This COMMERCIAL PROPERTY COVERAGE is subject to the terms shown below and also the terms of the COMMERCIAL PROPERTY COVERAGE CONDITIONS (BCP-100) and PERILS PART. The terms of this COVERAGE PART do not apply to the INLAND MARINE coverages provided by this policy.

THIS INSURANCE ENDORSEMENT FORMS PART OF YOUR POLICY CONTRACT.
PLEASE READ IT CAREFULLY.

BROADENED BUILDING AND PERSONAL PROPERTY COVERAGE PART

AGREEMENT

In return for your payment of the required premium, we cover direct physical loss to covered property at the premises described on the declarations caused by a covered peril.

PROPERTY COVERED

We cover the following types of property for which a limit is shown on the declarations.

BUILDING PROPERTY
This means buildings and structures for which a limit is shown and which are described on the declarations, including:

1. Completed additions;
2. Fixtures, machinery and equipment that are a permanent part of the described building or structure;
3. Outdoor fixtures;
4. Personal property owned by you and used to maintain or service the described building or structure or its premises, including air-conditioning equipment; fire extinguishing apparatus; floor coverings; and appliances for refrigerating, cooking, dishwashing and laundering.
5. If not covered by other insurance;
   a. additions under construction, alterations, and repairs to the building or structure;
   b. materials, equipment, supplies, and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

Renovation Project: If not covered by the Builder's Risk Coverage Part (BCP-14) or other insurance, BUILDING PROPERTY includes your Renovation Project.

CLERGY MINISTRY PERSONAL PROPERTY
This means ministry personal property of your clergy for which a limit is shown and which is described on the declarations:

1. that is in your care, custody, or control; and
2. located in the buildings and structures described on the declarations or in the open (or in vehicles) on or within 100 feet of the described premises.

However, our payment for loss to ministry personal property of your clergy is only for the benefit of the clergy that owns the ministry personal property.

When the ministry personal property of your clergy is located within a residential premises of the clergy that owns the ministry personal property, this coverage will be excess over any other policy of insurance that applies to the property.

ORGANIZATIONAL PERSONAL PROPERTY
This means your Organizational personal property for which a limit is shown and which is described on the declarations, that is located in the buildings and structures described on the declarations or in the open (or in vehicles) on or within 100 feet of the described premises. Unless otherwise specified on the declarations, this includes:

1. your interest in personal property of others to the extent of your labor, material and services,
2. your use interest as a tenant in improvements to the described building or structure. These Tenan
Improvements include fixtures, alterations, installations, or additions:

a. to a building or structure you occupy but do not own; and

b. made or acquired at your expense and which cannot be legally removed by you;

3. leased personal property which you have a contractual responsibility to insure, unless otherwise insured by this Commercial Property Coverage under Personal Property of Others; and

4. building glass in a building you do not own if you have a contractual responsibility to insure such glass.

PERSONAL PROPERTY OF OTHERS
This means personal property of others for which a limit is shown and which is described on the declarations:

1. that is in your care, custody, or control; and

2. located in the buildings and structures described on the declarations or in the open (or in vehicles) on or within 100 feet of the described premises.

However, our payment for loss to personal property of others is only for the benefit of the owners of the personal property.

PROPERTY IN THE OPEN
This means your property, for which a limit is shown and which is described on the declarations, which is located or intended to be used outside of buildings or structures.

RENTED PERSONAL PROPERTY OF OTHERS
This means personal property that you rent from others, subject to a written rental agreement, for which a limit is shown on the declarations. We cover loss while the property is located anywhere in the world.

PERILS COVERED

See the applicable Perils Part shown on the declarations.

PROPERTY EXCLUDED AND LIMITATIONS

The exclusions and limitations in this section apply to a loss except to the extent that:

a. a limit is specifically shown on the declarations for the type of property listed in this section; or

b. coverage is specifically provided elsewhere within this policy for the property listed in this section.

Exclusions 3, 11 and 12 in this section will apply regardless of any other coverage granted within this policy.

1. Animals: We do not cover animals, including birds and fish, unless owned by others and boarded by you. We do cover animals you own and hold for sale.

2. Antennas, Art/Decorative Objects, Canopies, Erected Tents, Fences, Light-bearing Standards or Poles, and Signs: Except for Property in the Open scheduled on the declarations, or as provided under Supplemental Coverages, we do not cover outdoor:

   a. radio, television, satellite dish type or other antennas, including their masts, towers and lead-in wiring;

   b. art/decorative objects, whose primary function is decoration;

   c. canopies or awnings of fabric or slat construction and their supports, except awnings attached to a described building and erected tents and their supports;

   d. fences;

   e. light-bearing standards or poles;

   f. signs, other than signs attached to buildings;

   or

   g. permanently installed recreational equipment, which includes, but is not limited to, playground equipment.

3. Contraband: We do not cover contraband o
property in the course of illegal transportation or trade.

4. **Foundations, Retaining Walls, Piling, Piers, Wharves, or Docks:** We do not cover foundations which are below the lowest basement floor or below ground level if there is no basement, retaining walls that are not part of buildings or structures; or pilings, piers, wharves, or docks.

