



ADVANCED MEDICAL TECHNOLOGY

POLICY PORTFOLIO

COVERAGE HIGHLIGHTS



HIGHLIGHTS OF CNA POLICIES	COVERAGES PREMISES LIABILITY	CNA PREMISE/OPERATIONS LIABILITY FORMS CG0001 1204 G147167 1206
Contractual liability by virtue of an insured contract for bodily injury/property damage including obligation to defend indemnitee	Indemnification between business partners is common practice. Our policies will respond on a primary and non-contributory basis, subject to the terms and conditions.	Yes CG0001, P 1 & 2 Contractual Liability Exclusion
Global coverage territory for all covered suits brought in the United States, its possessions or territories, Canada or Puerto Rico	Most life sciences firms conduct their business globally, including foreign clinical trials and sold products or services. Coverage is provided for all covered suits brought in the United States, its possessions and territories, Canada, or Puerto Rico.	Yes CG0001, P.11 Coverage Territory
Reporting period protection for Medical Expense	Provides up to 3 years from the date of the accident to report a Medical Expense.	Yes G147167 P. 4 C
Punitive damages are alleged in many product liability claims.	Punitive Damages are not excluded from coverage.	Silent
Bodily Injury — bodily injury, sickness or disease sustained by a person, including death, humiliation, shock, mental anguish or mental injury by that person at any time which results as a consequence of the bodily injury, sickness or disease.	Our broad definition of “Bodily Injury” encompasses physical injury claims alleging sickness, death, shock, disease, humiliation, mental anguish or mental injury.	Yes G147167 P. 6
Personal and Advertising Injury — Injury, including consequential bodily Injury arising out of false arrest, detention or imprisonment, discrimination or humiliation (not employment practices related) malicious prosecution, wrongful eviction/entry, oral or written libel/slander/privacy, using other’s advertising idea or infringing copyright, trade dress or slogan	Our broad definition of “Personal and Advertising Injury” encompasses injuries, including bodily injury, non-employment discrimination or humiliation , malicious prosecution, eviction, oral/written libel/slander/privacy, using advertising idea or infringing copyright trade dress or slogan.	Yes G147167 P. 5
All — Risk Legal Liability for damage to rented premises	Covers property damage to rented premises	Yes G147167 P. 4 & 5
Knowledge of an occurrence /offense by an agent or employee of the insured, other than an officer or an officer’s designee, shall not constitute knowledge by the insured.	Allows the insured to designate an employee or an officer to report occurrence/offenses and will not affect coverage afforded.	Yes G147167 P. 5
Failure of an agent or employee of insured, other than officer or an officer’s designee, to notify us of an occurrence or offense shall not affect the insurance afforded to the insured	Failure of an employee or non-designated individual to properly notify will not automatically affect coverage.	Yes G147167 P. 5
Automatic waiver of insurer’s right of recovery against others, provided that the insured has waived its rights prior to a loss in a contract or agreement	If agreed in a life science firm’s contract prior to loss, waiver is granted.	Yes CG0001 P. 1 & 2 Contractual & P. 11 Insured Contract

HIGHLIGHTS OF CNA POLICIES	COVERAGES PREMISES LIABILITY	CNA PREMISE/OPERATIONS LIABILITY FORMS CG0001 1204 G147167 1206
Who is an Insured?		
Vendors automatically included as insureds.	Coverage provided under Products form.	No G147167 P. 1
Lessors of equipment and premises automatically included as insureds.	Automatic coverage to lessors of equipment.	Yes G147167 P. 2
Existing subsidiaries of which the first named insured controls 50% or more of the interest entitled to vote, automatically includes as insureds.	Coverage is provided if scheduled on the declaration.	Yes ISO Eligibility Rule # 2
Newly acquired subsidiaries are included.	Acquisitions occur quite frequently within this industry. Insurance matters may be unintentionally overlooked during negotiations. This coverage grant provides automatic protection until policy expiration . Does not include partnerships, limited liability, corporations, or joint ventures.	Yes G147167 P. 3
An employee has insured status for bodily injury to a co-employee caused by cardiopulmonary resuscitation (CPR) and first aid services administered by such employee.	Employees as Insureds – Health Care Services — extends incidental malpractice coverage for employees or volunteer workers who provide a health care service. This exception does not apply to physicians.	Yes G147167 P. 3
Optional Coverage by Endorsement		
Global Liability extension with DIC and Excess Insurance	Available under a CNA Passport® Exporter's Package policy or WorldPass® Controlled Master Program. This will afford protection for foreign occurrences and foreign suits, as well as excess, DIC coverage.	Yes

