspaper and other media announcements;
  - (5) All reasonable expenses incurred by you for inoculations and similar measures which are taken to prevent the spread of "communicable disease" transmitted to persons through ingestion of your food product; and
  - (6) Your expense to provide necessary medical tests or vaccinations for your employees who are potentially infected by the "food contamination". However, we will not pay for any expense that is covered under a Workers' Compensation policy.
- b. The most we will pay under this Additional Coverage for the sum of all covered loss and expenses during each separate 12-month period of this policy, regardless of the number of occurrences or described premises involved, is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.
- c. With respect to this Additional Coverage, the following definitions are provided:

**"Communicable Disease"** means a viral or bacterial microorganism that induces or is capable of inducing physical illness or disease.

**"Food Contamination"** means a condition in food, which has caused or is suspected of causing food poisoning of one or more of your patrons. Such "food contamination" must result from:

- (1) Tainted food you have purchased from others, other than food tainted by a "communicable disease";
- (2) Food that has been improperly processed, stored, handled or prepared in the course of your "operations"; or
- (3) A "communicable disease" transmitted by one or more of your employees.

**"Public Health Authority"** means any governmental authority having jurisdiction over your "operations" relating to health and hygiene standards necessary to protect the general public.

**"Suspension"** means the period of time that begins with the notification from the "public health authorities" that your "operations" are to be temporarily closed and ends with the notification from the same "public health authority" that your "operations" can be resumed.

5. The following Additional Coverage is added to Section **A. Coverage** of the Building and Personal Property Coverage Form:

### Spoilage Coverage

- a. We will pay for direct physical loss of or damage to "perishable stock" inside buildings caused by or resulting from:
- (1) A change in temperature or humidity resulting from mechanical breakdown or failure of refrigeration, cooling or humidity control apparatus or equipment, only while such apparatus or equipment is at the described premises;

- (2) Contamination by a refrigerant; and
  - (3) Power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.
- b. The most we will pay for loss under this Additional Coverage is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.
  - c. The value of the "perishable stock" will be the selling price, as if no loss or damage had occurred, less discounts and expenses you otherwise would have had.
  - d. Under this Additional Coverage, only the following Exclusions contained in Paragraph **B.1.** of the Causes of Loss - Special Form apply to this Additional Coverage:
    - (1) Earth Movement;
    - (2) Governmental Action;
    - (3) Nuclear Hazard;
    - (4) War And Military Action; or
    - (5) Water;
  - e. The following exclusions are added with respect to this Additional Coverage:
 

We will not pay for loss or damage caused by or resulting from:

    - (1) The disconnection of any refrigerating, cooling or humidity control system from the source of power;
    - (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;
    - (3) The inability of an electrical utility company or other power source to provide sufficient power due to:
      - (a) Lack of fuel; or
      - (b) Governmental order;
    - (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand; and
    - (5) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.
  - f. With respect to this Additional Coverage, the following definition is provided:
 

"Perishable stock" means personal property:

    - a. Maintained under controlled conditions for its preservation; and
    - b. Susceptible to spoilage or decay if the controlled conditions change.

## **B. COVERAGE EXTENSIONS**

1. The following replaces the last paragraph of Paragraph **5.b.** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

The most we will pay for loss or damage in any one occurrence at each described premises under this Personal Effects And Property Of Others Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. The following replaces the first sentence of Paragraph **5.c.(4)** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

Under this Valuable Papers And Records (Other Than Electronic Data) Extension, the most we will pay to replace or restore the lost information is at each described premises is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

3. The following replaces Paragraph **5.e.** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion
- (4) Riot or Civil Commotion;
- (5) Aircraft;
- (6) Wind;
- (7) Hail;
- (8) Smoke;
- (9) Vehicles;
- (10) Vandalism;
- (11) Breakage of Glass;
- (12) Falling Objects; or
- (13) Water Damage.

The most we will pay for loss or damage under this Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

4. The following Coverage Extensions are added to Paragraph **5.** of Section **A. COVERAGE** of the Building and Personal Property Coverage Form:

**g. Accounts Receivable**

You may extend the insurance that applies to your Business Personal Property to apply to the following loss and expenses resulting from direct physical loss or damage by a Covered Cause of Loss to your records of accounts receivable:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
- (4) Other reasonable expenses that you incur to reestablish your records of accounts receivable.