5. **Grave Markers/Headstones:** We do not cover grave markers and headstones located on your premises.

6. **Land; Water; Growing Crops or Lawns; Cost of Excavations, Grading or Filling; Paved Surfaces; or Underground Pipes, Flues, or Drains:** We do not cover:
   a. land, including land on which the property is located;
   b. underground or surface water;
   c. growing crops or lawns;
   d. cost of excavations, grading or filling;
   e. paved outdoor surfaces, including driveways, parking lots, roads, curbs, bridges, and walks; or
   f. underground pipes, flues, and drains.

7. **Money and Securities:** Except as provided under Additional Coverages, we do not cover accounts, bills, currency, food stamps, or other evidences of debt, lottery tickets not held for sale, money, notes, or securities.

8. **Property More Specifically Insured:** We do not cover property which is more specifically insured in whole or in part by any other insurance.

9. **Trees, Shrubs, and Plants:** Except as provided under Supplemental Coverages, we do not cover trees; shrubs; plants; and grain, hay, straw, or other crops, when outdoors. However, we do cover trees, shrubs, and plants you own and hold for sale.

10. **Valuable Papers and Records:** Research Cost: Except as provided under Additional Coverages, we do not cover the cost to research, replace, or restore the information on valuable papers and records, including those which exist on electronic or magnetic media.

11. **Vehicles, Aircraft, and Watercraft:** We do not cover vehicles, aircraft, watercraft, or other self-propelled machines, that are:
   a. required to be licensed for use on public roads; or
   b. operated principally away from the described premises.

Except as provided under Supplemental Coverages, we do not cover the equipment, accessories, and spare parts of any of these excluded items.

We do cover vehicles or self-propelled machines you manufacture, process, warehouse, or hold for sale. However, this does not include autos you hold for sale. We also cover rowboats or canoes out of water at the described premises.

12. The Nuclear Hazard exclusion in the Perils Part (CP-83, Broad Perils Part or BCP-85, Special Perils Part) applies to all coverages of this policy. In addition to the Nuclear Hazard exclusion set forth in the Perils Part, the following exclusion will apply to all coverages of this policy:

We do not cover loss to property arising directly or indirectly out of or in connection with any act that is undertaken with the intent to cause injury, damage or harm to any person or entity if such act involves one or more of the following:

   a. the use, release, dispersal, application or escape of any nuclear or radioactive materials of any kind;
   b. any nuclear reaction or the release of any radiation, or any radioactive contamination;
   c. the use, release, dispersal, application or escape of any biological or chemical materials that have any injurious, pathogenic or poisonous effect of any kind; or
   d. any contamination of property, interruption of any insured’s operations, or any other damage, loss or expense arising directly or indirectly out of the situations set forth in items a through c immediately above.

13. **Renovation Project:** We do not cover los
caused by direct physical loss involving collapse of all or any part of a building or structure that is being worked on as a part of your Renovation Project, if the collapse is caused by the use of defective materials or methods in the construction of additions, repairs, or alterations. This exclusion will only apply if the loss occurs during the course of the construction of additions, repair, or alteration of the buildings or other structures to which the loss occurs.

14. **Pipe Organs**: If coverage is specifically provided for pipe organs under the Pipe Organs and Stained Glass Additional Coverage endorsement (BCP-920) to this policy, we do not cover pipe organs under this Building and Personal Property Coverage Part.

15. **Stained Glass**: If coverage is specifically provided for stained glass under the Pipe Organs and Stained Glass Additional Coverage endorsement (BCP-920) to this policy, we do not cover stained glass under this Building and Personal Property Coverage Part.

**SUPPLEMENTAL AND ADDITIONAL COVERAGES**

We provide the following Supplemental and Additional Coverages.

**COVERAGE PART PROVISIONS**

Unless otherwise stated, each Supplemental and Additional Coverage:

1. Applies for loss caused by a covered peril;

2. Applies only at the described premises;

3. Is an additional amount of insurance, except as otherwise stated, subject to a maximum amount where indicated;

4. Is not to exceed the limit for each supplemental coverage;

5. Is not subject to and not considered in applying coinsurance;

6. Is subject to the policy deductible applicable to any direct physical loss covered only under this Coverage Part;

7. Will not apply to loss to any item specifically insured under any Inland Marine coverage part.

**DEFINITIONS**

The following definitions apply as indicated herein.

1. **Renovation Project**: Means the construction of additions, alterations or repairs to portions of buildings and structures described on the declarations, including their foundations, while the construction, alterations, or repairs are in progress.

A Renovation Project will conclude at the earliest of the following:

a. this policy expires or is cancelled; or

b. the property is accepted by the purchaser; or

c. you no longer have an interest in the property; or

d. you abandon the construction, alteration or repair with no intention to complete it; or

e. unless otherwise specified in writing by us, when covered property is occupied or put to its intended use or 90 days after the date of completion.

2. **Money** means:

a. Currency, coin and bank notes in current use and having a face value;

b. Personal and commercial checks and other similar negotiable instruments; and

c. Travelers checks, register checks, scrip, and money orders.