HIGHLIGHTS OF CNA POLICIES	COVERAGES PRODUCTS LIABILITY	PRODUCTS-WORK HAZARD LIABILITY GSL7186-0907
<p>Indemnification between business partners is common practice. Our policies will respond on a primary and non-contributory basis, subject to the terms and conditions.</p>	<p>Contractual liability by virtue of an insured contract for bodily injury/property damage including obligation to defend indemnitee</p>	<p>Yes P. 5 Contractual Liability & P. 12 Contractual Oblige</p>
<p>Most life sciences firms conduct their business globally, including foreign clinical trials and sold products or services. Coverage is provided for all covered suits brought in the United States, its possessions and territories, Canada, or Puerto Rico.</p>	<p>Global coverage territory for all covered suits brought in the United States, its possessions or territories, Canada or Puerto Rico</p>	<p>Yes P. 25 Territory</p>
<p>Coverage for medical expenses resulting from a bodily injury claim or as part of written demand for damages are included.</p>	<p>Medical expenses in connection with human clinical trials claim are covered. However, no-fault medpay coverage is not provided.</p>	<p>Yes P. 13 Claim & P. 15 Damages</p>
<p>Managing clinical trial reporting can be quite onerous. Inadvertent failure to provide notice of any newly commencing or previously completed clinical trials will not preclude coverage, subject to the terms, conditions, and exclusions of the policy.</p>	<p>Blanket human clinical trials approach to support growing life sciences companies operations. Trials are included within the definition of "Your Product".</p>	<p>Yes P. 20 Your Product</p>
<p>Many clinical trials require athletic participation. If this is part of the written protocol, coverage is afforded.</p>	<p>Athletic activities are sometimes required in clinical trials, and coverage is not excluded for this activity.</p>	<p>Yes No exclusions</p>
<p>Life science firm products may have known side effects or adverse reactions, even if properly administered. With this amendment, coverage is provided for these known events.</p>	<p>Expected or Intended Injury Exclusion amended to provide coverage for bodily injury arising out of known side effects and/or known adverse reactions.</p>	<p>Yes P. 3 Expected or Intended Injury</p>
<p>Life science companies perform various clinical studies to accomplish certain objectives, such as milestones, approvals, or comparative-analysis. Additionally, investigators may utilize a life science firm's approved products to perform their own study for the purposes of promoting science, publishing journals, or various other reasons.</p>	<p>Clinical trials are included within the definition of Your Product. Compassionate Use, Investigator Sponsored, Comparative and Combinations Clinical Studies are also covered, provided they are in compliance with any FDA or equivalent sanctioned use.</p>	<p>Yes P. 20 Your Product and no exclusions</p>
<p>Life science firms need a policy form with the flexibility to provide clinical trial coverage for all clinical trial participants, including cognitively impaired, children, prisoners and women who are pregnant, subject to underwriting approval.</p>	<p>No limitation for "protected" clinical trial participants provided that there is adherence to any FDA or Equivalent regulatory body.</p>	<p>Yes P. 20 Your Product and no exclusions</p>
<p>Employees of life science firms may participate in their firm's clinical trials. With this coverage benefit, such participation will not exclude them from coverage protection.</p>	<p>Voluntary participation by employees in their employer sponsored human clinical trial is not excluded</p>	<p>Yes P. 4 Employers Liability and P. 11 Employees</p>
<p>Punitive damages are alleged in many product liability claims.</p>	<p>Punitive Damages are not excluded from coverage.</p>	<p>Silent</p>

