



**Sheboygan Falls
Insurance Company**
(Since 1899)

511 WATER STREET • SHEBOYGAN FALLS, WI 53085
920-467-4613
www.sheboyganfallsinsurance.com



S.T.W. Investments LLC
T/A Kilwins
128 Main St
Annapolis MD 21401-2003



Lundell Insurance
207 N 8th St
Mount Horeb WI 53572

PHONE (608) 574 - 9003
3000231

Dear Policyholder:

Attached is your renewal certificate for your Insurance Policy. Please review the information shown on the renewal certificate and advise your agent if any information should be changed.

We hope that you will continue to find us to be a dependable source of insurance products and that our association will last for many more years.

SF-1 (12-08)

BPY 8702712

BACK OF PAGE CONTAINS BILLING

THIS STUB MUST BE RETURNED WITH YOUR PAYMENT IN THE ENCLOSED ENVELOPE TO ENSURE PROPER CREDIT.

A \$20.00 LATE FEE WILL BE ASSESSED IF PAYMENT IS RECEIVED AFTER DUE DATE

NAME OF INSURED

DUE DATE

AMOUNT DUE

S.T.W. INVESTMENTS LLC

0421

05/16/16

\$1,031.00

POLICY NO.

TYPE OF FORM

AMOUNT TO PAY IN FULL

BPY 8702712 04

RENEWAL

\$1,031.00

PLEASE
MAKE
CHECKS
PAYABLE
TO

SHEBOYGAN FALLS INS. CO.
PO BOX 300
MARIETTA PA 17547-0300

METHOD OF PAYMENT

Check Enclosed OR To make payment by electronic check or credit card, visit us at our web site at www.sheboyganfallsinsurance.com or telephone us at: 1-800-877-0600.

ADDRESS CHANGED?
PLEASE SHOW ADDRESS CHANGE ON THE BACK OF THIS STUB.

SHEBOYGAN FALLS INS. CO.

04/21/16 PREMIUM INVOICE

BPY 8702712 04 30

INSURED

AGENT

S.T.W. INVESTMENTS LLC
T/A KILWINS
128 MAIN ST
ANNAPOLIS MD

LUNDELL INSURANCE
207 NORTH 8TH STREET
MOUNT HOREB WI

TOTAL PREMIUM		1,031.00
ACCOUNT BALANCE		1,031.00
* AMOUNT DUE	05/16/16	1,031.00

Payment Methods:

- . Sign up for automatic payment plan by contacting your local agent or visit our website at WWW.SHEBOYGANFALLSINSURANCE.COM.
- . Sign up for recurring credit card payment plan by visiting our website at WWW.SHEBOYGANFALLSINSURANCE.COM.
- . Make a payment by electronic check or credit card online at WWW.SHEBOYGANFALLSINSURANCE.COM or by contacting our CALL CENTER at 1-800-877-0600, press 8, Monday thru Friday 8:00am to 6:00pm EST.
- . Pay by phone using our 24/7 automated credit card payment system at 1-800-877-0600, Press 4.
- . Send a payment with the stub portion from this invoice. If payment is made by check, this authorizes Donegal Insurance Group to electronically send information to your bank.

TERMS AND CONDITIONS

- Minimum Invoice Amount: If less than \$30.00, this amount will be added to your next billing statement.
- How your payment will be applied: Payments will be applied to the oldest due items first, in the following order: Fees, Balance of prior effective period, Balance of current effective period.
- Overpayments: Overpayments will be prorated across remaining policy balance. The amount applied may reduce your next invoice depending on activity to your account.
- How to avoid Cancellations: The full minimum amount due is required by the due date for continued coverage.
- Late Payments: A late fee will be assessed if payment is received after the due date.
- Returned Items: A fee will be charged for any item returned by your bank.

BUSINESSOWNERS POLICY DECLARATION

COVERAGE IS PROVIDED BY SHEBOYGAN FALLS INSURANCE COMPANY

POLICY NUMBER: BPY 8702712

Renewal Policy of BPY8702712 03

NAMED INSURED AND MAILING ADDRESS	AGENT NAME AND ADDRESS	
S.T.W. Investments LLC T/A Kilwins 128 Main St Annapolis MD 21401	Lundell Insurance 207 N 8th St Mount Horeb WI 53572 (608)574-9003 AGENT NUMBER: 3000231 00	

FORM OF NAMED INSURED'S BUSINESS:	NAMED INSURED'S BUSINESS:	POLICY PERIOD:
Limited Liability Company	Ice Cream & Candy Shop	FROM: 05/14/2016 TO: 05/14/2017 12:01 A.M. STANDARD TIME AT THE NAMED INSURED'S ADDRESS SHOWN.

