
Limits Of Insurance

The most we will pay in any **occurrence** is the amount of loss or damage, not to exceed the applicable Limit Of Insurance shown in the Declarations.

If any Coverage appears in more than one contract which form a part of this policy, unless otherwise specified, the applicable Limit Of Insurance shown in the Declarations for such Coverages is the most we will pay in any **occurrence**, regardless of the number of contracts in which such Coverage appears.

Deductible

Subject to the applicable Limit Of Insurance, we will pay the amount of loss or damage after application of Coinsurance, if applicable, in excess of the applicable deductible amount shown in the Declarations for each **occurrence**.

If two or more deductibles apply to the same **occurrence**, only the largest single deductible will apply, unless otherwise stated.

Loss Payment Basis

The following Loss Payment Basis provisions apply to all coverages contained within this contract, unless otherwise stated.

Subject to the applicable Limit Of Insurance shown in the Declarations:

- A. **miscellaneous equipment** is valued on a replacement cost basis as described below, unless:
1. the Loss Payment Basis shown in the Declarations is Actual Cash Value; or
 2. otherwise stated under Loss Payment Basis Exceptions; and
- B. valuation also includes costs you incur as described under Extended Warranties.

Our Loss Payment Options

In the event of loss or damage covered by this insurance, at our option, we will either:

- pay the covered value of the lost or damaged **miscellaneous equipment**;
- pay the cost of repairing or replacing the lost or damaged **miscellaneous equipment**, plus any reduction in value of the repaired item;
- take all or any part of the **miscellaneous equipment** at an agreed or appraised value; or
- repair or replace the **miscellaneous equipment** with other **miscellaneous equipment** of comparable material and quality for the same use or occupancy.

Replacement Cost Basis

Lost or damaged **miscellaneous equipment** will be valued at the cost to repair or replace such **miscellaneous equipment** at the time of loss or damage, but not more than you actually spend to repair or replace such **miscellaneous equipment** for the same use. There is no deduction for physical deterioration or depreciation.

If you replace the lost or damaged **miscellaneous equipment**, the valuation will include customs duties incurred.

If you do not repair or replace the **miscellaneous equipment**, we will only pay as provided under Actual Cash Value Basis.

If you commence the repair or replacement of the lost or damaged **miscellaneous equipment** within 12 months from the date of the loss or damage, we will pay you the difference between the actual cash value previously paid and the lesser of the:

- replacement cost at the time of loss or damage; or

Loss Payment Basis**Replacement Cost Basis**
(continued)

- actual costs you incur to repair or replace.

Payment under the Replacement Cost Basis will not be made until the completion of the repairs or the replacement of the **miscellaneous equipment**.

Actual Cash Value Basis

If the Loss Payment Basis shown in the Declarations is Actual Cash Value, lost or damaged **miscellaneous equipment** will be valued at the cost to repair or replace such **miscellaneous equipment** at the time of loss or damage with material of like kind and quality, less allowance for each of the following:

- physical deterioration;
- physical depreciation;
- obsolescence; and
- depletion.

Extended Warranties

Miscellaneous equipment valuation includes the pro rata portion of the original cost based on the period of time remaining in your nonrefundable extended warranties, maintenance contracts or service contracts that you purchased and which are no longer valid on lost or damaged **miscellaneous equipment** that you repair or replace.

Loss Payment Basis Exceptions**Miscellaneous Equipment Of Others**

Miscellaneous equipment not owned by you is valued on the same basis as your **miscellaneous equipment**, subject to all other exceptions described under Loss Payment Basis Exceptions, but we will not pay more than the amount for which you are contractually liable.

Nuclear Hazard

Miscellaneous equipment which suffers direct physical loss or damage caused by or resulting from fire which ensues from nuclear reaction or radiation, or radioactive contamination, is valued on an actual cash value basis, subject to all other exceptions described under Loss Payment Basis Exceptions.

Loss Payment Limitations**Electronic Data**

We will not pay for any loss or damage to **electronic data** caused by or resulting from **malicious programming**, regardless of any other cause or event that directly or indirectly:

- contributes concurrently to; or
- contributes in any sequence to,

the loss or damage, even if such other cause or event would otherwise be covered.

**Loss Payment
Limitations**
(continued)

Loss Of Market

Except as provided under Care, Custody Or Control Legal Liability – Loss Of Use Coverage or Extra Rental Expense Coverage, we will not pay for any loss or damage that results from loss of market, loss of use or delay.

**Loss Determination –
Extra Rental Expense**

In making any loss determination under **extra rental expense**, we will utilize relevant sources of information, including:

- your financial records and accounting procedures;
- bills, invoices and other vouchers;
- deeds, liens and contracts;
- status and feasibility reports; and
- budgeting and marketing records.

Extra Rental Expense

The amount of **extra rental expense** loss will be determined based on:

- all rental expenses that exceed your normal rental expenses that would have been incurred by **operations** during the **period of restoration**, if no direct physical loss or damage had occurred; and
- all necessary expenses that reduce the **extra rental expense** loss that otherwise would have been incurred.

We will deduct from the total of such expenses:

- the salvage value that remains of any **miscellaneous equipment** bought for temporary use during the **period of restoration**, once **operations** are resumed; and
- any **extra rental expense** that is paid for by other insurance.

If you elect not to rent substitute **miscellaneous equipment**, we will not make any payment for **extra rental expense**.

Conditions

The conditions applicable to this contract are contained in the Property/Business Income Conditions And Definitions form included in this policy. Any additional conditions or amended conditions are shown in the Additional Conditions section of this contract and the Amended Conditions section of this contract.

Additional Condition

**Coinsurance For
Miscellaneous
Equipment**

Coinsurance applies to **miscellaneous equipment** only when a coinsurance percentage is shown under Miscellaneous Equipment in the Declarations.

Coinsurance does not apply to **miscellaneous equipment** you lease, rent or borrow from others.

If coinsurance applies, our maximum loss payment will be determined as follows:

- A. determine the value of the covered **miscellaneous equipment** at the time of loss or damage in accordance with the applicable Loss Payment Basis as provided under Loss Payment Basis;