

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SELF-STORAGE FACILITIES**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Businessowners Coverage Form is amended as follows:

**A. The following is added to Paragraph A.5.f. Additional Coverages Business Income of Section I – Property:**

**(5) Accrued Rental Charges**

We will pay for the loss of accrued rental or lease charges for storage spaces rendered unrentable because of a covered loss.

**B. If the Employee Dishonesty Optional Coverage is shown as applicable in the Declarations, the following is added to Paragraph 3. Employee Dishonesty of Paragraph G. Optional Coverages of Section I – Property and is subject to the provisions of that paragraph:**

We will also pay for direct loss of or damage to "money", "securities" and "other property" sustained by your "customers" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner).

The property covered under this coverage is limited to property:

- (1)** That your "customer" owns or leases; or
- (2)** That your "customer" holds for others.

Coverage applies only while the property is in your self-storage facility at the premises described in the Declarations.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization, including your "customers". Any claim for loss that is covered under this coverage must be presented by you.

**C. Customers' Goods Legal Liability**

**1. The following are added to Paragraph A. Coverages of Section II – Liability:**

- a.** We will pay for those sums that the insured becomes legally obligated to pay as damages because of "property damage" to which this Customers' Goods Legal Liability Coverage applies to a "customer's" property (or the property of others for which such "customer" is liable) only while the property is at the insured's self-storage facilities. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "property damage" to which this Customers' Goods Legal Liability Coverage does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Paragraph 5.;
- (2)** We will not pay for loss or damage in any one "occurrence" until the amount of loss or damage exceeds \$250. We will then pay the amount of loss or damage in excess of \$250 up to the applicable Limit of Insurance; and
- (3)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under the Customers' Goods Legal Liability Coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Supplementary Payments provision.

- b. This Customers' Goods Legal Liability Coverage applies to "property damage" only if:
  - (1) The "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - (2) The "property damage" occurs during the policy period.
- 2. Paragraph **B. Exclusions of Section II – Liability** is amended as follows:
  - a. The following exclusions are added:

This Customers' Goods Legal Liability Coverage does not apply to:

    - (1) Liability arising out of your "sale and disposal operations".
    - (2) "Property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
    - (3) Liability arising out of intentional "property damage" or dishonest or criminal acts by you, your "employees" or any other person to whom you may entrust such property.
    - (4) Any loss covered under **Section I – Property**.
  - b. The following is added to Paragraph **B.1.f.(1) of Section II – Liability**:
    - (f) Which were brought to the location by any of the "customers" of your self-storage operations.
  - c. Exclusion **B.1.k.(4) of Section II – Liability** does not apply to this Customers' Goods Legal Liability Coverage.
- 3. The Supplementary Payments provision applicable to the Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability coverages also applies to this Customers' Goods Legal Liability Coverage.
- 4. The **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition under Paragraph **E. Liability And Medical Expenses General Conditions of Section II – Liability** applies to this Customers' Goods Legal Liability Coverage.

5. The following is added to Paragraph **D. Liability And Medical Expenses Limits Of Insurance of Section II – Liability**:

The most we will pay for the sum of all damages because of "property damage" to "customers'" goods in any one "occurrence" under the Customers' Goods Legal Liability Coverage is \$50,000 unless a higher amount is shown in the Declarations. This limit applies separately to each premises described in the Declarations.

**D. Lock-out Or Sale, Removal And Disposal Liability Coverage**

1. The following are added to Paragraph **A. Coverages of Section II – Liability**:

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of acts or omissions arising out of a "lock-out" or the sale, removal or disposal of "customers'" property in the course of "sale and disposal operations". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for acts or omissions to which this Lock-out Or Sale, Removal And Disposal Liability Coverage does not apply. We may, at our discretion, investigate the circumstances of any act or omission and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph 4.; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Lock-out Or Sale, Removal And Disposal Liability Coverage.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under the Supplementary Payments provision.

- b. This Lock-out Or Sale, Removal And Disposal Liability Coverage applies only to an act or omission which takes place in the "coverage territory" and during the policy period.

**2. Paragraph B. Exclusions of Section II – Liability** is amended as follows:

The following exclusions are added:

This Lock-out Or Sale, Removal And Disposal Liability Coverage does not apply to:

a. Liability for damages which the insured is obligated to pay by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

b. Liability arising out of dishonest or criminal acts by you, your "employees" or any other person to whom you may entrust such property.

3. The Supplementary Payments provision applicable to the Bodily Injury And Property Damage Liability and Personal And Advertising Injury Liability coverages also applies to this Lock-out Or Sale, Removal And Disposal Liability Coverage.

**4. The following is added to Paragraph D. Liability And Medical Expenses Limits Of Insurance of Section II – Liability:**

The most we will pay for the sum of all damages because of all acts or omissions arising out of all "lock-outs" and all sale, removal or disposal of "customers" property in the course of "sale and disposal operations" under the Lock-out Or Sale, Removal And Disposal Liability Coverage is \$25,000. This limit applies separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations. This limit applies separately to each premises described in the Declarations.

**E. The following condition replaces the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition under Paragraph E. Liability And Medical Expenses General Conditions of Section II – Liability for the Lock-out Or Sale, Removal And Disposal Liability Coverage:**

**Duties In The Event Of Claim Or Suit As A Result Of A Lock-out Or Sale, Removal Or Disposal Of Customers' Property**

1. You must see to it that we are notified as soon as possible of a "lock-out" or sale, removal or disposal of "customers" property which may result in a claim. To the extent possible, notice should include how, when and where the "lock-out" or sale, removal or disposal of "customers" property took place.

2. If a claim is made or "suit" is brought against any insured as a result of a "lock-out" or sale, removal or disposal of "customers" property, you must:

a. Immediately record the specifics of the claim or "suit" and the date received; and

b. Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

3. You and any other involved insured must:

a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

b. Authorize us to obtain records and other information;

c. Cooperate with us in our investigation or settlement of the claim or defense against the "suit"; and

d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an action to which this insurance may apply.

4. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

**F. For coverage provided under this endorsement, the following definitions are added to Section I – Property and Section II – Liability:**

1. "Customer" means any person or organization which is renting, leasing or otherwise is occupying space with your permission at your self-storage facility.

2. "Lock-out" means denying a "customer" access to the "customer's" property or the occupancy of the space the "customer" is renting, leasing or otherwise occupying.

3. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property specifically excluded under this policy.

4. "Sale and disposal operations" means all activities you conduct to reclaim rented storage space when "customers" accounts are delinquent or unpaid.