

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DISTILLED SPIRITS AND WINES MARKET VALUE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
STANDARD PROPERTY POLICY

Words and phrases that appear in quotation marks have special meaning. Refer to SECTION D. – DEFINITIONS.

Prem. No.	Bldg. No.	SCHEDULE	Value Clause Applicable	
			Distilled Spirits	Wines

The following is added to the VALUATION Loss Condition, as indicated in the Declarations or by an "X" in the Schedule:

A. When this endorsement is attached to the STANDARD PROPERTY POLICY **CP 00 99**, the term "Coverage Part" in this endorsement is replaced by the term "Policy".

B. DISTILLED SPIRITS MARKET VALUE

1. We will determine the value of bottled distilled spirits, in the event of loss or damage, at:
 - a. The market price as of the time and place of loss or damage;
 - b. Less discounts and expenses you otherwise would have had.
2. We will determine the value of all bulk distilled spirits other than "irreplaceable bulk distilled spirits", in the event of loss or damage, at:
 - a. The bulk market price as of the time and place of loss or damage;

- b. Less discounts and expenses you otherwise would have had.
3. We will determine the value of "older bulk distilled spirits", in the event of loss or damage, at:
 - a. The market price per proof gallon of equivalent bottled distilled spirits as of the time and place of loss or damage;
 - b. Less:
 - (1) Unpaid taxes;
 - (2) Paid or determined taxes that are refundable under the Internal Revenue Code; and
 - (3) Charges and expenses of converting bulk distilled spirits to bottled distilled spirits.
4. We will determine the value of "younger bulk distilled spirits", in the event of loss or damage, at:
 - a. The bulk market price of new distilled spirits of the same kind and quality, as determined in paragraph **B.2.**; plus

- b. Pro rata of the difference between:
 - (1) The value determined in paragraph **B.4.a.**; and
 - (2) The market price of such bulk distilled spirits at attained age, as determined in paragraph **B.3.**

- 5. If any person or organization to or for whom we make payment under this Coverage Part has rights to recover prepaid taxes or duties that are included in our payment, those rights are transferred to us.

C. WINES MARKET VALUE

- 1. We will determine the value of "bottled winery products", in the event of loss or damage, at the price the "stock" could have been sold for as case goods as of the time and place of loss or damage, if no loss or damage occurred.
- 2. We will determine the value of "bulk wine", in the event of loss or damage, at:
 - a. The price the wine could have been sold for as of the time and place of loss or damage; or
 - b. The market price of replaceable "bulk wine" of like kind and quality as of the time of loss or damage;whichever is less.
- 3. All values exclude:
 - a. Unpaid U.S. Government Internal Revenue taxes for which you are liable; and
 - b. Discounts and expenses you otherwise would have had.

But values include State, County and Local taxes for which you are liable.

- 4. If any person or organization to or for whom we make payment under this Coverage Part has rights to recover prepaid taxes or duties that are included in our payment, those rights are transferred to us.

D. DEFINITIONS

- 1. "**Bottled Winery Products**" means wine and other winery products:
 - a. In the bottle; or
 - b. Not bottled, but:
 - (1) Irreplaceable in kind and quality; and
 - (2) In the ordinary course of your business, would be:
 - (a) Bottled; and
 - (b) In your hands as producer or processor.
- 2. "**Bulk Wine**" means wine, in your hands as producer or processor, other than "bottled winery products".
- 3. "**Irreplaceable Bulk Distilled Spirits**" are:
 - a. Aged in wood cooperage;
 - b. Not replaceable with like kind and quality; and
 - c. Held by you as a distiller for sale as bottled goods.
- 4. "**Older Bulk Distilled Spirits**" means "irreplaceable bulk distilled spirits" of an attained age equivalent to the weighted average age of bottled distilled spirits into which such "irreplaceable bulk distilled spirits" would have been converted.
- 5. "**Younger Bulk Distilled Spirits**" means all "irreplaceable bulk distilled spirits" other than "older bulk distilled spirits".