IN CONSIDERATION OF THE PREMIUM, INSURANCE IS PROVIDED ON THE DESCRIBED PREMISES FOR THOSE COVERAGES FOR WHICH SPECIFIC LIMITS OF INSURANCE ARE SHOWN, OR ARE OTHERWISE STATED AS INCLUDED; ALL, SUBJECT TO THE PROVISIONS OF THIS POLICY INCLUDING ITS FORMS AND ENDORSEMENTS.

Certified Acts of Terrorism Coverage: \$20

TOTAL ANNUAL PREMIUM : \$1,031

SHEBOYGAN FALLS, WI 53085

POLICY NUMBER: BPY 8702712

PROPERTY COVERAGES

POLICY FORM: SPECIAL

Location of Described Premises	PREMISES 1 BLDG. 1 208 State Street Madison WI 53701
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PREMISES DESCRIPTION: Ice Cream And Yogurt Stores 09171

PROPERTY COVERAGE	VALUATION PROVISIONS	LIMITS OF INSURANCE	DEDUCTIBLE
BUSINESS PERSONAL PROPERTY	REPLACEMENT COST	\$205,000	\$1,000

ADDITIONAL COVERAGES APPLICABLE TO THIS STRUCTURE		
DESCRIPTION	LIMITS OF INSURANCE	DEDUCTIBLE
EQUIPMENT BREAKDOWN	INCLUDED - REFER TO ENDORSEMENT BPD 90 10	\$1,000
BUSINESS INCOME AND EXTRA EXPENSE DIRECT DAMAGE	ACTUAL LOSS SUSTAINED	Not Applicable

FORMS APPLICABLE TO THIS STRUCTURE

BPD 04 30 04 01

BPD 922 07 10

BUSINESS LIABILITY AND MEDICAL EXPENSES

Coverage applies to bodily injury , property damage , personal injury , and advertising injury subject to the exclusions and conditions of this policy.

COVERAGE	LIMITS OF INSURANCE	
LIABILITY AND MEDICAL EXPENSES	\$1,000,000	PER OCCURRENCE
	\$2,000,000	AGGREGATE LIMIT
MEDICAL EXPENSES	\$5,000	PER PERSON
DAMAGE TO PREMISES RENTED TO YOU	\$50,000	ANY ONE OCCURRENCE

EXCEPT FOR DAMAGE TO PREMISES RENTED TO YOU COVERAGE, EACH PAID CLAIM FOR THE ABOVE COVERAGES REDUCES THE AMOUNT OF INSURANCE WE PROVIDE DURING THE APPLICABLE ANNUAL PERIOD. PLEASE REFER TO PARAGRAPH D.4. OF THE BUSINESSOWNERS LIABILITY COVERAGE FORM.

FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE

BP 00 02 12 99	Businessowners Special Property Coverage Form
BP 00 09 01 97	Businessowners Common Policy Conditions
BP 04 15 01 97	Spoilage Coverage - INCLUDED
BP 10 04 04 98	Exclusion of Certain Computer-Related Losses
BP 10 05 04 98	Exclusion Year 2000 Computer-Related & Electronic Problems
BPD 00 06 07 15	Businessowners Liability Coverage Form
BPD 01 27 07 12	Wisconsin Changes
BPD 04 07 09 12	Additional Insured - State or Political Subdivisions - Permits Relating to Premises
BPD 04 34 01 08	Computer Systems Coverage - INCLUDED
BPD 04 41 07 09	Business Income Changes - Increased Period of Restoration No Waiting Period
BPD 04 53 07 10	Water Backup of Sewers or Drains - INCLUDED
BPD 04 56 07 10	Utility Services - Direct Damage And Time Element - INCLUDED
BPD 04 83 07 09	Removal of Insurance to Value Provision
BPD 05 14 07 09	War Liability Exclusion
BPD 05 23 01 15	Cap on Losses From Certified Acts of Terrorism
BPD 05 42 01 15	Exclusion of Punitive Damages Related to a Certified Act Of Terrorism
BPD 10 68 05 14	WI - Hired Auto and Non-Owned Auto Liability - INCLUDED
BPD 15 05 09 13	Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability
BPD 303 07 15	Businessowners Plus Liability Enhancement Endorsement
BPD 304 07 09	Employment Practices Liability Defense Cost Reimbursement Coverage
BPD 305 07 15	Businessowners Plus Preferred Property Enhancement Endorse
BPD 90 03 07 09	Communicable Disease Exclusion
BPD 90 10 06 07	Equipment Breakdown Coverage
BPD 90 34 08 05	Biological and Chemical Contaminants Exclusion
BPD 90 45 01 08	Amendment - Water Exclusion
BPD 90 46 01 08	Amendment - Earth Movement Exclusion