HIGHLIGHTS OF CNA POLICIES	COVERAGES PRODUCTS LIABILITY	PRODUCTS-WORK HAZARD LIABILITY GSL7186-0907
<p>Defense expenses, and ultimately the indemnity associated with life science claims, can be extensive. With pay-on-behalf-of language (unless prohibited by law), life science firms are not required to seek reimbursement from the insurance provider.</p>	<p>Pay-on-behalf-of basis</p>	<p>Yes P. 1 Insuring Agreement</p>
<p>Our broad definition of "Bodily injury" encompasses physical injury claims alleging sickness, disease, humiliation, mental anguish or mental injury. It also includes coverage for any relative of the person as a result of such bodily injury</p>	<p>"Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from such injuries. Bodily injury also means mental injury, mental anguish or shock sustained by that person as a result of such bodily injury, sickness or disease. Bodily injury also means bodily injury, sickness, disease, mental injury, mental anguish or shock sustained by any relative of that person as a result of such bodily injury.</p>	<p>Yes P. 13 Bodily Injury</p>
<p>Affords advertising and personal injury protection, which can be costly to defend and is typically uninsured in life science industry contracts. The definition of personal and advertising injury is: defamation, libel, slander, product disparagement, trade libel, negligent or intentional infliction of emotional, distress, outrage or outrageous conduct; false arrest, invasion, infringement or interference with rights of privacy or publicity, copyright, title, slogan, trademark, trade dress, trade secret, logo, service mark or name; advertising idea, plagiarism.</p>	<p>Coverage protection for advertising injury and personal injury associated with clinical trials.</p>	<p>Yes P. 18 Personal and Advertising Injury</p>
<p>Most life science company products have significant exposure for latent claims resulting from occurrences related to their products. With this automatic coverage grant, the clients receive coverage protection for a five-year timeframe.</p>	<p>Automatic 60 Days Extended Reporting Period after the end of the policy period for Products. Claims arising out of a reported circumstance during the coverage relationship are deemed made during the policy period, even up to five years after policy termination.</p>	<p>Yes P. 25</p>
<p>Most life science company products have significant exposure for latent claims resulting from occurrences related to their products. With this automatic coverage grant, the clients can receive coverage protection during this optional five-year extension to report claims.</p>	<p>Optional Extended Reporting Period of 5 years</p>	<p>Yes P. 25 & 26</p>
<p>Allows the insured to designate an employee or an officer to report occurrence/offenses.</p>	<p>Knowledge of an occurrence/offense by an agent or employee of the insured, other than an officer or an officer's designee, shall not constitute knowledge by the insured.</p>	<p>Yes P. 15 Definition of Executive officer & P.22 When a claim shall be deemed made</p>

HIGHLIGHTS OF CNA POLICIES	COVERAGES PRODUCTS LIABILITY	PRODUCTS-WORK HAZARD LIABILITY GSL7186-0907
Provides protection for related claims or occurrence to be considered a single claim first made and reported within the policy period in which the earliest of the related claims was first made and reported, subject to one insured retention and applicable policy limits.	Related Claims provision to permit all claims arising out of a single or related wrongful act or occurrence are deemed to be a single claim . CNA wording is broader than traditional batch/lot wording inasmuch as there is no need to link a related claim to a specified batch or lot.	Yes P. 3 Multiple Insureds, Claim & Claimants & P. 19 Definition of Related Claims
Failure of an employee or non-designated individual to properly notify will not automatically adversely affect coverage.	Failure of an agent or employee of insured, other than officer or an officer’s designee, to notify us of an occurrence or offense shall not affect the insurance afforded to the insured.	Yes P. 15 Definition of Executive Officer
Notice of Circumstance Provision – Allows the insured to provide notice for known circumstances where they are reasonably certain it may develop into a claim. In the event the circumstance develops into a claim, the date of the original notice of circumstance will be the date of the claim, provided the claim has been reported during the coverage relationship or any applicable extended reporting period.	Notice of circumstance provision for claims-made coverage and provides an automatic five (5) year extended reporting period for claims development during the coverage relationship . The application of this provision provides five (5) years of claims development for the circumstance after the last date of coverage with CNA.	Yes P. 13 Definition of Circumstance & P. 22 Your Rights & Duties in the event of a Circumstance
If agreed in a life science firm’s contract prior to loss, waiver is granted.	Automatic waiver of insurer’s right of recovery against others, provided that the insured has waived its rights prior to a loss in a contract or agreement.	Yes P. 22
Product recalls can cause significant financial hardship to life science firms, from loss of market share and reputation to third party liability claims due to their recalled product. Many life science industry product policies exclude all third party claims arising after a device has been recalled. This provision affords coverage for bodily injury claims after the device has been recalled.	Recall of Your Product will not limit future bodily injury claims.	Yes P. 5
Placement of life science firm’s products and/or professional liability programs can be time sensitive. A 90-day protection ensures a smooth transition.	Automatic 90 day notice of cancellation provision	Yes P. 23
Who is an Insured?		
Many Group Purchase Organizations (GPO), retailers, distributors, etc. require additional insured status. This provision meets this requirement, subject to the terms and conditions of the vendors’ provision and the policy.	Vendors are automatically included as insureds.	Yes P. 12
Broad definition of “subsidiary” ensures that the insured’s entities are included, even if not scheduled on the declaration.	Existing subsidiaries of which the first named insured controls 50% or more of the interest entitled to vote, automatically includes as insureds.	Yes P. 10 Who is an Insured & P. 20 Definition of Subsidiary