The most we will pay in any one occurrence at each described premises under this Coverage Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

**h. Employee Dishonesty**

- (1) We will pay for direct physical loss or damage to Business Personal Property and "money" and "securities" resulting directly from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or any of your partners) with the manifest intent to:
  - (a) Cause you to sustain loss or damage; and also
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for any employee or any other person or organization.

- (2)** We will not pay for loss or damage:
  - (a)** Resulting from the dishonest act of any employee if coverage for that employee was either cancelled or excluded from any previous insurance policy of yours providing employee dishonesty coverage.
  - (b)** The only proof of which as to its existence or amount is an inventory computation or a profit and loss computation.
- (3)** All loss or damage caused by one or more employees or involving a single act or series of related acts is considered one occurrence.
- (4)** We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- (5)** This Coverage Extension is cancelled as to any employee immediately upon discovery by:
  - (a)** You; or
  - (b)** Any of your partners, officers or directors not in collusion with the employee;
 

of any fraudulent dishonest act committed by that employee before or after being employed by you.
- (6)** We will pay only for covered loss or damage discovered no later than one year from the end of the policy period.
- (7)** The most we will pay in any one occurrence under this Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement..
- (8)** Paragraph **A.2.a.** of the Building and Personal Property Coverage Form does not apply to this Coverage Extension.
- (9)** When Special Causes of Loss is shown in the Declarations, Paragraph **B.2.h.** in the Causes of Loss - Special Form does not apply to this Coverage Extension.

**i. Money and Securities**

We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting from:

- (1)** Theft;
- (2)** Disappearance; or
- (3)** Destruction.

We will not pay for loss:

- (1)** Resulting from accounting or arithmetical errors or omissions;
- (2)** Due to the giving or surrendering of property in any exchange or purchase; or
- (3)** Of property contained in any "money"-operated device, unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

Paragraph **A.2.a.** of the Building and Personal Property Coverage Form does not apply to this Coverage Extension.

The most we will pay under this Extension in any one occurrence is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement for "money" and "securities" while:

- (1)** On premises, meaning:

- (a) In or on the described premises; or
- (b) Within a bank or savings institution; and

(2) Anywhere else.

All loss caused by one or more persons, or involving a single act or series of related acts is considered one occurrence.

You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.

The following definitions are added with respect to this coverage.

- (1) "Money" means currency, coins and bank notes in current use and having a face value, and travelers checks, register checks and money orders held for sale to the public.
- (2) "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes tokens, tickets, revenue and other stamps in current use, and evidences of debt issued in connection with credit or charge cards, which cards are not issued by you.

**j. Extra Expense**

You may extend the insurance that applies under this Coverage Form to apply to the actual and necessary expenses you incur to resume normal business operations interrupted as a result of direct physical loss or damage to Covered Property caused by or resulting from a Covered Cause of Loss at a premises described in the Declarations.

This Coverage Extension does not apply to loss caused by or resulting from the enforcement of any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of, "pollutants".

The most we will pay in any one occurrence under this Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement

**k. Fine Arts**

You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage by a Covered Cause of Loss to your business "fine arts" at the described premises or in transit. Payment will be on a "market value" basis.

The most we will pay under this Coverage Extension in any one occurrence is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

The following definitions are added with respect to this coverage.

- (1) "Fine arts" means paintings, drawings, lithographs, rugs, tapestries, statuary, bronzes, porcelains, marbles, antique furniture, rare books and other bona fide items of artistic merit.
- (2) "Market value" means the least of:
  - (a) The price at which the property could likely be sold prior to loss or damage if offered for sale in a fair market on the date the loss or damage occurred;
  - (b) The cost of reasonable restoration of the property; or
  - (c) The replacement of the property with substantially the same property.

**l. Public Relations Crisis Management Services Expense**

- (1) You may extend the insurance provided by this Coverage Form to apply to the reasonable Public Relations Crisis Management Services Expense you incur following covered loss or damage to Covered Property by a Covered Cause of Loss.

- (2) Public Relations Crisis Management Services Expense means the actual and necessary expense you incur in:
- (a) Retaining a public relations or crisis management consultant or firm; or
  - (b) Planning or executing your public relations campaign;
- to mitigate, prevent or decrease the possibility of further covered loss.
- (3) The most we will pay for all Public Relations Crisis Management Services Expense arising out of any one occurrence under this Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

**m. Product Recall Expense Coverage**

- (1) You may extend the insurance that applies under this Coverage Form to apply to the reasonable Product Recall Expenses you incur that are directly related to a product recall of your finished beer products.
- (2) Product recall expenses means the actual and necessary expense you incur in:
- (a) Costs of notification;
  - (b) Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations;
  - (c) Costs of hiring independent contractors and other temporary help;
  - (d) Costs of transportation, shipping or packaging;
  - (e) Costs of warehouse or storage space; and
  - (f) Costs of proper disposal of your finished or in-process beer products, not exceeding your cost to produce the beer products.