SHEBOYGAN FALLS, WI 53085

POLICY NUMBER: BPY 8702712

FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE

CMOF 600 01 15 Policyholder Disclosure Notice Regarding Terrorism Ins Cov

OPTIONAL FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUE

BPD 04 30 04 01 Protective Safeguards

BPD 922 07 10 Tenants Improvements and Betterments Separation of Coverage

PAYMENT PLAN: Direct/Annual

SHEBOYGAN FALLS, WI 53085

POLICY NUMBER: BPY 8702712

**BOP PLUS PREFERRED COVERAGE LEVEL
SUPPLEMENTAL DECLARATIONS**

EACH COVERAGE SHOWN BELOW APPLIES SEPARATELY PER LOCATION. THE COVERAGES AND LIMITS PROVIDED ARE IN ADDITION TO AND WILL BE APPLIED IN EXCESS OF ANY OTHER LIMITS PROVIDED IN THIS POLICY FOR THE SAME COVERAGE.

Coverage	Limit(s) of Insurance
Property Coverages	
Accounts Receivable	\$50,000 Additional Limit of Insurance
Appurtenant Structures	\$50,000
Brands and Labels	Included in the Business Personal Property Limit of Insurance
Business Income - Newly Acquired Properties (90 days to report)	\$250,000
Business Income - Tenant Move Back Expenses	\$10,000
Business Income From Dependent Properties	\$25,000
Business Personal Property at Newly Acquired Or Constructed Premises (90 days to report)	\$250,000
Business Personal Property Limit - Seasonal Increase	35% of the applicable Business Personal Property Limit of Insurance
Civil Authority Coverage for 30 consecutive days with no waiting period	Included Subject to the Civil Authority Additional Coverage
Credit Card Slips	\$5,000
Deferred Payments	\$10,000
Employee Dishonesty	\$25,000 Additional Limit of Insurance
Extended Business Income 60 days	Included - Subject to the Business Income Additional Coverage
Fine Arts	\$15,000
Fire Department Service Charge	\$10,000
Fire Extinguishing Equipment Recharge	Actual Cost
Food Contamination	\$10,000
Food Contamination Business Income	\$10,000
Forgery and Alteration	\$15,000
Inventory And Appraisal	\$5,000
Lock and Key Replacement	\$2,500
Loss Payment on Merchandise Sold (Selling Price)	\$25,000
Money and Securities - Inside the Premises	\$25,000 Additional Limit of Insurance
Money and Securities - Outside the Premises	\$15,000 Additional Limit of Insurance
Money Orders and Counterfeit Paper Currency	\$5,000
Newly Acquired or Constructed Buildings (90 days to report)	\$250,000
Non-Owned Detached Trailers	\$5,000
Ordinance or Law Coverages - Coverage 1 - Coverage for Loss to the Undamaged Portion of the Building	Included within the applicable Building Limit of Insurance
Ordinance or Law Coverages - Coverage 2 - Demolition Cost Coverage and Coverage 3 - Increased Cost of Construction Coverage	\$100,000
Ordinance or Law Coverages - Coverage 2 - Demolition Cost Coverage and Coverage 3 - Increased Cost of Construction Coverage - Tenants Improvements & Betterments	\$25,000
Ordinance or Law Coverage - Increased Period of Restoration	\$25,000
Outdoor Property Fences, Radio and Television Antennas	\$10,000
Outdoor Property Trees, Shrubs and Plants	\$10,000
Outdoor Signs	\$10,000 Additional Limit of Insurance
Personal Effects	\$10,000
Pollutant Clean Up and Removal	\$15,000
Premises Boundary - Broadened to 1,000 Feet	Included within the applicable Property Coverage
Preservation of Property Up to 30 days	Included within the applicable Property Coverage
Spoilage	\$50,000

**BOP PLUS PREFERRED COVERAGE LEVEL
SUPPLEMENTAL DECLARATIONS (Continued)**

EACH COVERAGE SHOWN BELOW APPLIES SEPARATELY PER LOCATION. THE COVERAGES AND LIMITS PROVIDED ARE IN ADDITION TO AND WILL BE APPLIED IN EXCESS OF ANY OTHER LIMITS PROVIDED IN THIS POLICY FOR THE SAME COVERAGE.