Money does not include securities.

3. **Securities** means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

4. **Specified Perils**: When reference is made in this part to specified perils, we mean aircraft
breakage of building glass; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; sinkhole collapse; smoke; sonic boom; vandalism; vehicles; volcanic action; water damage from a system or appliance; weight of ice, snow or sleet; and windstorm, all except as excluded or limited.

In applying this definition:

Falling Objects does not include loss to personal property in the open or to the interior of buildings or structures or personal property inside buildings or structures unless the exterior of the roof or walls are first damaged by a falling object.

Water Damage from a system or appliance means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the plumbing, heating or air conditioning system or domestic appliance containing the water or steam.

5. Temporary Emergency Coordination Operation: Means the use of your owned buildings and structures described on the declarations on a short-term basis (for less than 90 days) as a planning, staging, or coordination area, on a voluntary basis or as a result of an order by a civil authority, for the purpose of providing temporary shelter to disaster victims, refugees, persons under medical quarantine, or other temporarily displaced persons.

7. Stained Glass: Means your stained glass, fine arts glass, or glass set in leaded sections, that is installed in walls of your buildings or structures described on the declarations, or is temporarily removed from its normal place of installation during construction, alteration or repair of the buildings, structures, or glass.

SUPPLEMENTAL COVERAGES
POLICY DEDUCTIBLE

The policy deductible is applicable to the following direct loss extensions. This is not an additional or separate deductible.

1. Property Off Premises:
You may extend your Organizational Personal Property, Clergy Ministry Personal Property, or Personal Property of Others coverage, for which a limit is shown on the declarations, for a total of up to $50,000 in any one occurrence of loss to your Organizational Personal Property, Clergy Ministry Personal Property, or Personal Property of Others, for which a limit is shown on the declarations, while such property is temporarily (not to exceed 180 days) away from locations that you own, control lease or operate. We cover loss while the property is located anywhere in the world.

This extension does not apply if a loss is only covered by an Additional Coverage or a Supplemental Coverage provided by and described in this form.

This extension does not apply if the loss is covered by any other insurance, whether collectible or not, or which would have been covered by such other insurance in the absence of this policy.

2. Owned Personal Property – Parsonage:
You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $10,000 to cover your personal property at an owned parsonage unit.
We only cover loss caused by a covered peril.

3. Building/Personal Property - Newly Acquired/Constructed:
You may extend your Building Property or Organizational Personal Property Coverage, for which a limit is shown on the declarations, for a total of up to $2,000,000 in any one occurrence to cover the following:

a. your real and/or personal property that you acquire or buildings or structures being built. This supplemental coverage also applies to portions of your buildings or structures being constructed, altered, or repaired as part of your Renovation Project; and

b. your newly acquired personal property; and

c. your contents in your newly acquired/constructed building.

This coverage applies until the earlier of:

a. the passage of 180 days after you acquire the property and/or construction is started (you must provide us with a receipt from the seller verifying the date of purchase); or

b. the time that you report the newly acquired property and/or construction to us.

This coverage does not extend beyond the expiration or cancellation of the policy, but it will extend beyond the expiration if we renew the policy. We cover direct loss at locations within the policy territorial limits that is caused by a covered peril. Additional premium will be charged from the earlier of the date you acquire the property or the date construction is started.

We will not provide this Supplemental Coverage for your real and/or personal property that you acquire or buildings or structures being built if such property is not designed or used for purposes similar to:

a. buildings described on the declarations; or

b. your personal property already covered at the time that you acquire the property to be covered under this Supplemental Coverage.

4. Outside Objects/Structures:
You may extend your Building Property coverage, for which a limit is shown on the declarations, for an amount up to $30,000 to cover the outdoor property listed below. This coverage is limited to $20,000 for any one of the categories of outdoor property listed in paragraphs a - i below. We only cover loss at the described premises caused by a peril covered, except as provided otherwise below.

a. Antennas: your permanent outdoor radio, television, satellite dish type or other antennas, including their masts, towers, or lead-in wiring.

b. Art/Decorative Objects: permanent objects whose primary function is decoration.

c. Canopies/Tents: your owned erected tents, or outdoor canopies and awnings not attached to a building of fabric or slat construction on or off your premises.

d. Fences, Light-bearing Standards or Poles: fences and light-bearing standards or poles.

e. Grave Markers/Headstones: grave markers and headstones located on your premises that you are directly responsible to maintain and protect. This supplemental coverage is excess over any other policy of insurance that applies to this property.

f. Signs: permanent outdoor signs that are not attached to a building. We cover signs that are on and off premises.

g. Trees, Shrubs, Plants and Lawns: outdoor trees, shrubs, plants and lawns. We only cover loss at the described premises and caused by theft or specified perils, except hail, water damage from a system or appliance, and weight of ice, snow or sleet. This coverage is limited to $2,000 on any one tree, shrub, or plant, including debris removal expense. We will pay no more than $5,000 for each loss caused by windstorm.

h. Recreational Equipment: permanently installed equipment used for recreation, which includes, but is not limited to, playground equipment.

i. Retaining Walls: permanent retaining walls. We only cover loss at the described premises and caused by specified perils, except water damage from a system or appliance, weight of ice, snow, or sleet; and windstorm.
5. **Other Structures:** You may extend your Building Property coverage, for which a limit is shown on the declarations, for a total payment of $15,000 per occurrence, regardless of the number of structures, to cover detached structures (other than those described on the declarations or listed in the Outside Objects/Structures Supplemental Coverage provided by this policy) on the insured premises. You may extend your Organizational Personal Property coverage for a total payment of $15,000 per occurrence to cover the contents of any structures covered under this provision. This Supplemental Coverage covers direct loss in any one occurrence by a covered peril.

