

Commercial Output Program

PRODUCT GUIDE

Capture a larger share of the commercial property market with the Commercial Output Program (COP).

It's our broadest and most flexible property program, and it can help your agency land a greater share of commercial accounts by offering a property insurance alternative to larger businesses and organizations with more complex insurance needs.

- The COP combines broad, all-risk commercial property and inland marine coverages in a single form, reducing the potential for coverage gaps.
- Coverage for buildings and business personal property — at any covered location the insured owns within the policy territory — is automatically provided on a blanket basis, with no coinsurance provision. Stated amount and coinsurance options are available.
- Coverage can be written as a monoline policy or packaged with commercial general liability coverage.
- Higher limits are available for numerous built-in coverage extensions, as well as for supplemental coverages.
- A unique rating approach ensures that premium is driven by individual risk characteristics.

The COP is an AAIS Commercial Output Program 3.0 based product. Refer to the chart inside for full coverage details, and contact your commercial lines representative with any questions.

Notes:

- In New York, the Commercial Output Program is designed exclusively for manufacturing and processing risks.
- While product guidelines allow for a \$5,000 minimum premium, a premium level of \$10,000 is preferred.

This product guide is not meant for distribution to existing or prospective policyholders, nor is it intended to replace policy language. If there is any conflict between the policy and this guide, the provisions of the policy are controlling.



INSTITUTIONAL
OFFICE ACCOUNTS
MANUFACTURING AND INDUSTRIAL PROCESSING
SERVICE ACCOUNTS
WHOLESALE
OTHER COMMERCIAL OPERATIONS
<ul style="list-style-type: none"> ■ Minimum premium \$5,000* ■ Minimum deductible \$2,500 ■ Minimum property value \$2.5 million



The Commercial Output Program combines all-risk commercial property and inland marine coverages in a single form.

	Coverage	Description
IM	Accounts Receivable \$50,000	Loss to records of accounts receivable is covered up to sublimit.
PC	Additions (Completed)	Covered.
PC	Additions to and Buildings Under Construction, Alteration or Repair	Covered, along with materials, equipment, supplies and temporary structures on or within 1,000 feet of the premises used for the construction, alteration, etc. (incidental builder's risk coverage only).
PC	Airborne or Waterborne Property	Property is covered while being transported by regularly scheduled airlines or ferry service.
PC	Aircraft or Watercraft	Aircraft or watercraft the insured manufactures, processes, warehouses, or holds for sale—as well as rowboats and canoes that are out of water at a covered location—are covered.
PC	Animals Boarded by The Insured and Held For Sale	Covered while inside of covered buildings. Otherwise, coverage is excluded.
PC	Automobiles and Vehicles	Coverage limited to mobile equipment and vehicles manufactured, processed or warehoused by insured, but not held for sale, lease, loan or rental.
PC	Awnings or Canopies, Fences	Included as covered property.
SC	Brands or Labels Expense \$50,000	Covers loss in value of salvaged stock when insured elects to have brand or label removed from stock, subject to sublimit.
IM	Computer Virus and Hacking Coverage \$25,000/\$50,000 Annual Aggregate	Covers loss of exclusive use, loss or reduction in economic or market value, or theft of confidential information through the observation of the "data records" or "proprietary programs" by accessing covered computers, the insured's computer network, or the insured's website without any alteration or other physical loss or damage to the records or programs. Subject to sublimit.
BI	Computer Virus or Hacking \$25,000/\$75,000 Aggregate	Extends coverage to include loss resulting from a virus or by hacking to the insured's computers or website, up to sublimit.
PC	Computers	Loss to hardware and software is covered (if not insured elsewhere) in a fashion similar to EDP policies. Refer to next entry.
IM	Computers— Electrical or Magnetic Disturbance \$25,000	Covers loss that results in electrical or magnetic disturbance to computers, and damage to disturbance of, or erasure of, electronic records, up to sublimit.
IM	Computers— Off Premises \$25,000	Covered, with the exception of theft or disappearance when they are checked luggage, up to sublimit. Worldwide coverage can be provided by endorsement.
IM	Computers—Power Supply Disturbance \$25,000	Covers loss caused by power supply disturbance, such as interruption of power supply, power surge, blackout or brownout, up to sublimit.
IM	Computers— Software Storage \$50,000	Covers loss to duplicate and back up software stored at a software storage location, up to sublimit.
CE	Consequential Loss \$10,000 to Policy Limit	Coverage example: A manufacturer of women's suits runs separate production lines for skirts and jackets. The line for jackets is damaged by a covered peril resulting in the corresponding skirts having reduced value as a subsequent run may not match kind or quality. This loss in value would be covered, up to the selected limit, even though the skirts were not damaged.

