

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**VALUE REPORTING FORM**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

One or more of the following symbols will be shown in the Declarations in place of a Coinsurance percentage: DR, WR, MR, QR, PR. For an explanation of these symbols, refer to "Reporting Period" under Section **D.** – Definitions.

A. Additional Covered Property

1. Covered Property is extended to include personal property at the following types of locations for which a Limit of Insurance is shown in the Declarations or on the Reported – Acquired – Incidental Locations Schedule:

- a. "Reported locations";
- b. "Acquired locations"; and
- c. "Incidental locations".

2. The following is added to Property Not Covered:

Covered Property does not include property at fairs or exhibitions.

B. Reporting Provisions

For Covered Property to which this endorsement applies:

1. Reports Of Values

- a. You must file a report with us following each "reporting period" and at expiration, in accordance with **b.** or **c.** below, showing the values of Covered Property separately at each location. Each report must show the values that existed on the dates required by the "reporting period"; these dates are the report dates.
- b. If this policy is a renewal of a value reporting form policy we previously issued, you must file a report with us within 30 days of the end of each "reporting period" and at expiration.
- c. If coverage was not previously issued by us on a value reporting form basis and:

- (1) Reporting Period symbol DR (Daily), WR (Weekly) or MR (Monthly) is shown in the Declarations, you must:

- (a) File the first report with us within 60 days of the end of the first "reporting period"; and
 - (b) File the second report with us within 30 days of the end of the second "reporting period", concurrent with submission of the first report; and
 - (c) File each subsequent report with us within 30 days of the end of each subsequent "reporting period" and at expiration.
- (2) Reporting Period symbol QR (Quarterly) is shown in the Declarations and the inception date of the policy falls in March, June, September or December, you must:
 - (a) File the first report with us within 60 days of the end of the first "reporting period"; and
 - (b) File each subsequent report with us within 30 days of the end of each subsequent "reporting period" and at expiration.
 - (3) Reporting Period symbol QR (Quarterly) is shown in the Declarations and the inception date of the policy does **not** fall in March, June, September or December, you must file a report with us within 30 days of the end of each "reporting period" and at expiration.
 - (4) Reporting Period symbol PR (Policy Year) is shown in the Declarations, you must file a report with us within 30 days of the end of each "reporting period" and at expiration.
- d. For property at "incidental locations", your reports must show separately the entire values in each state.

- e. You may not correct inaccurate reports after loss or damage.

2. Full Reporting

The **Coinsurance** Additional Condition is replaced by the following:

COINSURANCE

- a. If your report of values for a location where loss or damage occurs, for the last "reporting period" before loss or damage, shows less than the full value of the Covered Property at that location on the report dates, we will pay only a proportion of the loss. The proportion of loss payable, prior to application of the deductible, will not be greater than the proportion determined by:
 - (1) The values you reported for the location where the loss or damage occurred, divided by
 - (2) The value of the Covered Property at that location on the report dates.
- b. For locations you acquire after the last report of values, we will not pay a greater proportion of loss, prior to the application of the deductible, than the proportion determined by:
 - (1) The values you reported for all locations, divided by
 - (2) The value of the Covered Property at all locations on the report dates.

Example of Under Reporting:

If: The values reported are	\$ 90,000
The actual values on the report dates were	\$ 120,000
The deductible is	\$ 250
The amount of loss is	\$ 60,000

Step a: $\$90,000 \div \$120,000 = .75$

Step b: $.75 \times \$60,000 = \$45,000$

Step c: $\$45,000 - \$250 = \$44,750$

The most we will pay is \$44,750. The remaining \$15,250 is not covered.

3. Reports In Excess Of Limit Of Insurance

If the values you report exceed the Limit of Insurance:

- a. We will determine final premium based on all the values you report, less "specific insurance";
- b. In the event of loss or damage, we will not pay more than the Limit of Insurance applicable to the Covered Property.

4. Failure To Submit Reports

If at the time of loss or damage you have failed to submit:

- a. The first required report of values:
 - (1) We will not pay more than 75% of the amount we would otherwise have paid; and
 - (2) We will only pay for loss or damage at locations shown in the Declarations.
- b. Any required report of values after the first required report:
 - (1) We will not pay more for loss or damage at any location than the values you last reported for that location; and
 - (2) We will only pay for loss or damage at locations reported in your last report filed before the loss.

5. Treatment Of "Specific Insurance"

- a. You must include the amount of all "specific insurance" in your reports of value.
- b. We will subtract the value of "specific insurance" from your values when computing advance and final premium under this endorsement.