6. **Owned Personal Property – Dwellings:** If coverage applies to one or more dwelling buildings described on the declarations, and the dwelling buildings are not owned parsonage units, you may extend up to 5 percent (5%) of the amount shown on the declarations for each such dwelling to cover your personal property located in the dwelling. This is not an additional amount of insurance.

7. **Contents – Buildings and Structures Described on the Declarations:** You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $15,000 to cover the contents of a structure described on the declarations for which the limit of insurance shown is no more than $15,000 and for which there is no limit of Organizational Personal Property shown on the declarations for the structure. This coverage is excess to any other insurance provided by this policy or otherwise which applies to this property.

8. **Trailers:** You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $10,000 to cover your trailers, including owned, rented, leased or borrowed trailers, which are required to be licensed for use on public roads or operated principally away from the described premises. This coverage is excess to any other insurance which applies to this property.

9. **Vehicle Equipment and Accessories:** You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $10,000 to cover equipment, accessories, and spare parts of your vehicles or other self-propelled machines, but only if such items are not attached to the vehicles or self-propelled machines at the time of the loss. This coverage does not apply to equipment, accessories, or equipment of aircraft or watercraft. This coverage is excess to any other insurance which applies to this property.

**ADDITIONAL COVERAGES**

**NO DEDUCTIBLE**

The policy deductible is not applicable to the following additional coverages.

1. **Debris Removal Expense - Partial or Total Loss:**
   We cover the cost to remove the debris of covered property that is caused by a covered peril. We only cover loss at the described premises, caused by a covered peril.

   This coverage does not apply to costs to:
   a. Extract pollutants from land or water; or
   b. Remove, restore or replace polluted land or water.

   This coverage does not apply to loss from enforcement of any law, ordinance or code.

   **Partial Loss:** When loss to property and the cost of removal of debris of such covered property does not exceed the limit of insurance shown on the declarations for the covered property, we pay for removal of debris up to the remaining limit for such covered property following payment for the loss to the covered property.

   **Total Loss:** When loss to covered property and removal of debris of the covered property exceeds the limit of insurance shown on the declarations for the covered property, you may extend your Building Property or Organizational Personal Property coverage for an additional amount of coverage up to $25,000 to cover expenses for removing debris of the covered property.

2. **Emergency Removal:** We cover loss to covered property while moved or being moved from the described premises for preservation from loss caused by a covered peril. We pay for any direct physical loss to that property. Thi...
coverage applies for up to 30 days after the property is first moved. This does not increase the limit.

3. Fire Department Service Charges: You may apply either your Building Property or your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $50,000 to cover your liability assumed by contract or agreement, for fire department service charges. This coverage is limited to charges incurred when the fire department is called to save or protect covered property from a covered peril.

4. Fire Extinguisher Recharge: You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $50,000 for the recharging of fire extinguishers within 30 days after they have been used to combat a fire on the premises.

5. Pollutant Clean-up and Removal: We will pay your expenses for an amount up to $10,000 to extract pollutants from land or water at a described premises if the release, discharge or dispersal of the pollutants is caused by or results from a covered peril that occurs during the policy period. The most we pay for each described premises is $10,000 for the sum of all such expenses for clean-up occurring during each separate 12 month period of this policy, such period beginning on the month and date shown on the declarations as the beginning of the policy period.

The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

a. The date of direct physical loss or damage; or

b. The end of the policy period.

This extension does not apply to loss from enforcement of any law, ordinance or code.

6. Installed Lock Recalibration: You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to a maximum of $10,000 for the recalibration of any professionally-installed lock that you undertake due to the loss of your keys, but only if the keys were lost because of an act of vandalism, theft, or attempted theft. This coverage will only apply if the recalibration is done within 10 days of discovery of such act of vandalism, theft, or attempted theft.

7. Arson Reward: We will reimburse you for payments that you make to pay a reward for information that leads to the arrest conviction of any perpetrators in connection with a fire loss covered under this policy. We will only make this reimbursement if:

a. Civil authorities administer the reward program, and

b. The reward was publicly posted by civil authorities prior to the conviction of any perpetrators.

Regardless of the number of persons who provide information, our maximum reimbursement for rewards under this coverage extension with respect to each covered fire loss is the lesser of:

a. $20,000, or

b. The amount paid to you as a result of the direct loss caused by the fire damage.

