
EXTRA EXPENSE EXTENSION

In consideration of the premium paid and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the following ADDITIONAL CONDITIONS AND EXCLUSIONS, this Insurance is extended to cover the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the Insured's business following Direct Physical Loss or Damage as covered by the Policy to which this Extension is attached, to the Property Insured.

DEFINITION OF EXTRA EXPENSE

Extra Expense means the excess (if any) of the total cost during the period of restoration chargeable to the conduct of the Insured's business over and above the total cost that would normally have been incurred to conduct the Insured's business during the same period had no loss occurred.

The term Extra Expense includes the reasonable extra cost of temporary repair or of expediting the repair or replacement of such damaged property of the Insured, including overtime and the extra cost of express or other rapid means of transportation; and shall also include the cost of incurred in obtaining property for temporary use during the period of restoration necessarily required for the conduct of the Insured's business.

The period of restoration shall be limited to the time required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such damaged or destroyed property, commencing with the date of such damage or destruction and not limited by the expiration date of this Policy. However, the period of restoration shall not exceed eighteen (18) calendar months.

CONDITIONS

1. Direct Loss or Damage

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage to property insured under the Policy to which this Extension is attached and which gave rise to Extra Expense.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a Deductible in said Policy which excludes liability for losses below a specified amount.

2. Resumption of Operations

It is a condition of this Policy that, as soon as practicable, the Insured shall resume normal operation of the business and shall dispense with such Extra Expense.

3. Salvage

At the end of the period of restoration, any salvage value remaining in property obtained for temporary use shall be taken into consideration in the determination of such Extra Expense.

EXCLUSIONS

This Extension does not insure against:

1. Increase in Extra Expense resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. Increase in Extra Expense by the suspension, lapse, or cancellation of any lease, license contract, or order;
3. Increase in Extra Expense caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. Loss of Earnings or any other consequential loss.