

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MICRO-BUSINESSOWNERS RETAIL

This endorsement modifies insurance provided under the following:

MICRO-BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Stock Limit Of Insurance	Theft Deductible
\$	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The following provisions apply with respect to the coverage provided by this endorsement:

A. When a Stock Limit Of Insurance is shown in the Schedule, **Section I – Property** is amended as follows:

1. Paragraph **A.1. Covered Property** is replaced by the following:

1. Covered Property

"Stock".

2. The following is added to Paragraph **A.3. Covered Causes Of Loss:**

a. Theft.

3. The following is added to Paragraph **B.2. Exclusions:**

a. Dishonesty

Dishonest or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

(1) Applies whether or not an act occurs during your normal hours of operation;

(2) Does not apply to acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered.

For the purpose of this exclusion:

(1) "Manager" means a person serving in a directorial capacity for a limited liability company.

(2) "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".

b. False Pretense

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

4. The following is added to Paragraph **B. Exclusions:**

4. Additional Exclusions

We will not pay for loss of or damage to:

- a. Any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- b. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

5. The following is added to Paragraph **C.1. Limits Of Insurance:**

However, the most we will pay for loss or damage, in any one occurrence, to "stock" is the Stock Limit Of Insurance shown in the Schedule.

6. The following is added to Paragraph **D. Deductible:**

However, we will not pay for loss or damage in any one occurrence of theft until the amount of loss or damage exceeds \$500, unless a higher Theft deductible is shown in the Schedule. We will then pay the amount of loss or damage in excess of the deductible up to the applicable limit of insurance. No other deductible applies to theft.

B. Section II – Liability is amended as follows:

The following is added to Paragraph **C. Who Is An Insured:**

1. Any person(s) or organization(s):

- a. For whom you are performing operations is also an additional insured if you and such person(s) or organization(s) has agreed in writing in a contract or agreement that such person(s) or organization(s) be included as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- (1) Your acts or omissions; or
- (2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

However, the insurance afforded to such additional insured:

- (1) Only applies to the extent permitted by law; and
- (2) Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends on the earlier of the date:

- (1) When your operations for that insured are completed; or
- (2) The contract or agreement you have entered into with the additional insured is terminated.

With respect to the insurance afforded to the additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- b. With whom you have agreed in writing in a contract or agreement that such person(s) or organization(s) be included as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you which is used in connection with your operations.

However:

- (1) The insurance afforded to such additional insured only applies to the extent permitted by law; and

- (2) If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

- (1) Any "occurrence" that takes place after you cease to be a tenant in the premises.
- (2) Structural alterations, new construction or demolition operations performed by or for such person(s) or organization(s).

2. With respect to the insurance afforded to these additional insureds, the following is added to Paragraph **D. Liability And Medical Expenses Limits Of Insurance:**

The most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the contract or agreement you have entered into with the additional insured; or
 - b. Available under the applicable Limits Of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.