BI Business income—Limit is part of and not in addition to the applicable income coverage limit

CE Coverage extensions—Limit is part of and not in addition to the applicable covered property limit

IM Inland marine—Limit is separate from and not part of the covered property limit

	Coverage	Description
BI	Contract Penalty \$25,000/\$100,000 Aggregate	Coverage for loss of earnings is extended to include contract penalties, up to sublimit.
CE	Debris Removal 25% + \$50,000	Covers insured's expense to remove debris from a covered cause of loss that occurs during the policy period, up to sublimit.
BI	Dependent Locations \$100,000	Extends coverage to loss of earnings and/or extra expense incurred during the restoration period caused by loss to property at a dependent location, up to sublimit.
CE	Emergency Removal 365 Days	Pays for any direct physical loss to covered property while it is being moved or stored to prevent a loss.
CE	Emergency Removal Expenses \$5,000	Pays for expenses to move or store covered property to prevent a loss, up to sublimit.
PC	Equipment, Fixtures and Machinery	Covered when property is a permanent part of the covered building or structure.
SC	Expediting Expenses \$50,000	Provides option to expedite the repair of damaged property, without requirement that expedited repair reduces business income loss. Sublimit applies.
PC	Fences	Included as covered property.
IM	Fine Arts \$100,000	Covered, up to sublimit, while at temporary exhibits and in transit.
SC	Fire Department Service Charge \$25,000	Pays for costs incurred by insured for fire department response to a fire loss at the insured premises, up to sublimit.
SC	Fire Extinguishing Equipment Recharge \$50,000	Includes automatic and hand-held equipment, and covers accidental discharge as well, up to sublimit.
PC	Foundations of Buildings, Structures	Included as covered property.
CE	Fraud and Deceit \$5,000	Theft of covered property when insured is fraudulently induced to part with covered property is covered, up to sublimit.
IM	Furs (Theft) \$10,000	Covered up to sublimit.
PC	Glass (Building)	Covered.
BI	Interruption by Civil Authority 30 Days	Covers earnings and extra expenses while access to covered location or a dependent location is denied by order of civil authority.
SC	Inventory or Appraisal Expense \$50,000	Expenses for the taking of inventory and appraisal to assist in assessing a loss are covered up to sublimit. Public adjusters' fees are not covered.
IM	Jewelry (Theft) \$10,000	Covered up to sublimit.
PC	Mobile Equipment	Mobile equipment and vehicles manufactured, processed or warehoused by the insured, but not held for sale, lease, loan or rental, are covered with no 1,000 foot restriction. This coverage is broadened by including exceptions to several exclusions, thereby expanding coverage to the same level as would be found under an inland marine form.
IM	Mold and Fungus \$15,000	Property coverage is provided for fungus and related perils, up to sublimit.
SC	Newly Built or Acquired Buildings and Business Personal Property \$1 Million	Loss to buildings being built or acquired, and business personal property (excluding stock) that is acquired during the policy period is covered, up to sublimit.

PC Built-in property coverage

SC Supplemental coverage—Limit is separate from and not part of the covered property limit

Coverage	Description
SC	Ordinance or Law — Increased Cost to Repair/Demolish and Clear Site \$100,000 Cost to demolish undamaged property and increased costs of construction that are required by zoning, land use or construction codes in force at the time of the loss are covered, up to sublimit.
SC	Ordinance or Law — Undamaged Parts of Building The covered loss involves the loss of the value of undamaged parts of a covered building that must be demolished as a result of an ordinance or law.
PC	Outdoor Fixtures Yard fixtures, post mailboxes and, in general, personal property permanently attached to land or a building are covered.
BI	Period of Loss Extension 90 Days Earnings extended to include loss from the date the covered property that incurred the loss is rebuilt, repaired or replaced and business is resumed or tenantability is restored until the end of 90 consecutive days or the date business is resumed to conditions that would have existed had no loss occurred, whichever is earlier.
SC	Personal Effects \$15,000 Personal effects, including employees' tools, are covered up to sublimit, subject to property exclusions and deductible.
PC	Personal Property Personal property while in buildings or structures at a "covered location" is covered.
PC	Personal Property — Being Installed Installation floater covers damage by a covered peril to personal property in the process of being installed, fabricated or erected at a job site, or while in temporary storage awaiting installation. Coverage is not restricted to buildings or structures at covered locations or within 1,000 feet of covered locations. Personal property sold under an installation agreement where the insured is held responsible until the buyer accepts it is covered.
PC	Personal Property — in The Open Property in the open (including in vehicles) on or within 1,000 feet of covered locations is covered.
PC	Personal Property — Leased to Insured Property leased to insured for which insured is contractually responsible for insuring is covered.
PC	Personal Property — of Others Insured's interest in personal property of others to the extent of the insured's labor, material and services is covered.
PC	Personal Property — Tenant's Improvements Fixtures, alterations, installations or additions to buildings or structures that are not owned but occupied by the insured, and that are made or acquired at the insured's expense and which cannot be legally removed are covered.
PC	Personal Property — Tenant's Interest Insured's interest as a tenant in undamaged improvements that are lost because the lease is cancelled as a result of damage to the building or structure is covered—provided the damage is caused by a covered peril.
PC	Personal Property — Used to Maintain or Service Premises Air conditioning equipment, fire extinguishing apparatus, floor coverings, appliances used for refrigerating, cooking, dish washing and laundering, and other personal property owned and used by insured to maintain or service premises is covered.
SC	Pollutant Cleanup and Removal \$50,000 Covers insured's expense to extract pollutants from land or water, up to sublimit.
BI	Pollutant Cleanup and Removal \$25,000 Extends coverage to loss caused by the increased time of interruption resulting from enforcement of any ordinance, law or decree that requires the extraction of pollutants from land or water at a covered location. Sublimit applies.