Coverage	Limit(s) of Insurance
Tenant Lease Assessment	\$5,000
Tenant Leasehold Improvements	\$25,000
Tenants Exterior Building Glass	Included in the Business Personal Property Limit of Insurance
Utility Services Direct Damage	\$10,000
Utility Services Time Element (72 hour waiting period applies)	\$10,000
Valuable Papers and Records	\$25,000 Additional Limit of Insurance
Water Backup of Sewers or Drains	\$25,000
Liability Coverages	
Damage To Premises Rented To You Coverage (Tenant s Liability)	\$450,000 Additional Limit of Insurance

EACH COVERAGE SHOWN BELOW APPLIES TO THE ENTIRE POLICY AND IS THE MOST WE WILL PAY REGARDLESS OF THE NUMBER OF LOCATIONS INSURED. THE COVERAGES AND LIMITS PROVIDED ARE IN ADDITION TO AND WILL BE APPLIED IN EXCESS OF ANY OTHER LIMITS PROVIDED IN THIS POLICY FOR THE SAME COVERAGE.

Coverage	Limit(s) of Insurance
Property Coverages	
Arson, Theft or Vandalism Rewards	\$10,000
Computer Systems Coverage	
Computer Equipment	\$50,000
Data and Media	\$50,000
Property In Transit Or Otherwise Away From The Described Premises	\$25,000
Business Income	\$10,000
Installation Coverage	\$5,000
Personal Property Off Premises	\$20,000 Additional Limit of Insurance
Salespersons Samples	\$5,000
Liability Coverages	
Automatic Additional Insureds	
Broadened Named Insured - Newly Acquired or Newly Formed Organizations	
Hired and Non-Owned Auto Liability	
Vendors as Insureds	
Volunteer Workers as Insureds	
Aggregate Limit of Insurance Per Location	Included Refer to the Liability and Medical Expenses Limits of Insurance.
Employment Practices Liability Defense Cost Reimbursement Coverage	\$5,000
Medical Expenses	\$5,000 Additional Limit of Insurance
Products / Completed Operations Aggregate Limit - Twice The Liability And Medical Expenses Limit	Included Refer to the Liability and Medical Expenses Limits of Insurance.
Supplementary Payments Bail Bonds	\$2,500
Supplementary Payments Loss of Earnings	\$500 per day
Waiver of Transfer of Rights of Recovery	Included within the Business Liability and Medical Expenses Coverage

ADDITIONAL INTERESTS

ADDITIONAL INSURED The City of Madison
BPD 04 07 09 12 Dept of Licensing & Permits
Policy Level 210 Martin Luther King Blvd
Madison WI 53703

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPOILAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

PREMISES NO.	BLDG. NO.	DESCRIPTION OF PERISHABLE STOCK	LIMIT OF INSURANCE	DEDUCTIBLE
			CAUSES OF LOSS	
			REFRIGERATION MAINTENANCE AGREEMENT	
			BREAKDOWN OR CONTAMINATION	
			POWER OUTAGE	

The Businessowners Property Coverage Form is extended to insure against direct physical loss of or damage to perishable stock indicated in the Schedule, caused by the Covered Cause(s) of Loss, as provided by this endorsement.

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

The following provisions (A. through I. inclusive) apply to the coverage provided by this endorsement:

A. Paragraph A.1. Covered Property is replaced by the following:

B. 1. Covered Property

Covered Property means perishable stock shown in the Schedule at the described premises, if the perishable stock is:

- a. Owned by you and used in your business; or
- b. Owned by others and in your care, custody or control except as otherwise provided in Loss Payment Property Loss Condition E.6.d.(3)(b).

B. The following is added to Paragraph A.2. Property Not Covered:

- g. Property located:
 - (1) On buildings;
 - (2) In the open; or
 - (3) In vehicles.

C. Paragraph A.3. Covered Causes Of Loss is replaced by the following:

3. Covered Causes of Loss

Subject to the exclusions described in item E. of this endorsement, Covered Causes of Loss means the following as indicated in the Schedule:

- a. Breakdown or Contamination, meaning:

- (1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such apparatus or equipment is at the described premises shown in the Schedule; or
- (2) Contamination by a refrigerant, only while the refrigerating apparatus or equipment is at the described premises shown in the Schedule.

Mechanical breakdown and mechanical failure do not mean power interruption, regardless of how or where the interruption is caused and whether or not the interruption is complete or partial.

- b. Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

D. Paragraph A.5 Coverage Extensions of the Businessowners Standard Property Coverage Form does not apply.

Paragraph A.6. Coverage Extensions of the Businessowners Special Property Coverage Form does not apply.

E. Paragraph B. Exclusions is replaced by the following:

B. Exclusions

- 1. Of the Exclusions contained in Paragraph B.1. of the Businessowners Property Coverage Form, only the following apply to Spoilage Coverage:
 - b. Earth Movement;
 - c. Governmental Action;
 - d. Nuclear Hazard;
 - f. War And Military Action; and
 - g. Water.
- 2. The following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- a. The disconnection of any refrigerating, cooling or humidity control system from the source of power.