HIGHLIGHTS OF CNA POLICIES	COVERAGES PRODUCTS LIABILITY	PRODUCTS-WORK HAZARD LIABILITY GSL7186-0907
<p>Acquisitions occur quite frequently within this industry. Insurance matters may be unintentionally overlooked during negotiations. This coverage grant provides automatic protection up to 90 days.</p>	<p>New acquired subsidiaries are included.</p>	<p>Yes P. 17</p>
<p>Provides “Good Samaritan” coverage to physicians, dentists, nurses, emergency medical technicians or paramedics employed by you, to the extent that they are rendering first aid or emergency care</p>	<p>Good Samaritan coverage applies to work product hazard claims arising from services rendered by the Insured’s employed medical professionals in rendering first aid services or emergency care.</p>	<p>Yes P. 6 Professional Services</p>
<p>Life sciences firms routinely contract out services (sales, consultants, investigators etc.). This grant provides automatic additional insured status if the contractor is operating on behalf of the insured, and there is a contract with the contractor(s).</p>	<p>Automatic protection for bodily injury and property damage for life science’s contractors working on behalf of the insured.</p>	<p>Yes P. 11 Who is an Insured, E and P. 12 H</p>
<p>In the course of their operations, life science firms enter into many business relationships that require them to indemnify, hold the other party harmless on a primary and non-contributory basis, and cover the other party as an additional insured. This provision will ensure that when a certificate of insurance is issued by an agent, it properly represents the intent of the contract between the insured and the other party.</p>	<p>Automatic coverage for Contractual Obligees by virtue of a written contract, agreement or permit to provide such insurance as afforded on primary and non-contributory basis.</p>	<p>Yes P. 24</p>
<p>Optional Coverage by Endorsement</p>		
<p>Many foreign jurisdictions, such as: U.K. Belgium, Australia and The Netherlands require no-fault clinical trials protection for the clinical trial participant in order to approve the trial in their jurisdiction. This coverage grant provides that regardless of fault on the part of the investigator and/or the clinical trial protocol, the participant will be compensated.</p>	<p>No-Fault Clinical Trial Endorsement</p>	<p>Yes</p>
<p>Provides incidental medical malpractice coverage to clinical trial investigators while rendering clinical trial testing services in adherence to a written clinical trial protocol.</p>	<p>Incidental Medical Malpractice coverage for Clinical Trial Investigators</p>	<p>Yes</p>
<p>Withdrawal expenses available by endorsement for the expenses associated with the withdrawal of the insured’s product off the market. There is no limitation on the type of FDA recall.</p>	<p>Product withdrawal expenses, no limitation on type of FDA class recall.</p>	<p>Yes</p>
<p>Global occurrences and suits. Available endorsement to provide worldwide coverage that will respond on an excess basis, waiving the retention requirements when a claim exceed locally-required limits of liability for products or clinical trials. The policy will drop down as primary non-admitted, where permitted by law, for clinical trials and products.</p>	<p>Global Liability extension with DIL and Excess Insurance</p>	<p>Yes</p>

