

COMPUTER SYSTEM, MEDIA AND DATA BREAKDOWN EXTENSION

Words and phrases in bold font have special meaning as defined below or in the form to which this endorsement is attached.

The titles of sections or paragraphs listed below should not be considered for purposes of interpreting the intent of this Form; these titles have only been inserted for ease of reading.

This endorsement modifies insurance provided under the Building and/or Contents - Broad Form (BF02).

EXTENSIONS OF COVERAGE Section is extended to include the following:

7. Computer System, Media and Data Breakdown Extension

Coverage under this endorsement applies only to **computer systems**, **computer media** and **computer data** owned by the Insured or leased or under the control of the Insured.

7.1. Computer Equipment Breakdown Extension

Coverage is extended to include loss or damage caused by:

- 7.1.1. mechanical, faulty construction or error in design;
- 7.1.2. short circuit, blow-out or other electrical disturbance, within a **computer system**;
- 7.1.3. such loss or damage described under item 2., if caused by lightning;
- 7.1.4. failure or breakdown or malfunction of **computer systems** including component parts when **computer media** is being run through a **computer system** and the **computer media** fails, breaks down or malfunctions.

In addition, this extension covers the extra expenses necessarily incurred to reprogram or replace any **computer data** that is disturbed or erased as the direct result of such loss or damage.

This extension of coverage does not apply to:

- 7.1.5. Errors or omissions in processing or copying of **computer media** or **computer data**;
- 7.1.6. Computer viruses, harmful code or similar instructions introduced into or enacted on a **computer system**, equipment or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation;
- 7.1.7. Loss or damage caused directly or indirectly by any change or interruption to electric power, if the change originates more than 305 metres (1,000 feet) away from the insured **premises** containing the **computer system**, **computer media** or **computer data**.

7.2. Transfer Between Locations Extension

Coverage is extended to insure **computer system** and **computer media** covered in this Form which has been transferred to any location owned, leased or operated by the Insured on the condition that the Insured shall notify the Insurer within 60 days of such transfer. The Insurer shall not be liable under this extension for more than \$100,000 or the amount specified on the Declaration Page(s), whichever is greater. This extension shall not increase the limit of insurance specified in the Declaration Page(s).

7.3. Fire Protection Devices Extension

Coverage is extended to include the expense incurred to recharge or refill any fire protection devices which are designed specifically to protect **computer systems**, as well as other fire protection devices in the same room where insured **computer systems** is located when these devices have been discharged as the result of a fire or explosion. The Insurer shall not be liable under this extension for more than \$10,000 or the amount specified on the Declaration Page(s), whichever is greater.

7.4. Additionally Acquired Computer Equipment Extension

Coverage is extended to include **computer systems** and **computer media** which has been acquired subsequent to the inception date and during the term of the policy on condition that the Insured shall notify the Insurer within 60 days of acquiring such property. The Insurer shall not be liable under this extension for more than \$100,000 or the amount specified on the Declaration Page(s), whichever is greater.

7.5. Temporary Locations & Transit Extension

Coverage is extended to include **computer systems** and **computer media** while in transit or in temporary locations anywhere in Canada or the United States of America. The Insurer shall not be liable under this extension for more than \$10,000 or the amount specified on the Declaration Page(s), whichever is greater.

7.6. Special Basis Of Settlement

If the valuation basis on the Declaration Page(s) is specified as **replacement cost** and in the event that new property of like kind and quality is not obtainable, new **computer systems** which is the closest technological equivalent and is as similar as possible to the property damaged or destroyed and which is capable of performing the same function shall be deemed to be new property of like kind and quality for the purposes of this condition.

DEFINITIONS

Wherever used in this form:

Computer data means facts, concepts and information which is converted to a form useable for computer equipment and includes programs, software and coded instructions for the processing and manipulation of data or the direction and manipulation of such computer equipment.

Computer systems means electronic office equipment including computer servers, component parts, networks, mainframes, accounting machines, drives, associated peripheral equipment, and any storage devices that are used for **computer data** storage and processing.

Computer media means the material on which **computer data** is stored.

Except as otherwise provided in this endorsement, all terms and conditions of this policy shall remain unchanged.