- b. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- c. The inability of an electrical utility company or other power source to provide sufficient power due to:
 - (1) Lack of fuel; or
 - (2) Governmental order.
- d. The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

F. Section D. Deductibles is replaced by the following:

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of loss or damage in excess of that deductible, up to the applicable Limit of Insurance. No other deductible in this applies to the coverage provided by this endorsement.

G. Conditions

- 1. Under Property Loss Conditions, Item d. of Condition 6. Loss Payment is replaced by the following:
 - d. We will determine the value of Covered Property as follows:
 - (1) For perishable stock you have sold but not delivered, at the selling price less discounts and expenses you otherwise would have had;
 - (2) For other perishable stock, at actual cash value.
- 2. The following condition applies in addition to the Businessowners Common Policy Conditions, Property Loss Conditions (as modified in 1. Above) and Property General Conditions:

**Additional Condition Refrigeration
Maintenance Agreements**

Refrigeration Maintenance Agreements

If Breakdown or Contamination is designated as a Covered Cause of Loss and a refrigeration maintenance agreement is shown as applicable in the Schedule, the following condition applies:

You must maintain a refrigeration maintenance or service agreement as described below. If you voluntarily terminate this agreement and do not notify us within 10 days, the insurance provided by this endorsement under the Breakdown or Contamination Covered Cause of Loss will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location.

H. Paragraph G. Optional Coverages does not apply.

I. The following is added to the Definitions:

Perishable Stock means property:

- a. Maintained under controlled temperature or humidity conditions for preservation; and
- b. Susceptible to loss of damage if the controlled temperature or humidity conditions change.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY

Prem. No.	Bldg. No.	Protective Safeguards Symbols Applicable
1	1	P - 1

Describe any "P-9": AUTOMATIC

A. The following is added to the Property General Conditions in the Businessowners Property Coverage Form:

PROTECTIVE SAFEGUARDS

1. As a condition of this insurance, you are required to maintain the protective devices or services listed in the Schedule above.

2. The protective safeguards to which this endorsement applies are identified by the following symbols:

a. **"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

(1) Any automatic fire protective or extinguishing system, including connected:

- (a) Sprinklers and discharge nozzles;
- (b) Ducts, pipes, valves and fittings;
- (c) Tanks, their component parts and supports; and
- (d) Pumps and private fire protection mains.

(2) When supplied from an automatic fire protective system:

- (a) Non-automatic fire protective systems; and
- (b) Hydrants, standpipes and outlets.

b. **"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- (1) Connected to a central station; or
- (2) Reporting to a public or private fire alarm station.

c. **"P-3" Security Service**, with a recording system or watch clock, making hourly rounds covering the entire building, when the premises are not in actual operation.

d. **"P-4" Service Contract** with a privately owned fire department providing fire protection service to the described premises.

e. **"P-9"** The protective system described in the Schedule.

B. The following is added to the **EXCLUSIONS** section of the Businessowners Property Coverage Form:

If a protective device or service indicated in the Schedule above is maintained in order to protect the premises associated with such protective device or service in the Schedule above from risk of loss by:

- 1. Fire, we will not pay for loss or damage caused by or resulting from fire if, prior to the fire;
- 2. Theft, we will not pay for loss or damage caused by or resulting from theft if, prior to the theft,

you knew of any suspension or impairment in the protective device or service and failed to notify us of that fact, or you failed to maintain the protective device or service over which you had control in complete working order.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

* Information required to complete this Schedule, if not shown on this endorsement will be shown in the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENANTS IMPROVEMENTS AND BETTERMENTS -
SEPARATION OF COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS STANDARD PROPERTY COVERAGE FORM
BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM

SCHEDULE

Prem. No.	Bldg. No.	Description of Property	Limit Of Insurance
1	1	ICE CREAM SHOP - LIGHTING FIXTURES, BOOTHS, C	175,000

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The coverage provided by this endorsement is subject to the provisions applicable to the Businessowners Special Property Coverage Form or the Businessowners Standard Property Coverage Form attached to this policy, except as otherwise provided within this endorsement.