8. Papers and Records (including electronic data): You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $50,000 to cover the expense to research, replace or restore lost information or missing or damaged valuable papers and records, including that which exists on electronic or magnetic media, for which duplicate papers and records do not exist. These expenses must follow a direct loss to covered property from a covered peril.

This extension does not apply to loss from enforcement of any law, ordinance or code.

9. Personal Property Owned by Others (non-clergy): You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to a maximum of $25,000 to cover personal property owned by others, except clergy employed by you, while on the described premises and in your care and used for your benefit. This coverage does not apply to personal property rented from others or to trailers that are required to be licensed for use on public roads or operated principally away from the described premises.
The maximum benefit to any one person under this coverage is $2,500. This coverage is excess to any other insurance which applies to this property.

10. Personal Property Owned by Clergy: You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to a maximum of $30,000 to cover personal property owned by clergy employed by you while the property is on the described premises. This Additional Coverage does not apply to personal property of your employed clergy that is located within a residential premises of the clergy that owns the property.

This coverage is excess to any other insurance provided by this policy or otherwise which applies to this property.

11. Theft/Vandalism Reward: We will reimburse you for payments that you make to pay a reward for information that leads to the theft or vandalism conviction of any perpetrators in connection with a theft or vandalism loss covered under this policy. We will only make this reimbursement if:

a. Civil authorities administer the reward program, and

b. The reward was publicly posted by civil authorities prior to the conviction of any perpetrators.

Regardless of the number of persons who provide information, our maximum reimbursement for rewards under this coverage extension with respect to each covered theft or vandalism loss is the lesser of:

a. $5,000, or

b. The amount paid to you as a result of the direct loss caused by the vandalism damage or theft.

ADDITIONAL COVERAGES
POLICY DEDUCTIBLE

The policy deductible is applicable to the following additional coverages. This is not an additional or separate deductible.

1. Money and Securities: You may apply your Organizational Personal Property coverage for an amount up to $5,000 for loss of your money and securities at the described premises and caused by specified perils.

We will pay up to $10,000 for loss of your money and securities from 48 hours preceding, during, and 48 hours after:

a. the days upon which are celebrated New Years Day, Good Friday, Easter, Thanksgiving, Christmas Eve, Christmas and New Years Eve; and

b. if different from New Years Eve, the day concluding your fiscal year, and the Sunday immediately preceding it.

2. Spoilage: You may extend your Organizational Personal Property coverage, for which a limit is shown on the declarations, for an amount up to $10,000 to cover the consequential loss resulting from:

a. the interruption of power or other like service furnished to the designated premises, or

b. damage to the generating or transmission equipment, or

c. mechanical or electrical breakdown of the refrigeration system, provided the refrigeration equipment has been maintained in proper working condition.

3. Damage to Buildings and Personal Property
from Animals: We cover direct loss up to a limit of $2,500 for loss caused by or resulting from animals.

4. Building Glass: We cover direct loss to building glass, including stained glass, “fine arts glass”, or glass set in leaded sections, not subject to any per pane or per plate limits. This is not an additional amount of insurance.

The value of stained glass may be excluded from Building Property and Organizational Personal Property values and covered on an agreed value basis for a limit shown on the declarations for stained glass.

5. Temporary Emergency Coordination/Shelter
Operation Clean Up: We pay up to $50,000 of your expenses for cleaning your buildings and structures described on the declarations that are required before you can reoccupy them following their use for temporary emergency coordination operations or temporary shelter operations.

The expenses for cleaning will be paid only if they are incurred and reported to us in writing within 180 days of the date of inception of the temporary emergency coordination operations or temporary shelter operations.

HOW MUCH WE PAY

1. Insurable Interest: We do not cover more than your insurable interest in any property.

2. Deductible - We pay only that part of your loss over the deductible amount stated on the declarations in any one occurrence. The deductible applies to the loss before application of any coinsurance or reporting provision.

For loss to Rented Personal Property of Others only, we pay only that part of your loss over $1,000 in any one occurrence.

3. Loss Settlement Terms: Subject to paragraphs 1., 2., 4., 5., and 6., in this How Much We Pay section, we pay the least of:

a. the amount determined under Valuation of Property;

b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or

c. the limit that applies to covered property, as described on the declarations, to which a covered loss has been sustained.

For a loss occurring to covered Building Property, as described on the declarations, which is undergoing a Renovation Project at the time of the loss, subject to paragraphs 2., 4., 5., and 6., in this How Much We Pay section, we will pay the least of:

a. the amount determined under Valuation of Property;

b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or

c. the limit that applies to covered property, as described on the declarations, to which a covered loss has been sustained.

c. the limit that applies to covered Building Property, as described on the declarations, to which a covered loss has been sustained and which is undergoing a Renovation Project. The Building Property limits of insurance shown in the declarations are provisional. The actual limit of insurance in effect at the time of loss is the sum of:

1) the limit of insurance that we provided (either on the declarations, or in the Newly Acquired/Constructed Supplemental Coverage) for any individual building or structure undergoing a Renovation Project that applied to such building prior to the inception of the Renovation Project, and

2) the value of the completed Renovation Project, multiplied by the proportion of the Renovation Project that has been completed at the time of loss.