HIGHLIGHTS OF CNA POLICIES	COVERAGES PRODUCTS LIABILITY	PRODUCTS-WORK HAZARD LIABILITY GSL7186-0907
<p>Many life science companies, especially CRO's, utilize proprietary software and technology in the course of rendering services to their customers. In the event of a claim for financial injury due to failure of this software and/or technology to perform as expected, this coverage grant provides protection.</p>	<p>Technology Errors & Omissions</p>	<p>Yes</p>
<p>Local admitted policy placement to meet jurisdictional requirement.</p>	<p>CNA refers our clients to an established foreign broker network for placement of locally admitted coverage(s). The advantage to our approach is the ability for the client to obtain compliant local admitted policy(s) that will meet all local jurisdictional requirements as well as acceptance from their local IRB/ethics committees in almost all countries. In addition, an established foreign broker network frequently has the ability to provide quick turn-around on quoting; fast service, and, ultimately, no accumulation of limits concerns.</p>	<p>No</p>

HIGHLIGHTS OF CNA POLICIES	COVERAGES PROFESSIONAL LIABILITY	PROFESSIONAL LIABILITY GSL7183-0907
There is no exclusion of financial loss to a customer, a sponsor, or third party stemming from a recall or withdrawal of the life science firm's product or service, including clinical trials management.	Recall is not excluded for financial injury due to a wrongful act in rendering or failure to render professional services.	Yes No Exclusions
Provides broad protection for financial loss, property damage and/or bodily injury as a result of a wrongful act of the insured in rendering or the failure to render professional services, including clinical trials management.	Coverage is provided for bodily injury, property damage, and/or financial loss resulting from a wrongful act in the rendering or failure to render professional services.	Yes P. 1 Professional Services Coverage, P. 20 Definition of Wrongful Act and P. 19 Professional Service Injury
No exclusions limiting coverage under standard form. There is a specific technology E&O endorsement to specifically provide additional coverage for Technology exposures.	Coverage is provided for property damage claims alleging damage to intangible property, such as software, data, or other information that is in electronic format.	Yes No Exclusions
Provides protection for wrongful acts where the insured failed to maintain or support its work or product under the base form. The Technology Errors & Omission Endorsement adds specific exclusions for support, maintenance, unauthorized access, mechanical failure and withdrawal/recall as it relates directly to technology services and/or products.	Coverage is provided for failure to maintain or support your product or your work.	Yes No Exclusions
Life science firms collaborate, partner, joint venture or engage with various entities and governmental agencies during the course of their operations, even if these entities are listed as additional insured.	Coverage is provided for third party claims alleging wrongful acts in the rendering or failure to render professional services.	Yes No Limitations or Exclusions
Optional Coverage by Endorsement or separate policy		
Life science firms frequently sponsor clinical trials and contract with clinical investigators and sites to perform the trial per their clinical trial protocol. The investigators and sites are exposed to medical malpractices/direct patient care allegations. Depending on their contractual relationships and the type of medical malpractice insurance they may or may not have, the investigator and site could be exposed. CNA has the coverage availability within HealthPro to address this potential coverage gap.	Direct patient care coverage for investigators or the site where the trial is being performed.	Yes
Provides incidental medical malpractice coverage to clinical trial investigators while rendering clinical trial testing services in conformity with a written clinical trial protocol.	Incidental medical malpractice coverage for clinical trial investigators	Yes