- A. The Limits of Insurance shown in the Schedule above apply to tenant's improvements and betterments as described in subparagraph 1.b.(3) **Covered Property** as found under paragraph A. **Coverage** of the Businessowners Property Coverage Form.
- B. The Limit of Insurance for Business Personal Property shown in the Declarations at the building described in the Schedule above, will not apply to your tenant's improvements and betterments at that building.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMPUTER SYSTEMS COVERAGE

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS SPECIAL PROPERTY COVERAGE FORM
BUSINESSOWNERS STANDARD PROPERTY COVERAGE FORM**

SCHEDULE*

Limits of Insurance		
Property At Described Premises	"Computer Equipment" \$ 50,000	"Data" and "Media" \$50,000
Property In Transit Or Otherwise Away From The Described Premises	\$25,000	
Business Income	\$10,000	
Deductible	\$500	

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

The coverage provided by this endorsement is subject to the provisions applicable to the Businessowners Special Property Coverage Form or the Businessowners Standard Property Coverage Form attached to this policy, except as otherwise provided within this endorsement.

The following provisions (A. through F. inclusive) apply only to the coverage provided by this endorsement:

A. Coverage

Paragraph A. Coverage is replaced by the following:

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss while at a premises described in the Declarations.

1. Covered Property, as used in this endorsement, means:

- a. "Computer Equipment", "Data" and "Media" you own or that you rent or lease from others; and
- b. Similar property of others in your care, custody or control and for which you are liable.

2. Property Not Covered

Covered Property does not include:

- a. Property leased or rented to others while away from your premises described in the Declarations;

- b. Accounts, bills, evidences of debt, "valuable papers and records", abstracts, deeds, manuscripts or other documents, unless converted to "data" and then only in that form;
- c. Currency, "money", bullion, or "securities";
- d. Property you manufacture, distribute, or hold for sale;
- e. Property installed in rolling stock, watercraft, aircraft, spacecraft or motor vehicles licensed for highway use; or
- f. 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 Or Damage to Covered Property except those causes of loss listed in the paragraph B. Exclusions.

4. Additional Coverages

The following Additional Coverages indicate an applicable Limit of Insurance. However, if no Limit of Insurance is indicated for an Additional Coverage, coverage is provided up to the full Limit of Insurance for the applicable Covered Property.

The Additional Coverages provided below are part of and not in addition to the applicable Limit of Insurance for Covered Property.

The Limit of Insurance provided under an Additional Coverage cannot be combined or added to the Limit of Insurance for any other Additional Coverage.

a. Extra Expense

(1) Subject to the "computer equipment" Limit of Insurance shown in the Schedule above, we will pay the actual and necessary Extra Expense you incur during the "period of restoration" due to direct physical loss of or damage to:

- (a) Covered Property at your premises or in transit;
- (b) The building in which the Covered Property is located if the building is damaged to an extent that prevents access to the Covered Property; or
- (c) The electrical system that specifically services your data operation if the damage to the system occurs inside, or within 100 feet of, a premises described in the Declarations.

The loss or damage must be caused by or result from a Covered Causes of Loss.

(2) Civil Authority

We will pay for the actual and necessary Extra Expense for Covered Property caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to:

- (a) The described premises; or
- (b) Property, other than at the described premises,

caused by or resulting from any Covered Causes of Loss.

The coverage for necessary Extra Expense lasts for two consecutive weeks immediately after the time of that action.

(3) Extra Expense means the following necessary expenses that you would not have incurred if there had been no direct physical loss or damage to property:

- (a) Expenses to avoid or minimize the suspension of business and to continue your business operations at:
 - i. The described premises; and
 - ii. Replacement premises or temporary premises. These expenses include relocation expenses and costs to equip and operate the replacement or temporary locations;

(b) Expenses to minimize the suspension of your business if you cannot continue business operations; or

(c) Expenses to:

- i. Repair or replace any Covered Property; or
- ii. Research, replace or restore the lost information stored on Covered Property;

to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

b. Debris Removal

Subject to Paragraph C. Limits of Insurance, we will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Causes of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

c. Preservation Of Property

If it is necessary to move Covered Property from the premises to preserve it from loss or damage by a Covered Causes of Loss, we will pay for any direct loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another premises; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

d. Computer Virus, Harmful Code Or Similar Instruction

We will cover direct physical loss or damage resulting from a computer virus, harmful code or similar instruction.

For the purposes of this additional coverage, computer virus, harmful code or similar instruction means a malicious, self-replicating electronic data processing code or other code that is intended to result in, but is not limited to:

- (1) Deletion, destruction, generation, or modification of "data" or "media";

- (2) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "data" or "media";
- (3) Damage, destruction, inadequacy, malfunction, degradation, or corruption of any "computer equipment"; or
- (4) Denial of access to or denial of services from "computer equipment".

e. Flood Coverage

We will pay for direct physical loss of or damage to Covered Property resulting from flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not. The most we will pay for loss or damage is \$25,000.

f. Duplicate "Data" and "Media"

We will pay for direct physical loss of or damage caused by or resulting from a Covered Causes of Loss to duplicate and back-up "data" and "media" at a separate storage location which is at least 100 feet away from a premises described in the Declarations.

