

Form #S41004.1 (Rev. December 2014)
Business Interruption Deductible Endorsement

APPLICABLE TO THE BUSINESS INTERRUPTION FORMS

Words and phrases in quotation marks have special meaning as defined in this endorsement, or if not defined in this endorsement, defined in the form to which this endorsement is attached and Section VI - Definitions section of the Equipment Breakdown Insurance form.

1. COMMENCEMENT OF LIABILITY

The commencement of the Insurer's liability for coverage provided by the form to which this endorsement is attached will be the time of the "breakdown" or 24 hours before the notice of the "breakdown" is received by the Insurer, whichever is later.

2. DEDUCTIBLE

Each claim for loss or damage arising out of "one breakdown" will be adjusted separately in accordance with the terms and conditions of the form to which this endorsement is attached. The Insurer will be liable for the amount by which the loss or damage following any "one breakdown" exceeds the amount of the deductible specified in the "Declarations Page"

In lieu of a dollar amount, the deductible may be expressed as a waiting period in which case, the Insurer will not be liable for any loss that is incurred within the period specified in the "Declarations Page" after the Commencement of Liability as provided in clause 1. above.

3. SPARES MITIGATION

If a "breakdown" occurs to spare "insured equipment" that is connected and in use for the sole purpose of avoiding or diminishing a loss under the form to which this endorsement is attached, then this "breakdown" will be considered as part of the loss being so avoided or diminished and no additional deductible will apply.

Spare "insured equipment" is "insured equipment" that has been acquired by the Insured prior to the occurrence of a loss under the form to which this endorsement is attached and held specifically to spare existing operating "insured equipment".

All other terms and conditions of the policy remain unchanged.

SAMPLE