But product recall expenses do not include costs of the replacement of your finished or in-process beer products, or the costs of regaining your market share, goodwill, revenue or profit.

- (3) As used in this Coverage Extension, product recall means a recall made necessary by:
- (a) A reasonable and good faith determination by you; or
  - (b) A ruling by any governmental body;
- that the use or consumption of your finished beer products may cause damage because of a dangerous condition in those products.
- (4) The most we will pay for all Product Recall Expense Coverage arising out of any one product recall under this Extension is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

- C.** The second sentence in the **LIMITS OF INSURANCE** section of the Building and Personal Property Coverage Form is replaced by the following:

The most we will pay in any one occurrence for loss or damage to outdoor signs, whether or not the sign is attached to a building, is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

- D.** The following is added to Section **C. Limitations** in the Causes of Loss - Special Form:

The insurance, if any, provided under the Commercial Property Coverage Part for direct physical loss or damage to beer products, and loss of Business Income and/or Extra Expense that is a consequence of direct physical loss or damage to beer products, is amended by the following:

## 1. Beer Contamination Changes

- a. We will not pay for loss or damage caused by or resulting from contamination of beer products, whether finished or in-process, unless the contamination is itself caused by or results from:
- (1) Any of the "specified causes of loss";
  - (2) Contact of the beer products with residual sanitizing or cleaning solvents within the tanks, vessels, vats or barrels, including their component parts and connections, used to process or store the beer products; or
  - (3) The accidental introduction of foreign material not customary or usual to the beer brewing process into your in-process beer products.

Exclusion **B.2.I.** does not apply to such contamination by residual sanitizing or cleaning solvents.

- b. The most we will pay for the total of all loss or damage under this Coverage Part that is caused by or results from contamination of beer products arising out of all occurrences during each separate 12 month period of this policy, beginning with the effective date of this policy, is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement.

This limit applies regardless of the number of locations, coverages or Coverage Forms involved.

## 2. Beer Leakage Changes

- a. We will not pay for loss or damage caused by or resulting from leakage of finished or in-process beer products from any tank, vessel, vat or barrel used to process or store the beer products, or from any component parts of or connections to or from the tank, vessel, vat or barrel, unless the beer leakage is itself caused by or results from:

- (1) Any Covered Cause of Loss;
- (2) The implosion or inward collapse of the tank, vessel, vat or barrel due to the failure of a pressure relief device on the tank, vessel, vat or barrel; or
- (3) Faulty, inadequate or defective workmanship of you or your employees.

- b. Under the Exclusions contained in Section **B.** of the Causes of Loss - Special Form:

- (1) Exclusion **2.d.(6)**, which excludes loss caused by or resulting from mechanical breakdown, does not apply to the coverage provided for beer leakage as described in provision **a.(2)** above;
- (2) The exclusion of loss caused by or resulting from faulty, inadequate or defective workmanship under exclusion **3.c.(2)** does not apply to loss of beer products described in provision **a.(3)** above;
- (3) The following exclusion is added:

We will not pay for any loss or damage caused by or resulting from beer leakage that can reasonably be considered normal and customary to the trade.

- c. The most we will pay for the total of all loss or damage under this Coverage Part that is caused by or results from leakage of finished or in-process beer products arising out of all occurrences during each separate 12 month period of this policy, beginning with the effective date of this policy, is the applicable Limit Of Insurance shown in the Schedule Of Coverages of the Food And Beverage - Premier endorsement. This limit:

- (1) Applies regardless of the number of locations, coverages or Coverage Forms involved; and
- (2) Is part of, and does not increase the Limits of Insurance provided under this Coverage Part.

**E.** The following is added to the Valuation Loss Condition of the Building and Personal Property Coverage Form:

We will determine the value of in-process beer products in the course of brewing, fermentation or aging, including in bottles, tanks, vessels, vats or barrels at the selling price, if no loss or damage occurred, less discounts and expenses you otherwise would have had.

**F.** The following is added to the Transfer of Rights of Recovery Against Others to Us Condition in the Commercial Property Conditions:

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover prepaid taxes or duties that are included in our payment, those rights are transferred to us to the extent of our payment.