The most we will pay for such duplicate and backup "data" and "media" is 10% of the total "data" and "media" Limit of Insurance or \$25,000, whichever is less.

g. Mysterious Disappearance/Theft

We will pay for loss due to unexplained or mysterious disappearance or theft of Covered Property.

h. Utility Interruption

We will pay for direct physical loss or damage to Covered Property caused by surge, lightning, or mechanical breakdown.

5. Coverage Extensions

The following Coverage Extensions indicate an applicable Limit of Insurance. This Limit of Insurance may also be shown in the Declarations. If a different Limit of Insurance is indicated in the Declarations, then that Limit of Insurance will apply instead of the Limit of Insurance shown below.

The Limits of Insurance for the Coverage Extensions provided below are in addition to the applicable Limit of Insurance for Covered Property.

a. Additional Acquired Premises

If during the policy period you acquire additional premises, we will pay for direct physical loss of or damage to Covered Property at such premises for up to 90 days caused by or resulting from a Covered Causes of Loss. The most we will pay for loss or damage is the lesser of:

(1) The total Limit of Insurance shown in the Schedule above for the applicable Covered Property; or

(2) \$250,000.

You will report the values of such property to us within 90 days from the date you take possession and will pay any additional premium due. If you do not report such property, coverage will cease automatically 90 days after the date you take possession of the property or at the end of the policy period, whichever occurs first.

b. Newly Acquired Property

(1) We will pay for direct physical loss of or damage to newly acquired Covered Property after this Endorsement has taken effect caused by or resulting from a Covered Causes of Loss.

The most we will pay for loss or damage under the Coverage Extension is the total Limit of Insurance shown in the Schedule above for the applicable Covered Property.

(2) Insurance under this Coverage Extension will end when any of the following first occurs:

(a) This policy expires or is cancelled;

(b) 90 days after the date of acquisition of the newly acquired property; or

(c) You report values of the newly acquired property to us.

(3) We will charge you additional premium for values reported from the date you acquire the property.

c. Property In Transit Or Otherwise Away From The Described Premises

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Causes of Loss while in transit or while temporarily at a premises that is not described in the Declarations. The most we will pay for loss or damage is the Limit of Insurance shown in the Schedule above for this Coverage Extension.

d. Recharging The Fire Suppression System

We will pay up to \$10,000 to recharge the fire suppression system protecting your premises if the system, for any reason, discharges.

e. Business Income

We will pay for the actual loss of Business Income you sustain due to the necessary suspension of your business operations during the "period of restoration". The suspension must be caused by direct physical loss of or damage to property at the described premises. The loss or damage must be caused by or result from a Covered Causes of Loss.

We will only pay for loss of Business Income that you sustain during the "period of restoration" and that occurs within 12 consecutive months after the date of direct physical loss or damage.

Business Income means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Causes of Loss on customers or on other businesses; and
- (2) Continuing normal operating expenses incurred, including payroll.

The most we will pay for loss under this Coverage Extension is the applicable Business Income Limit of Insurance shown in the Schedule above.

B. Exclusions

1. Paragraph **B. Exclusions** does not apply to the coverage provided by this endorsement except for:
 - a. Paragraph **B.1.a. Ordinance Or Law.**
 - b. Paragraph **B.1.c. Governmental Action.**
 - c. Paragraph **B.1.d. Nuclear Hazard.**
 - d. Paragraph **B.1.f. War And Military Action.**
2. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Delay, loss of use, loss of market or any other consequential loss.
 - b. Dishonest or criminal acts committed by:
 - (1) You, any of your partners, employees, directors, trustees, or authorized representatives;
 - (2) A manager or a member if you are a limited liability company;
 - (3) Anyone else with an interest in the property, or their employees or authorized representatives; or
 - (4) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.

This exclusion does not apply to Covered Property that is entrusted to others who are carriers for hire or to acts of destruction by your employees. But theft by employees is not covered.

- c. Lightning, surge, or mechanical breakdown when Covered Property connected to electrical, data, or telecommunications lines is not connected to an "approved surge protective device".
- d. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

- e. Virus, harmful code or similar instruction introduced into or enacted on a computer system (including "data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

This exclusion applies except to the extent coverage is provided under Additional Coverage **A.4.d. Computer Virus, Harmful Code Or Similar Instruction.**

- f. Programming errors or incorrect instructions.
- g. Work upon the property.

But if work upon the property results in fire or explosion, we will pay for direct loss or damage caused by that fire or explosion if the fire or explosion would be covered under this endorsement.