HIGHLIGHTS OF CNA POLICIES	COVERAGES PROPERTY/BUSINESS INCOME	PROPERTY POLICY G130000 G300266 G118996
<p>Many life science firms perform animal studies/ preclinical trials on their premises, or outsource the testing to a contract research organization. Traditional insurance policies do not cover animals and, more importantly, the research and development investment in these animals. This coverage grant affords full personal property limits protection to laboratory animals on and off premises and can include, by endorsement, animals held for production and breeding. In addition, the valuation of this coverage grant is based on the cost of replacing and recreating the animal(s) at the time of the loss with others of like kind and condition prior to loss. This would include the research and development (R&D) investment expense in the animal(s).</p>	<p>Protection for Laboratory Animals</p> <ul style="list-style-type: none"> • Animals used in R&D Operations • Production or Breeding animals 	<p>Yes G118996 – P.1</p>
<p>Provides R&D property restoration for damages incurred due to a direct physical loss or damage by a Covered Cause of Loss and allows the insured to fully restore its R&D property.</p>	<p>Research & Development Property Restoration</p>	<p>Yes G118996 – P.2</p>
<p>Many life science companies have exposure for temperature-sensitive property including animals, cultures, and blood. The property is vulnerable to spoilage in the event of power outage, refrigeration failure, and/or some other event causing spoilage</p>	<p>Changes temperature/Humidity/refrigeration in controlled environments for:</p> <ul style="list-style-type: none"> • Laboratory animals • Temperature sensitive property 	<p>Yes G118996 – P.4</p>
<p>Life science companies traditionally have at least one type of contamination exposure in their operations. With this coverage enhancement, they are afforded coverage for a contamination event causing property damage. This includes ‘Pollutants’ coverage, defined as ‘any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot fumes, acids, alkalis, chemical and waste. “Waste” includes materials to be recycled, reconditioned or reclaimed.</p>	<p>Property contamination for:</p> <ul style="list-style-type: none"> • Bio-contaminants • Radioactive contamination • Refrigerant contamination 	<p>Yes G118996 – P.4</p>
<p>Property that is undamaged is covered. Coverage is available by endorsement for property that is condemned by a governmental action.</p>	<p>Protection for R&D property that is undamaged property by covered peril is covered or has been condemned by a governmental agency.</p>	<p>Yes G118996 – P.2.b.</p>
<p>Many life science companies rely on funding. Through this coverage enhancement, the business income valuation recognizes, without reporting requirements, these grants/funds in the valuation.</p>	<p>Business income recognizes R&D Business Income, including grants, endowments and other financial contributions to further R&D operations.</p>	<p>Yes G118996 – P.4 & 5</p>
<p>Provides coverage to life science companies that are in R&D only or are in a transitional stage from R&D to sold products through the removal of the “Net Loss Provision”. This provides coverage protection to continue their R&D operations/expenditures.</p>	<p>Business Income and R&D Business Income include a provision to recognize “net profit plus continuing expenses plus cost to rent temporary R&D premises”.</p>	<p>Yes G118996 – P.5</p>

HIGHLIGHTS OF CNA POLICIES	COVERAGES PROPERTY/BUSINESS INCOME	PROPERTY POLICY G130000 G300266 G118996
<p>Unique to the life science industry, the FDA or similar regulatory body's recertification of a damaged facility could prolong the period of restoration and ultimately affect your business income recovery. CNA responds to this need by provide increased time to comply with ordinances or law within the period of restoration.</p> <p>In addition, we provide a maximum limit of 365 days from when the completion date of restoration, with an option to increase to allow adequate time for the life science company to recreate experiments, restore production levels and market share,.</p>	<p>Period of restoration includes recertification with the FDA or similar regulatory bodies for business income</p>	<p>G118996 – P.5</p>
<p>Life science firms utilize services from contract research and/or manufacturers and suppliers all over the world. A loss at one of these facilities could cause subsequent business interruption loss.</p>	<p>Worldwide miscellaneous dependent property (a.k.a. Contingent/Dependent Business Interruption)</p>	<p>Yes G300266 – P.7.A.5.h</p>

