

## CAMERA AND MUSICAL INSTRUMENT DEALERS COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F – DEFINITIONS.

### A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

**1. COVERED PROPERTY**, as used in this Coverage Form, means:

- a. Your stock in trade consisting principally of cameras or musical instruments and related equipment and accessories; and
- b. Similar property of others that is in your care, custody or control.

**2. PROPERTY NOT COVERED**

Covered Property does not include:

- a. Property that has been sold and delivered to customers, including property sold under a deferred payment sales agreement;
- b. Accounts, bills, currency, deeds, evidences of debt, money, notes or securities;
- c. Furniture, fixtures, office supplies, improvements and betterments, machinery, tools, fittings, patterns, dies, molds, and models;
- d. Property while in the mail unless Registered Mail or Government Insured Mail; or
- e. Contraband, or property in the course of illegal transportation or trade.

**3. COVERED CAUSES OF LOSS**

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of "loss" listed in the Exclusions.

**4. ADDITIONAL COVERAGE – COLLAPSE**

We will pay for direct "loss" caused by or resulting from risks of direct physical "loss" involving collapse of all or part of a building or structure caused by one or more of the following:

- a. Fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; all only as insured against in this Coverage Form;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

**5. COVERAGE EXTENSION**

Theft Damage to Buildings

We will pay for damage caused directly by theft or attempted theft to:

- a. That part of any building containing Covered Property; or
- b. Equipment within the building used to maintain or service the building;

only if you own the building or are legally responsible for the damage.

But, we will not pay for damage:

- 1. Caused by fire; or

2. To glass or to lettering or art work on glass.

This Coverage Extension is included within the Limit of Insurance applicable to the Covered Property at the premises where the damage occurs.

## **B. EXCLUSIONS**

1. We will not pay for a "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

### **a. EARTHQUAKE**

But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

This exclusion only applies to property at your premises.

### **b. GOVERNMENTAL ACTION**

Seizure or destruction of property by order of governmental authority.

But we will pay for "loss" caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

### **c. NUCLEAR HAZARD**

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by resulting fire if the fire would be covered under this Coverage Form.

### **d. WAR AND MILITARY ACTION**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

## **e. WATER**

Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not.

But we will pay for direct "loss" caused by resulting fire, explosion or theft if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to property at your premises.

2. We will not pay for a "loss" caused by or resulting from any of the following:

- a. Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a carrier for hire.

- b. Marring, scratching; exposure to light; breakage of tubes, bulbs, lamps or articles made largely of glass (except lenses).

But we will pay for such "loss" caused directly by fire, lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property, if these causes of "loss" would be covered under this Coverage Form.

- c. Delay, loss of use, loss of market or any other consequential loss.
- d. Unexplained disappearance.
- e. Shortage found upon taking inventory.
- f. Dishonest or criminal act committed by:

- (1) You, any of your partners, employees, directors, trustees, or authorized representatives;
- (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
- (3) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

**g. Processing or work upon the property.**

But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

**h. Artificially generated current creating a short circuit or other electric disturbance within an article covered under this Coverage Form.**

But we will pay for direct "loss" caused by resulting fire or explosion, if these causes of "loss" would be covered under this Coverage Form.

This exclusion only applies to "loss" to that article in which the disturbance occurs.

**i. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

**j. Unauthorized instructions to transfer property to any person or to any place.**

**3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss".**

**a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph 1. above to produce the "loss".**

**b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.**

**c. Faulty, inadequate or defective:**

**(1)** Planning, zoning, development, surveying, siting;

**(2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

**(3)** Materials used in repair, construction, renovation or remodeling; or

**(4)** Maintenance;

of part or all of any property wherever located.

**d. Collapse except as provided in the Additional Coverage – Collapse section of this Coverage Form.**

**e. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, depreciation; mechanical breakdown; insects, vermin, rodents; corrosion, rust, dampness, cold or heat.**

**C. LIMITS OF INSURANCE**

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

**D. DEDUCTIBLE**

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

**E. ADDITIONAL CONDITIONS**

**1. VALUATION**

General Condition **E. Valuation** in the Commercial Inland Marine Conditions is replaced by the following:

**a. Unsold Property**

The value of unsold property will be the least of the following amounts:

**(1)** The actual cash value of that property;

**(2)** The cost of reasonably restoring that property to its condition immediately before "loss"; or

**(3)** The cost of replacing that property with substantially identical property.

**b. Sold Property**

The value of property sold but not yet delivered will be your net selling price after all allowances and discounts.

**c. Property of Others**

The value of property in your care, custody or control will be the lesser of:

**(1)** The amount for which you are liable, plus the value of labor and materials you have added; or

**(2)** Actual cash value, including labor and materials you have added.

- d. Negatives, Positives or Prints. Negatives, positives or prints are not included in paragraphs a., b. or c. above. Their value will be the cost of unexposed film or developing paper, including labor and materials you have added in their developing.

In the event of "loss", the value of property will be determined as of the time of "loss".

2. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**a. COVERAGE TERRITORY**

We cover property wherever located within:

- (1) The United States of America;
- (2) Puerto Rico; and
- (3) Canada.

**b. COINSURANCE**

All Covered Property, except property in transit, must be insured for at least 80% of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declarations for all Covered Property at all locations bears to 80% of the total value of all property at all locations as of the time of "loss". This penalty will not apply to property in transit.

**c. RECORDS AND INVENTORY**

You will keep accurate records of your business and retain them for three years after the policy ends.

These records will consist of:

- (1) An itemized inventory of your stock in trade;
- (2) Records of all purchases and sales whether cash or credit;
- (3) Records of property of others in your care, custody or control; and
- (4) Records of property you send to others for any purpose.

You will also take a physical inventory of all your stock in trade at least every 12 months.

**d. PROTECTIVE SAFEGUARDS**

You must maintain the protective safeguards stated by you to be in effect at a location when this coverage began.

If you fail to keep the protective safeguards:

- (1) In working condition at a location; and
- (2) In operation when you are closed to business;

coverage for which the protective safeguards apply is automatically suspended at that location. This suspension will last until equipment or services are back in operation.

**F. DEFINITIONS**

"Loss" means accidental loss or damage.