- BI** Business income—Limit is part of and not in addition to the applicable income coverage limit
- CE** Coverage extensions—Limit is part of and not in addition to the applicable covered property limit
- IM** Inland marine—Limit is separate from and not part of the covered property limit

Coverage	Description
IM	Property in Transit \$50,000 Coverage extends to property sold by the insured and that is shipped at the owner's risk, and to rejected shipments while in transit back to the insured. Sublimit applies.
BI	Property in Transit, on Exhibition, or in Custody of Sales Representative \$10,000 Extends coverage for interruption to property in transit, on exhibition, or in the custody of a sales representative, up to sublimit.
IM	Property on Exhibition \$50,000 Covers business personal property while temporarily on display or exhibit at locations the insured does not regularly occupy, up to sublimit.
SC	Radio and Television Towers, Antennas, Satellite Dishes, Masts, Lead-in Wiring, and Guy Wires Included as covered property.
SC	Rewards \$10,000 Pays insured for information leading to an arson, theft or vandalism conviction following a covered loss, up to sublimit.
IM	Sales Representative Samples \$50,000 Covers samples of insured's stock in trade and similar property of others, up to sublimit.
SC	Sewer Backup/Water Below Surface \$25,000 Peril is covered, including but not limited to water that exerts pressure on or flows, seeps or leaks through or into covered property. Subject to sublimit.
PC	Signs Covered, whether or not attached.
IM	Stamps, Tickets \$5,000 Stamps, tickets (such as lottery tickets held for sale) and letters of credit are covered up to sublimit.
CE	Theft Damage Covers damage caused by theft or attempted theft to a building the insured does not own that contains insured's business personal property, or to personal property not owned by insured that is used to maintain or service the building.
SC	Trees, Shrubs, Plants \$50,000 Covered up to sublimit for fire, lightning, explosion, riot or civil commotion, falling objects, or vandalism.
SC	Underground Pipes, Piliings, Bridges and Roadways \$250,000 Covered, along with piers, wharves, docks, retaining walls, flues, drains and paved surfaces (bridges, roadways, walkways, patios). Sublimit applies.
CE	Utility Service Interruption Off Premises \$50,000 Coverage example: If a manufacturer suddenly lost power because of fire at the electric company and the non-perishable product in the process of being manufactured was ruined, the loss would be covered up to the sublimit. Conversely, if the insured was a distributor and the product involved perishable stock, loss to the perishable stock would not be covered. This coverage extension offers the ability to exclude overhead transmission lines. Optional coverage is available for spoilage to perishable stock, other than equipment breakdown losses.
BI	Utility Service Off-Premises Interruption (Transmission Lines) \$10,000 Extends coverage to include loss resulting from interruption of an off-premises utility service from a covered peril to property not located at a covered location. Sublimit applies.
IM	Valuable Papers and Records \$100,000 Covers costs to reproduce, replace or restore lost information crucial to the business, up to sublimit.

- PC** Built-in property coverage
- SC** Supplemental coverage—Limit is separate from and not part of the covered property limit



Additional coverage available.

Nationwide offers these additional coverages to supplement the fundamental protection of the Commercial Output Program.

Crime and fidelity coverage.

The Commercial Output Program offers employee fraud and dishonesty, as well as money and securities, with an automatic \$25,000 limit— with higher limits available. Coverage for employee welfare or pension benefit plans is included.

Earthquake coverage.

When selecting this option, please work closely with your underwriter to evaluate key factors that could increase the potential for loss, including, but not limited to, type of building construction, number of stories and occupancy.

Equipment breakdown coverage.

Coverage is available to insure loss caused by or resulting from an “accident” to “covered equipment.” Computers are included in the definition of covered equipment for equipment breakdown perils. Spoilage coverage is available.

Flood insurance.

Nationwide can provide this important coverage for your clients. When considering this option, work with your underwriter to evaluate key factors that could increase the potential for loss, such as: type of building construction; susceptibility of damage to machinery or equipment—as well as the potential for loss of income while that equipment is being repaired; whether or not emergency plans or preventative measures are in place to reduce the risk of flooding; and the location of the business operation.

Income coverage.

Be sure to consider this optional—but essential—coverage part and work with your local loss control team to determine the business continuity plans that best meet your client’s needs.

Limited fungus and related perils coverage.

The automatic \$15,000 limit for first-party mold losses can be increased.

Newly acquired buildings and personal property.

A combined limit of \$1 million is provided for newly acquired property through the Commercial Output Property Endorsement. A \$250,000 limit for loss of earnings and incurred extra expenses is included when the Commercial Output Program–Income Coverage Part is incorporated into the policy.

Spoilage coverage.

The Commercial Output Property Endorsement provides an automatic limit of \$25,000/\$100,000 annual aggregate for refrigerant contamination and power disruption for causes of loss other than equipment breakdown.