DESCRIPTION	COVERAGE	PAGE REFERENCE
Building & Personal Property Coverage		
Property of Others	Included under BPP	Page 5,A.1.b.(12)
EDP & Media	Specifically included	Page 5,A.1.b.(11)
Antennae, Signs, Towers	Specifically included	Page 5,A.1.b.(10)
Appurtenant buildings or structures	Included under Building	Page 4, A.1.a.(7)
Underground pipes, flues and drains	Included under Building	Page 4, A.1.a.(8)
Building Glass	Included	Page 4, A.1.a.(5)
Additional Coverages		
Debris Removal	Additional \$300,000*	Page 6,A. 4.a.
Preservation of Property	365 days	Page 8,A.4. b.
Fire Department Service Charge	\$25,000*	Page 8,A.4. c.
Pollutant Clean Up	\$25,000*	Page 8,A.4.d.
Manufacturers Consequential Loss Assumption	Included under BPP (see Pairs/Set)	Page 8,A.4.e.
Theft Damage to Unowned Building Property	Included under BPP	Page 8,A.4.f.
Inventory & Appraisals	\$50,000*	Page 9,A.4.g.
Recharge of Fire Protection Equipment	\$25,000*	Page 9,A.4.h.
Ord or Law Cov. A – Undamaged part of Bldg	Included with option to delete	Page 10, A.4.i.(3)
Demolition & Increased Cost of Construction	\$500,000* with option to delete	Page 10,A.4.i.(4)
Increased Cost of Construction	NA	NA
Loss of Electronic Data from Computer Virus	Fully Excluded - Coverage available through NetProtect for additional premium in a different underwriting unit.	NA
Off Premises Services — Direct Damage	\$500,000 with option to delete	Page 12,A.4.j.
Fine Arts	\$50,000	Page 12, A.4.k.
Lost Key Replacement Coverage	\$25,000*	Page 13,A.4.l.
Architect & Engineers Fees Coverage Extension	Included under Building	Page 14, A.4.m.
Coverage Extensions		
Newly Acquired or Constructed Property		
<i>Building</i>	\$2,000,000*	Page 14,A.5.a.(1)
<i>BPP</i>	\$1,000,000*	Page 14,A.5.a.(2)
Personal Effects & Property of Others	\$25,000* (Personal Effects only)	Page 14,A.5.b.

Restoration of Electronic Data	\$250,000* on/\$50,000* off	Page 15,A.5.c.
Restoration of Valuable Papers	\$250,000* on/\$50,000* off	Page 15,A.5.d.
Property Off Premises		
<i>Property at Temporary Locations</i>	\$50,000*	Page 16,A.5.e.(1)
<i>Property in Transit</i>	\$50,000* (property covered while under a shipping receipt or bill of lading)	Page 16,A.5.e.(2)
<i>Installation Coverage</i>	\$50,000*	Page 17,A.5.e.(3)
Trees, Shrubs and Plants	\$25,000*	Page 17,A.5.f.
Extra Expense	\$100,000#	Page 17,A.5.g.
Reward Payments	\$10,000	Page 18,A.5.h.
Money & Securities	\$25,000 on/\$10,000 off	Page 18,A.5.i.
Storage of Duplicate Data and Records	\$100,000*	Page 19,A.5.j.
Accounts Receivable	\$250,000* on/\$50,000* off	Page 19,A.5.k.
Non Owned Detached Trailers	\$5,000	Page 20,A.5.l.
Removal of Tree Debris	\$1,000	Page 20,A.5.m.
Property at Unnamed Locations	\$25,000*#	Page 20,A.5.n.
Employee Theft	\$25,000	Page 21,A.5.o.
Deferred Payments	\$25,000	Page 22,A.5.p.
Deductibles — Special		
Laptop Computers	Greater of \$2,500 or BPP Ded	Page 23, D., par.3.
Conditions		
Brands & Labels	Included under BPP	Page 25, E.4.h.
Coinsurance	Deleted with option to reinstate	Page 28, F.1.
Causes of Loss — Special Form		
Equipment Breakdown	Included with option to delete	Page 34, A.2.
Backup of Sewers and Drains	\$25,000*	Page 44, D.2.
Equipment Breakdown Additional Pollution Exp	\$100,000	Page 44, D.4.
Causes of Loss Options		
Equipment Breakdown Production Equipment Ext	Available	Page 45, E.
Equipment Breakdown Spoilage	\$25,000*	Page 35, A.2.b.(2)
Equipment Breakdown Ammonia Cont.	\$25,000*	Page 35, A.2.b.(1)
Fungus, Wet Rot, Dry Rot (Mold)	Fully excluded or sublimited	Separate Excl/End't.
Computer Virus & System Penetration	Fully excluded	Separate Exclusion
Business Income Coverages		
Denial of Access to Premises		
Civil Authority	30 days*	Page 4,A. 5.a.(1)
Ingress/Egress	\$50,000*	Page 4, A.5.a.(2)