For Additional Coverages and Supplemental Coverages, subject to paragraphs 1., 2., 4., 5., and 6., in this How Much We Pay section, we pay the lesser of:

a. the actual loss sustained; or

b. the limit indicated within each Additional Coverage or Supplemental Coverage.

4. Coinsurance: When a coinsurance percentage is shown on the declarations, we only pay a part of the loss if the limit is less than the value of the covered property at the time of the loss multiplied by the coinsurance percentage shown for it on the declarations. Our part of the loss is determined using the following steps:

a. Multiply the value of the covered property at the time of the loss by the coinsurance percentage;

b. Divide the limit for covered property by the figure determined in 4.a. above; and

c. Multiply the total amount of loss, after the application of any deductible, by the figure determined in 4.b. above.

The most we pay is the amount determined in 4.c. above or the limit, whichever is less. We d
not pay any remaining part of the loss.

If there is more than one limit shown on the declarations for this Coverage Part, this procedure applies separately to each limit.

If there is only one limit shown on the declarations for this Coverage Part, this procedure applies to the total of all covered property to which the limit applies.

5. Coinsurance Waiver - Agreed Amount: When Agreed Amount is shown for a location described on the declarations, no coinsurance provision applies to coverage for that location.

6. Insurance Under More Than One Coverage: If more than one coverage of this policy insures the same loss, we pay no more than the actual claim or loss sustained. If coverage is provided for any item specifically insured under any Inland Marine coverage part of this policy, that is the only coverage of this policy that will apply to loss to the item.

7. Insurance Under More Than One Policy: You may have another policy subject to the same plan, terms, conditions, and provisions as this policy. If you do, we pay our share of the covered loss. Our share is the proportion that the applicable limit under this policy bears to the limit of all policies covering on the same basis.

If there is another policy covering the same loss, other than that described above, we pay only for the amount of covered loss in excess of the amount due from that other policy, whether you can collect on it or not. But we do not pay more than the applicable limit.

8. No Coverage for Diminished Value: Regardless of the method used to determine the value of covered property under the Valuation Of Property section, we do not pay for any loss in market value following the repairing, replacing, or rebuilding of covered property.

**VALUATION OF PROPERTY**

1. Actual Cash Value: When Replacement Cost (RC) is not shown on the declarations for covered property, the value is based on the actual cash value at the time of the loss (with a deduction for depreciation), except as provided below.

2. Glass: The value of glass is based on the cost of safety glazing material where required by code, ordinance or law.

3. Merchandise Sold: The value of merchandise that you have sold but not delivered is based on the selling price less all discounts and unincurred expenses.

4. Valuable Papers and Records: The value of valuable papers and records, including those which exist on electronic or magnetic media (other than prepackaged software programs) is based on the cost of blank materials and the labor to transcribe or copy the records when there is a duplicate.

5. Tenant’s Improvements: The value of tenant’s improvements losses is based on the actual cash value if repaired or replaced at your expense within a reasonable time.

The value of tenant’s improvements losses is based on a portion of your original cost if not repaired or replaced within a reasonable time. This portion is determined as follows:

a. Divide the number of days from the date of the loss to the expiration date of the lease by the number of days from the date of installation to the expiration date of the lease; and

b. Multiply the figure determined in 6.a. above by the original cost.

If your lease contains a renewal option, the expiration of the lease in this procedure is replaced by the expiration of the renewal option period.

Tenant’s improvements losses are not covered if repaired or replaced at another’s expense.

6. Pair or Set: The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

7. Loss to Parts: The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it
8. **Replacement Cost**: When Replacement Cost (RC) is shown on the declarations for covered property, the value is based on replacement cost without any deduction for depreciation.

This replacement cost provision does not apply to: objects of art, rarity or antiquity; property of others; or paragraphs 2-7 above.

The replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose. The payment shall not exceed the amount you spend to repair or replace the damaged or destroyed property.

Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced. You may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if you notify us of your intent within 180 days after the loss.

9. **Replacement Cost - Personal Property**: This provision applies to items #11 [Personal Property Owned by Others (non-clergy)] and #12 [Personal Property Owned by Clergy] in the Additional Coverages - No Deductible section of this policy.

When Replacement Cost (RC) is shown on the declarations for your Organizational Personal Property, the exception for property of others in the Replacement Cost provision of the Valuation of Property section of this policy does not apply to personal property of others referenced in items #11 and #12 above or to specifically declared Personal Property of Others shown on the declarations.

We pay the least of the following amounts for each item:

a. the applicable limit;

b. an amount not greater than the owner's interest in the property;

c. the replacement cost as defined in the Replacement Cost provision of this policy;

d. two (2) times the actual cash value of the property at the time of loss.

When the replacement cost is more than two (2) times the actual cash value of the damaged property, we are not liable for more than the actual cash value of the loss until actual repair or replacement is completed. You may make a claim for the actual cash value amount of the loss before repairs are made or replacement is completed. A claim for any additional amount payable under this provision must be made within 180 days after the loss.

