



STATE FISCAL ACCOUNTABILITY AUTHORITY

INSURANCE RESERVE FUND
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MISCELLANEOUS ARTICLES FORM

Various provisions in this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine rights, duties and what is and what is not covered.

Throughout this Coverage form the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we" "us" and "our" refer to the Insurance Reserve Fund.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **F. Definitions**.

A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. **COVERED PROPERTY**, as used in this Coverage Form, means:

Property as described in the Declaration Page or in schedule attached.

2. **PROPERTY NOT COVERED**

- (a) automobiles, motor trucks, tractors, trailers and similar conveyances designed for highway use and used for over the road transportation of people or cargo;
- (b) aircraft or watercraft;
- (c) property while airborne;
- (d) accounts or bills;
- (e) jewelry, precious stones;
- (f) currency, deeds, evidences of debt, money, notes, securities;
- (g) plans, blueprints, designs, specifications;
- (h) animals;
- (i) property loaned, leased or rented to others;
- (j) contraband, or property in the course of illegal transportation or trade.

3. **COVERED CAUSES OF LOSS**

Covered Causes of Loss means **RISKS OF DIRECT PHYSICAL "LOSS"** to Covered Property except those causes of "loss" listed in the Exclusions.

B. EXCLUSIONS

1. We will not pay for "loss" caused by or resulting from any of the following:
 - (a) delay, loss of use or loss of market;
 - (b) dishonest acts by you, anyone else with an interest in the property, your or their employees, authorized representatives or anyone entrusted with the property, whether or

not acting alone or in collusion with other persons occurring during their employment with you. But this exclusion does not apply to a carrier for hire;

- (c) shortage found upon taking inventory;
 - (d) unexplained disappearance;
 - (e) "loss" occasioned by the weight of a load exceeding the registered lifting capacity of any machine under the operating conditions at the time of "loss";
 - (f) discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if loss or damage by the "specified causes of loss" results, we will pay for the resulting damage caused by the "specified cause of loss".
2. We will not pay for "loss" caused by or resulting from any of the following. But if a "loss" by a Covered Cause of Loss results, we will pay for that resulting "loss":
 - (a) "loss" caused by any structural, mechanical or remolding process, structural, mechanical or electrical breakdown or malfunction;
 - (b) wear and tear, gradual deterioration, inherent vice, hidden or latent defect, freezing or overheating, depreciation or obsolescence, rust, corrosion, dampness, mold or rot.
 3. We will not pay for "loss" caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":
 - (a) seizure or destruction of property that was stolen property and taken by any government authority, whether military or civilian;
 - (b) seizure of property that was stolen property and taken by any governmental authority for the purpose of returning such property to its rightful owner(s) or for any other reason;
 - (c) war, including undeclared or civil war; warlike action by any military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or other authority using military personnel or other agents or insurrection, rebellion, revolution, usurped power or action taken by any governmental authority in hindering or defending against any of these;
 - (d) any weapon employing atomic fission or fusion or nuclear reaction or radiation, or radioactive, contamination from any other cause. But we will pay for direct "loss" caused by resulting fire.

C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the Limit of Insurance applicable to Covered Property listed and described in the Declaration Page.

D. DEDUCTIBLE

We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible amount shown in the Declaration Page. We will then apply the amount of the adjusted "loss" in excess of the deductible amount, up to the applicable Limit of Insurance.

E. ADDITIONAL CONDITIONS

(1) Coverage Territory

We will cover property wherever located within:

- (a) The United States of America
- (b) Puerto Rico
- (c) Canada

(2) Coinsurance

All Covered Property must be insured for at least the percentage coinsurance amount, as shown in the Declaration Page, of its value as the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the Limit of Insurance shown in the Declaration Page for the lost or damaged items bears to the coinsurance percentage of its value as the time of "loss".

(3) Impairment of Recovery Rights Against Others

Any act or agreement by you, prior or subsequent hereto, whereby any rights of yours in the event of "loss" or damage to recover the full value of or amount of damage to any property insured against any carrier, is released, is impaired or lost, shall render your policy null and void as to such "loss".

But we retain the right to collect any premium due for your coverage. It shall be permissible for you, without prejudice to your insurance, to accept the ordinary bills of lading issued by common carriers. We will not pay for any "loss" or damage, which, without our consent, has been settled or compromised by you.

(4) Pro Rata Return Premium

The amount of insurance provided shall not be reduced by any "loss" hereunder except that insurance on any scheduled item of property shall be cancelled by a total "loss" thereto and pro rata return premium shall then be payable to you.

F. DEFINITIONS

"Loss" means accidental loss or damage.

"Pollutant" means any solid, liquid gaseous or thermal irritant or contaminant, including smoke, vapors soot fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

"Specified Cause of Loss" means: fire; lightning; explosion; windstorm; hail; smoke; riot; strike; vandalism; theft; leakage from fire extinguishing equipment; aircraft or vehicles; volcanic action; falling objects; weight of snow, ice or sleet; water damage; or accident to the vehicle while carrying Covered Property.

(1) Falling objects does not include "loss" to:

- (a) Personal property in the open; or
- (b) The interior of a structure or property inside a structure, unless the roof or an outside wall of the structure is first damaged by a falling object.

(2) Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

INSURANCE RESERVE FUND

By



Director