Alterations and New Buildings	Included	Page 4,A.5.b.
- Extended Business Income	365 days after the period of restoration is completed, with a maximum of 730 days, subject to State approval. Allows additional time for the insured to completely restore operations and the income that would have been realized had no loss occurred.	Page 4, A.5.c.
- Property in Transit	\$100,000*	Page 6, A.5.e.
- Clean Up and Removal of Pollutants from Land and Water	\$25,000	Page 6,A.5.f.
- Loss of Net Income from Future Operations	Included	Page 7, A.5.g.
- Miscellaneous Dependent Property	\$250,000*#	Page 7,A.5.h.
- Off Premises Services — Time Element	\$25,000	Page 8, A.5.i.
- Property at Temporary Locations	\$25,000*	Page 9, A.5.j.
- Property at Unnamed Locations	\$25,000*#	Page 9,A.5.j.
- Loss Adjustment Expenses	\$25,000*	Page 9, A.5.k.
- Ordinance or Law — Increased Period of Restoration	Included with option to delete	Page 16,F.7.b.
Coverage Extensions		
- Newly Acquired or Constructed Property	\$250,000	Page 10, A.6.
Conditions		
- Coinsurance	Deleted with option to reinstate	Page 12, D.
Advanced Medical Technology Property Extension Endorsement (G-118996-C):		
- Research and Development Property Restoration	Specified limit per application *	Page 2, A.2.a.
- Research and Development Business Income including Net Profit Only calculations for R&D operations without revenue	Specified limit per application or BI limit stated on policy declaration. No reporting requirements for R&D Income	Page 4 C.
- Bio-Contamination	\$25,000*+	Page 3, B.2.a.
- Refrigerant Contamination and Temperature or Humidity Change	\$10,000*+	Page 4, B.2.b.
- Radioactive Contamination	\$25,000*+	Page 4, B.2.c.
- Laboratory Animals	Included in Business Personal Property Limit	Page 1, A.1
- Undamaged Property	Included within R&D Property Restoration limit	Page 2, A.2.b.1.

- Excludes earthquake and flood; limits named storm to \$5,000 per occurrence, \$25,000 annual aggregate.

* - Limits may be increased.

+ - Extends coverage while property is off-premises and/or in transit, subject to limitations.

BASKET AGGREGATE COMPARISON

A Basket Aggregate provides a group of coverages subject to a single-occurrence limit.

ADVANCED MEDICAL PROPERTY POLICY VS. BASKET COVERAGE APPROACH – HOW DO WE STACK UP?

The insured manufactures Product A. As part of the operation, components B and C are combined at some point to create the final product, Product A. The insured has \$10 million in personal property values insured to 100% replacement cost. In one scenario, the insured carries Property insurance through an Advance Medical Property policy that includes various additional coverages and coverage extensions (no optional increases are elected). In another scenario, the insured carries Property insurance through Competitor X, which includes a Basket Aggregate approach of additional coverages.

The insured's premises are partially destroyed by a fire. The covered loss includes the following:

- \$50,000 Accounts Receivable
- Fire Damage to EDP Hardware - \$150,000
- Fire Damage to EDP Software - \$50,000
- Extra Expense - \$50,000
- Damage to fragile items such as glassware, statuary, chinaware and porcelains - \$10,000
- No damage to component C, however, component C is no longer useful as it is unmarketable because of damage to component B. The covered loss to component B is \$2.5 million and there is \$1 million of component C on premises.

QUESTIONS:

- What would be paid for the covered loss if insured by Competitor X (with Basket)?
- What would be paid for the covered loss if insured under Property InsightSM, which includes various additional coverages and coverage extensions?

ANSWERS:

Loss covered under Competitor X with Basket: \$2,750,000

- Component B \$2,500,00
- The Basket \$250,000

Total covered loss under Competitor X's Basket aggregate approach: \$2,750,000

Loss covered under CNA's Property InsightSM policy:

- Component B – \$2,500,000
- Accounts Receivable – \$250,000
- EDP Hardware – \$150,000
- EDP Software – \$100,000
- Extra Expense \$100,000
- Fine Arts – \$50,000
- Consequential Loss to Component C – \$1,000,000

Total Covered Loss under Advanced Medical Property Policy: \$4,150,000