This conditional extension does not apply to the following property:

a. property other than your ministry related property in your care and for your benefit;

b. film, tapes, cassettes, records, magnetic recording or similar property;

c. articles of art or rarity that cannot be duplicated;

d. property covered by any scheduled insurance;

e. memorabilia, souvenirs, collector's items and similar items whose age or history contribute to its value;

f. items not maintained in good or workable condition; or

g. items that are outdated or obsolete and are stored or not being used.

**LOSS PAYMENT**

1. **Our Options**: We may:

a. pay the value of the loss;

b. pay the cost of repairing or replacing the loss;

c. rebuild, repair or replace with property of equivalent kind and quality, to the extent practicable; or

d. take all or any part of the damaged property at the agreed or appraised value.

We must give you notice of our intentions within 30 days after we have received a satisfactory proof of loss.

2. **Your Losses**: We adjust all losses with you
Payment is made to you unless another loss payee is named in the policy, in which case we may pay you and such other loss payee(s). A covered loss is payable 30 days after a satisfactory proof of loss is received, and:

a. the amount of the loss has been agreed to in writing;

b. an appraisal award has been filed with us, or

c. a final judgment has been entered.

3 Property of Others: Losses to property of others may be adjusted with and paid to:

a. you on behalf of the owner; or

b. the owner.

If we pay the owner, we do not have to pay you. We may also choose to defend any suits arising from the owners at our expense.

**OTHER CONDITIONS**

In addition to the policy terms which are contained in other sections of the Commercial Property Coverage, the following conditions apply.

1. Appraisal: If you and we do not agree on the amount of the loss or the actual cash value of covered property, either party may demand that these amounts be determined by appraisal.

   If either makes a written demand for appraisal, each selects a competent, independent appraiser and notifies the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the property is located to select an umpire.

   The appraisers will then determine and state separately the amount of each loss.

   The appraisers also determine the actual cash value of covered property items at the time of the loss, if requested.

   A written agreement is binding on all parties. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three is binding on all parties.

   Each appraiser is paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by you and us.

   If there is an appraisal, we retain our right to deny the claim.

2 Mortgage Provisions: If a mortgagee (mortgage holder) is named in this policy, losses shall be paid to you and the mortgagee as its interest appears. If more than one mortgagee is named, they shall be paid in order of precedence.

   The insurance for the mortgagee continues in effect even when your insurance may be void because of your acts, neglect, or failure to comply with the coverage terms. The insurance for the mortgagee does not continue in effect if the mortgagee is aware of changes in ownership or substantial increase in risk and does not notify us.

   If we cancel this policy, we notify the mortgagee at least 10 days before the effective date of cancellation if we cancel for your nonpayment of premium, or 30 days before the effective date of cancellation if we cancel for any other reason.

   We may request payment of the premium from the mortgagee, if you fail to pay the premium. If we pay the mortgagee for a loss where your insurance may be void, the mortgagee's rights to collect that portion of the mortgage debt from you then belongs to us. This does not affect the mortgagee's right to collect the remainder of the mortgage debt from you. As an alternative, we may pay the mortgagee the remaining principal and accrued interest in return for a full assignment of the mortgagee's interest and any instruments given as security for the mortgage debt.

   If we choose not to renew this policy, we give written notice to the mortgagee at least 10 days before the expiration date of this policy.

3. Recoveries: If we pay you for the loss, and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply
a. **You** must notify **us** promptly if **you** recover property or receive payment.

b. **We** must notify **you** promptly if **we** recover property or receive payment.

c. Any recovery expenses incurred by either are reimbursed first.

d. **You** may keep the recovered property but **you** must refund to **us** the amount of the claim paid, or any lesser amount to which **we** agree.

e. If the claim paid is less than the agreed loss due to a deductible or other limiting term of this policy any recovery is pro-rated between **you** and **us** based on our respective interest in the loss.

4. **Vacancy-Unoccupancy:** **We** do not pay for loss caused by attempted theft, breakage of building glass, sprinkler leakage (unless **you** have protected the system against freezing), theft, vandalism, or water damage occurring while the building or structure has been:

   a. vacant for more than 60 consecutive days; or

   b. unoccupied for more than

      1) 60 consecutive days; or

      2) The usual or incidental unoccupancy period for the described premises.

      whichever is longer.

For a loss caused by a covered peril other than attempted theft, breakage of building glass, sprinkler leakage (unless **you** have protected the system against freezing), theft, vandalism, or water damage during a period of vacancy or unoccupancy of any building, as described above, the amount **we** pay is reduced by 15%.

With respect to this provision, unoccupied means that the customary activities or operations of the described occupancy are suspended, but organizational personal property has not been removed.

The building or structure shall be considered vacant and not unoccupied when the occupants have moved, leaving the building or structure empty, or containing only limited organizational personal property. Buildings or structures under construction are not considered either vacant or unoccupied.

