

Personal Computer Rider (741L)

If this endorsement is shown on your Coverage Summary page we agree to provide the following benefits.

We insure your Personal Computer System listed in the Schedule of Articles Insured attached to your Coverage Summary page against all risks of direct physical loss or damage subject to the terms and conditions of this rider and the policy to which it is attached.

Definitions

Equipment means the central processing unit and auxiliary equipment including, but not limited to terminals, keyboards, printers, disk and tape drives, cassette tape recorders and word processing equipment.

Media means materials on which data is electronically recorded such as, but not limited to, magnetic tapes, diskettes, disk packs and cassettes.

Personal Computer System means Equipment, Media and Licensed Software.

Software means programs or instructions stored on media.

Loss Or Damage Not Insured

We do **not** insure:

1. any property illegally acquired, kept, stored or transported, or property subject to forfeiture, seized or confiscated for breach of any law or by order of any public authority;
2. the cost of gathering or assembling computer information or data, writing the computer program or unlicensed software.

Basis Of Claim Payment

We will pay up to the amount shown for each item in the Schedule of Articles Insured. Claims for loss or damage will be settled on the basis of Replacement Cost.

For electronic media we will pay the cost of reproduction from duplicates or from originals of the previous generation of the media. We will not pay the cost of gathering or assembling information or data for reproduction.

However, we will **not** pay more than the Actual Cash Value:

1. if repair or replacement is not effected as soon as reasonably possible, but in no case more than one year after the date of loss;
2. if the property was no longer in use for its originally intended purpose;
3. if the damaged article was not in working order before the loss or if the article was obsolete.

Replacement cost means the cost, on the date of the loss or damage, of the lesser of:

- repairing the personal property with materials of similar kind and quality; or,
 - new articles of similar kind, quality and usefulness;
- without any deduction for depreciation.

Actual Cash Value is what the property is worth and takes into account such things as the cost of replacement less any depreciation and obsolescence. In determining depreciation, we will consider the condition of the property immediately before the damage occurred, the resale value and the normal life expectancy.

Deductible

We are responsible only for the amount by which the loss or damage caused by any of the Insured Perils exceeds the amount of the deductible shown on the Coverage Summary page in any one occurrence.

Special Conditions

Any loss or damage shall not reduce the amounts of insurance provided by this rider. If, following payment of a claim, you acquire any articles to replace those which were lost or damaged, you must tell us within 30 days.

Newly Acquired Articles

If you acquire any additional equipment, media or software we will automatically insure these under this rider provided you notify us within 30 days. We will not pay more than \$5,000. under this extension for equipment nor more than \$1,000. for media or software.

All other terms, conditions, provisions, definitions, and exclusions of the policy to which this endorsement applies remain unchanged.