

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MECHANICAL BREAKDOWN COVERAGE

DEFINITIONS

The following definitions are added:

1. "Accident" means a fortuitous event that causes direct physical damage to "covered equipment." The event must be a mechanical breakdown, including rupture or bursting caused by centrifugal force.
 2. "Computer equipment" means covered property that is electronic computer or other data processing equipment, including "media" and peripherals used in conjunction with such equipment.
 3. "Covered equipment"
 - a. "Covered equipment" means covered property:
 - (1) that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
 - (2) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
 - b. None of the following is "covered equipment":
 - (1) structure, foundation, cabinet, compartment or air supported structure or building;
 - (2) insulating or refractory material;
 - (3) sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - (4) water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (5) "vehicle" or any equipment mounted on a "vehicle";
 - (6) satellite, spacecraft or any equipment mounted on a satellite or spacecraft; or
 - (7) dragline, excavation or construction equipment.
 4. "Data" means information or instructions stored in digital code capable of being processed by machinery.
 5. "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
 6. "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
 7. "One accident" means: If an initial "accident" causes other "accidents," all will be considered "one accident." All "accidents" that are the result of the same event will be considered "one accident."
 8. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.
However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "vehicle."
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SECTION 1 - PERILS INSURED AGAINST

1. We will pay for direct physical damage to covered property, described in Coverages A, B and C, that is the direct result of an "accident."

2. The following coverages also apply to the direct result of an "accident." These coverages do not provide additional amounts of insurance.
- a. **Expediting Expenses**
With respect to your damaged covered property, we will pay, up to \$25,000, the reasonable extra cost to:
 - (1) make temporary repairs; and
 - (2) expedite permanent repairs or permanent replacement.
 - b. **Hazardous Substances**
We will pay for the additional cost to repair or replace covered property because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property.
As used in this coverage, additional costs mean those beyond what would have been payable under this Mechanical Breakdown Coverage had no "hazardous substance" been involved.
The most we will pay for loss, damage or expense under this coverage is \$25,000.
 - c. **Computers In The Dwelling**
We will pay for loss, damage or expense caused by or resulting from an "accident" to "computer equipment" located in the dwelling.
The most we will pay for loss, damage or expense under this coverage \$25,000.
 - d. **Data Restoration**
We will pay for your reasonable and necessary cost to research, replace and restore lost "data."
The most we will pay for loss, damage or expense under this coverage is \$25,000.
3. The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" is the applicable Limit of Liability in the Declarations. Coverage provided under this endorsement does not provide an additional amount of insurance.

SECTION 1 - EXCLUSIONS

All exclusions in Section 1 of the policy to which this endorsement is attached apply except as modified below and to the extent that coverage is specifically provided by this additional coverage Mechanical Breakdown.

- 1. We will not pay under this endorsement for loss, damage or expense caused by or resulting from:
 - a. any defect, programming error, programming limitation, computer virus, malicious code, loss of "data," loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense;
 - b. any of the following tests:
 - a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment;
 - c. change in temperature or humidity, whether or not resulting from an "accident";
 - d. contamination by a refrigerant resulting from an "accident";
 - e. depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. But if an "accident" results, we will pay for the resulting loss, damage or expense.
- 2. We will not pay under this endorsement for any loss of income or any loss described under Coverage D.

3. With respect to this coverage, we will also not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (including steam explosion); artificially generated electrical current that disturbs electrical devices appliances or wires; smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
4. We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident": Any mold, fungus, mildew or yeast, including any
5. spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins.

SECTION 1 - CONDITIONS

The following condition is added:

Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident," we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced.

However, we will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which actual cash value applies.