**Damage to Church Parsonage(s) while Vacant:** **We** provide the perils coverage provided in form CP-62, CP-63, or BCP-85 (whichever form is shown in the Property Declarations), to a covered parsonage/office dwelling while "vacant" for less than 12 months. With respect to this provision "vacant" means that the occupants have moved out, and there is no personal property of the former occupant present in the dwelling.

This provision regarding covered parsonage/office dwellings will not apply if the building or structure is no longer used as or intended to be used as a parsonage/office dwelling.

5. **Governing Board Provision:** This policy has been issued to your organization on the condition that it is, and will continue to be operated by a governing board of at least three individuals (not all related to each other by blood or marriage). In consideration of our having issued this policy, **you** warrant that no single person within your organization will have authority to make large organizational or financial decisions without the authorization of and approval of your governing board or governing body. Also in consideration of our having issued this policy, **you** warrant that no individual possesses a controlling ownership interest in any of the buildings or structures described on the declarations.

6. **Organizational Disputes:** If any dispute should arise within your organization concerning who controls the organization or who controls or owns your organizational property or assets, at our discretion we may elect to pay any amounts due under this policy for a loss to a court of competent jurisdiction for it to determine to whom these amounts should be paid. If an individual or an entity is shown on the declarations as a Mortgagee or additional insured, their interests will be indicated with respect to our payment to the court.

In the event of a loss when this provision applies, we will pay to any putative insured the reasonable and documented cost of fulfilling the obligation under this policy to protect the insured property according to the Protect Property requirement in the What You Must Do In Case o
Loss section of this policy.

Once invoked by us, this coverage restriction will apply until such time as a final determination is made in a court of law (including any and all appeals) or a final settlement agreement is entered into by all parties regarding which person or group actually controls the organization. Once a final determination has been made and all appeals exhausted, then the prevailing party will be considered the representative of your organization, and:

a. any coverage provided by this policy in relation to any subsequent loss will apply for the benefit of the prevailing party; and

b. we will reimburse the prevailing party for extra expenses incurred by them as a result of a direct loss caused by a covered peril, in accordance with the Extra Expense provision of the Additional Coverages. No Deductible section of this policy, if the extra expenses are incurred during the pendency of the organizational dispute. Neither attorney fees nor any other costs or expenses associated directly or indirectly with the resolution of the organizational dispute will be considered to be extra expenses with respect to this paragraph.

7. Covered Property Exposures: Subject to the terms of the Building/Personal Property Newly Acquired/Constructed Supplemental Coverage, we will provide no coverage for any loss to any of your buildings or personal property unless such buildings or personal property are designated in the Schedule of Buildings and Personal Property section of the Declarations. If during the policy period we are notified or otherwise become aware that your organization owns or rents any buildings or personal property that are: (1) in poor repair; or (2) being used for any unusual operations activities or events that materially change your property exposure; we reserve the right to:

a. adjust your coverage limits, and

b. modify coverage with respect to such buildings or personal property (which may result in adding customized coverage form(s) to your policy), and

c. make appropriate premium adjustments as necessary to address the increased exposure presented by the buildings or personal property.

WHAT YOU MUST DO IN CASE OF LOSS

1. Notice: In case of loss, you must:

a. give us or our agent prompt notice including a description of the property involved (we may request written notice);

b. give notice to the police when the act that causes the loss is a crime; and

c. give notice to the credit card company if the loss involves a credit card.

2. Protect Property: You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss. We pay the reasonable costs incurred by you for necessary repairs or emergency measures performed solely to protect covered property from further damage by a covered peril if a covered peril has already caused a loss to covered property. However, we do not pay for such repairs or emergency measures performed on property which has not been damaged by a covered peril. This does not increase our limit.

3. Proof of Loss: You must send us, within 60 days after our request, a signed, sworn proof of loss. This must include the following information:

a. the time, place and circumstances of the loss;

b. other policies of insurance that may cover the loss;

c. your interest and the interests of all others in the property involved, including all mortgages and liens;

d. changes in title or occupancy of the covered property during the policy period;

e. detailed estimates for repair or replacement of covered property;

f. available plans and specifications of buildings or structures;

g. detailed estimates of any covered loss o
income and expenses; and

h. an inventory of damaged and undamaged covered personal property showing in detail the quantity, description, cost, actual cash value and amount of the loss. You must attach to the inventory copies of all bills, receipts and related documents that substantiate the inventory. An inventory of undamaged personal property is not required if the total claim for a loss is less than $10,000 and less than five percent of the total limit.

4. Examination: You must submit to examination under oath in matters connected with the loss as often as we reasonably request and give us sworn statements of your answers. If more than one person is examined, we have the right to examine and receive statements separately and not in the presence of the others.

5. Records: You must produce records, including tax returns and bank microfilm of all canceled checks, relating to value, loss and expense and permit copies and extracts to be made of them as often as we reasonably request.

6. Damaged Property: You must exhibit the damaged and undamaged property as often as we reasonably request and allow us to inspect or take samples of the property.

7. Volunteer Payments: You must not, except at your own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

8. Abandonment: We do not have to accept any abandoned property.

9. Cooperation: You must cooperate in performing all acts required by the Commercial Property Coverage