

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FOR YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

### SCHEDULE

<b>Described Premises:</b>
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** Paragraph **B.1.h. Certain Computer-Related Losses** Exclusion in **Section I – Property** does not apply to the coverage provided under this endorsement.
- B.** As used in this endorsement, the word Computer and the term Computer Failure have the following meanings:
1. Computer means computer hardware, including microprocessors or other Electronic Data Processing Equipment as may be described elsewhere in this policy; computer application software or other Electronic Media and Records as may be described elsewhere in this policy; computer operating systems and related software; computer networks; microprocessors (computer chips) not part of any computer system; or any other computerized or electronic equipment or components.
  2. Computer Failure means the failure, malfunction or inadequacy of a Computer due to the inability to correctly recognize, distinguish, interpret or accept the year 2000 and beyond.
- C.** If this endorsement is attached to the Businessowners Coverage Form, the following apply to **Section I – Property**:
1. Subject to Paragraph **G.**, this endorsement covers actual loss of Business Income you sustain caused by Computer Failure at the premises described in the Schedule, or at another location if the off-premises Computer interfaces with a computer at the described premises or is otherwise used in the "operations" of the business at the described premises.

2. Subject to Paragraph **G.**, this endorsement covers the actual and necessary Extra Expense you incur due to Computer Failure at the premises described in the Schedule, or at another location if the off-premises Computer interfaces with a computer at the described premises or is otherwise used in the "operations" of the business at the described premises. Extra Expense means necessary expenses you incur that you would not have incurred if there had been no Computer Failure. Extra Expense includes expenses for repair, modification or replacement of the Computer but only to the extent that such expenses reduce the amount of Business Income loss that otherwise would have been payable under the provisions of this endorsement.
- D.** The coverage set forth in Paragraph **C.**, does not apply to a Computer Failure that affects the business "operations" at the described premises prior to the inception date of this endorsement.
- E.** The coverage set forth in Paragraph **C.**, does not apply to any loss you sustain or any expense you incur due to the failure of power or other utility service supplied to the described premises, caused by Computer Failure, whether or not this policy includes the Utility Services – Time Element and/or Utility Services – Direct Damage endorsement(s).
- F.** With respect to an instance of Computer Failure, coverage under this endorsement ends 30 days after the Computer Failure is corrected, or when there is no further loss or expense caused by that Computer Failure, whichever comes first.
- G.** The most we will pay under this endorsement for the total of all losses and/or expenses sustained in any one policy year is \$25,000, regardless of the number of Computer Failures or the number of Computers involved in any Computer Failure.