Example:

If: The value of the property is	\$ 400,000
The amount of "specific insurance" is	\$ 50,000
The Limit of Insurance under this form is	\$ 300,000
Your report of values should show:	
Value of Property	\$ 400,000
Amount of "Specific Insurance"	\$ 50,000
Difference	\$ 350,000

We will compute final premium based on the values in excess of reported "specific insurance" during the policy year.

- c. Subject to all other applicable provisions of this policy, including the applicable Limit of Insurance, the most we will pay is that portion of the loss that exceeds the sum of (1) and (2) below:
 - (1) The amount due from "specific insurance", whether you can collect on it or not; plus
 - (2) The amount of any deductible applying to such "specific insurance".

Examples

The following examples assume that the Reporting Provisions applicable to this form have been complied with.

If: the amount of the "specific insurance" is \$50,000;
 the Limit of Insurance under this form is \$300,000;
 the Deductible applicable to the "specific insurance" is \$5,000; and
 the Deductible applicable to this insurance is \$1,000;

we will determine the most we will pay as follows:

Example #1

("Specific insurance" **not** subject to a coinsurance requirement.)

Amount of loss	\$300,000
Deductibles	
"Specific Insurance"	\$ 5,000
This insurance	\$ 1,000
Amount due from	
"Specific Insurance"	<u>\$50,000*</u>
	\$56,000 – \$ 56,000
The most this insurance will pay	\$244,000

The most payable, combined, from the "specific insurance" and this insurance is \$294,000 (\$50,000 + \$244,000). The remainder of the loss, \$6,000, is not covered.

Example #2

("Specific insurance" subject to 100% coinsurance requirement. Value of property at time of loss is \$350,000.)

Amount of loss	\$300,000
Deductibles	
"Specific Insurance"	\$ 5,000
This insurance	\$ 1,000
Amount due from	
"Specific Insurance"	<u>\$37,900*</u>
	\$43,900 – \$ 43,900
The most this insurance will pay	\$256,100

The most payable, combined, from the "specific insurance" and this insurance is \$294,000 (\$37,900 + \$256,100). The remainder of the loss, \$6,000, is not covered.

Example #3

("Specific insurance" subject to 100% coinsurance requirement. Value of property at time of loss is \$370,000.)

Amount of loss	\$360,000
Deductibles	
"Specific Insurance"	\$ 5,000
This insurance	\$ 1,000
Amount due from	
"Specific Insurance"	<u>\$43,600*</u>
	\$49,600 – \$ 49,600
	\$310,400

The most this insurance will pay is \$300,000 (the Limit of Insurance).

The most payable, combined, from the "specific insurance" and this insurance is \$343,600 (\$43,600 + \$300,000). The remainder of the loss, \$16,400, is not covered.

***The amount due from "specific insurance" will vary based on such factors as the amount of loss, the value of property at time of loss, and the coinsurance requirement, if any, applicable under the policy providing "specific insurance".**

C. Premium Adjustment

For Covered Property to which this endorsement applies:

1. The premium charged at the inception of each policy year is an advance premium. We will determine the final premium for this insurance after the policy year, or expiration, based on the average of your reports of value.
2. Based on the difference between the advance premium and the final premium, for each policy year, we will:
 - a. Charge additional premium; or
 - b. Return excess premium.

The due date for any additional premium is the date shown as the due date on the bill.

D. Definitions

1. **"Acquired Locations"** means any locations in the policy territory acquired after the inception of the coverage under this endorsement.
2. **"Incidental Locations"** means any locations not shown in the Declarations, other than "acquired locations" and "reported locations", with values of \$25,000 or less.

3. **"Reported Locations"** means any locations, other than those shown in the Declarations, that have been reported to us at the inception of the coverage under this endorsement.
4. **"Reporting Period"** means the period of time for which new reports of value are due, as shown by a symbol in the Declarations. If the symbol is:
 - a. DR (Daily), reports must show values as of each day; but the "reporting period" ends on the last day of the month.
 - b. WR (Weekly), reports must show values as of the last day of each week; but the "reporting period" ends on the last day of the month.
 - c. MR (Monthly), reports must show values as of the last day of the month; and the "reporting period" ends on the last day of each month.
 - d. QR (Quarterly), reports must show values as of the last day of each month; but the "reporting period" ends on the last day of:
 - (1) March;
 - (2) June;
 - (3) September; and
 - (4) December.
 - e. PR (Policy Year), reports must show values as of the last day of each month; but the "reporting period" ends on the policy anniversary date.
5. **"Specific Insurance"** means other insurance that:
 - a. Covers the same Covered Property to which this endorsement applies; and
 - b. Is not subject to the same plan, terms, conditions and provisions as this insurance, including this endorsement.