

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

## **ADDITIONAL COVERAGE - SPOILAGE**

**This endorsement modifies insurance provided under the following:  
DIFFERENCE IN CONDITIONS COVERAGE FORM UND 1211**

### **A. COVERAGE**

Subject to the terms, exclusions, limits and conditions of the policy to which this endorsement is attached and to the provisions contained in this endorsement, we will pay for accidental direct physical loss or damage to "perishable stock" owned by your or by others that is in your care, custody or control, at the locations described in the Declarations caused by or resulting from:

1. Breakdown or contamination, meaning:
  - (a) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment; and
  - (b) Contamination by the refrigerant; or
2. Power outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described locations, due to conditions beyond your control.

The breakdown or contamination or power outage must arise from an "earthquake" or "flood", if flood coverage is endorsed onto this policy, first commencing during the Policy Period.

With respect to the coverage provided by this endorsement, "perishable stock" located on buildings or in the open or in vehicles is considered to be Property Excluded.

### **B. CAUSES OF LOSS EXCLUDED**

The following exclusions apply in addition to those listed in Section **D. CAUSES OF LOSS EXCLUDED** in the **DIFFERENCE IN CONDITIONS COVERAGE FORM**:

We will not pay for loss or damage caused by or resulting from:

1. The disconnection of any refrigerating, cooling or humidity control system from the source of power;
2. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current;
3. The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (a) Lack of fuel; or
  - (b) Governmental order;
4. The inability of a power source at the described locations to provide sufficient power due to lack of generating capacity to meet demand;
5. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

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### C. LIMITS OF INSURANCE

The most we will pay for loss under this endorsement for any one "loss occurrence" is the applicable Spoilage Limit of Insurance shown in Section **C. SPECIFIC ENDORSEMENT INFORMATION** in the Declarations. The Spoilage Limit of Insurance is the most we will pay regardless of the number of occurrences of loss or the number of locations involved. If the Declarations does not contain a Spoilage Limit of Insurance, the most we will pay for loss in any one "loss occurrence" for coverage provided by this endorsement is \$15,000. Payments made for coverage provided by this endorsement are within the Limits of Insurance and will not serve to increase our Limits of Insurance shown in the Declarations.

### D. LOSS CONDITIONS

The following is added to paragraph **G.14. Valuation of LOSS CONDITIONS** in the **DIFFERENCE IN CONDITIONS COVERAGE FORM**:

We will determine the value of "perishable stock" in the event of loss or damage at:

1. The selling price at the time of loss, as if no loss or damage had occurred;
2. Less discounts and expenses you otherwise would have had.

### F. DEFINITIONS

The following is added to Section **I. DEFINITIONS** in the **DIFFERENCE IN CONDITIONS COVERAGE FORM**:

"Perishable stock" means "stock":

1. Maintained under controlled conditions for its preservation; and
2. Susceptible to loss or damage if the controlled conditions change.

**Nothing contained in this endorsement will be held to vary, alter, waive or extend any of the terms, conditions, or limitations of the policy to which this endorsement is attached other than as stated above.**