- h. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

- 3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Causes of Loss results, we will pay for the loss or damage caused by that Covered Causes of Loss.

- a. Wear and tear, depreciation, deterioration, hidden or latent defect, or any quality in the property that causes it to damage or destroy itself.

- b. Insects, vermin or rodents.

- c. Corrosion or rust.

- d. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;

- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

- (3) Materials used in repair, construction, renovation or remodeling; or

- (4) Maintenance,

of part or all of any property wherever located.

C. Limits Of Insurance

Paragraph **C. Limits of Insurance** is deleted and replaced by the following:

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Schedule above.

Payments under the Debris Removal Additional Coverage will not increase the applicable Limit of Insurance; but if the sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance; we will pay up to an additional \$10,000 in any one occurrence under the Debris Removal Additional Coverage.

D. Deductible

Paragraph **D. Deductible** is deleted and replaced by the following:

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits of Insurance exceeds the Deductible shown in the Schedule above. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

E. Valuation

Paragraph **6.d. Loss Payment** under paragraph **E. Property Loss Conditions** is replaced by the following:

- d. We will determine the value of Covered Property as follows:

- (1) The value of "computer equipment" will be:

- (a) The cost of replacing the equipment with new property functionally identical to the damaged equipment if replaced; or

- (b) "Actual cash value" if the property is not repaired or replaced.

In the event of partial damage to an item of "computer equipment", we will not pay more than the cost of reasonably restoring the property to its condition immediately prior to the loss.

- (2) The value of "data" will be the actual cost to reproduce. If the "data" is not replaced or reproduced, we will pay the cost of the value of the "media" with no stored "data".

- (3) The value of "media" will be the cost to repair or replace the "media" with substantially identical property.
- (4) Financial documents are only covered as "data", not for any face value.

- (3) Laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors;

F. Definitions

With respect to the coverage provided by this endorsement, the following definitions are added to Paragraph F. **Definitions**:

- 1. "Actual cash value" means the amount it would cost to repair or replace any property covered under the insurance provided by this policy, at the time of loss, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. Actual cash value applies to valuation of property regardless of whether that property has sustained partial or total loss or damage. The actual cash value of the lost or damaged property may be significantly less than its replacement cost.
- 2. "Approved Surge Protective Device" means a surge protective device that is Underwriters Laboratories (UL) listed and that bears any of the following words or abbreviations:
 - a. Transient Voltage Surge Suppressor or TVSS,
 - b. Uninterruptable Power Supply or UPS,
 - c. Secondary Protector for Communications Circuits.
- 3. "Computer Equipment" means:
 - a. Your programmable electronic equipment that is used to store, retrieve and process data. "Computer Equipment" includes but is not limited to:
 - (1) Mainframe and mid-range computers and network servers;
 - (2) Personal computers and workstations;

- (4) Air conditioning, fire suppression equipment and electrical equipment used exclusively in your computer operations; and

- (5) Associated peripheral equipment that provides communication including input and output functions such as printing or auxiliary functions such as data transmission.

b. "Computer Equipment" does not include:

- (1) Equipment used to operate production type machinery or equipment; or
- (2) "Data" and "media".

4. "Data" means:

- a. Files, documents, and information in an electronic format and that are stored on "media"; and
- b. Programming records used with "computer equipment".

5. "Media" means electronic data processing, recording or storage media such as software, films, tapes, discs, drums or cells.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACKUP OF SEWERS OR DRAINS

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Limit Of Insurance
\$ 25,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following provisions apply with respect to the insurance provided by the Businessowners Standard Property Coverage Form and the Businessowners Special Property Coverage Form.

A. The following Additional Coverage is added:

Additional Coverage - Water Backup Of Sewers and Drains

The term Covered Causes of Loss includes the Additional Coverage - Water Backup Of Sewers and Drains as described below:

1. We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by
 - a. Water which backs up through or overflows from a sewer or drain; or
 - b. Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

The sewer, drain or sump must be inside a building at the premises described in the Declarations. Drain does not include a roof drain, gutter, downspout or similar above ground drainage fixture or equipment.

With respect to Paragraph b. above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

2. The coverage described in Paragraph 1. does not apply to loss or damage resulting from:
 - a. An insured's failure to:

- (1) Keep a sump pump or its related equipment in proper working condition; or
- (2) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- b. Flood or conditions related to flood, including but not limited to, the backup of sewers, drains or sumps due to the overwhelming of such sewers, drains or sumps by flood.

Flood includes:

- (1) Surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge); or
- (2) Mudslide or mudflow.

regardless of whether any of the above is caused by an act of nature or is otherwise caused.

3. The most we will pay per location for the coverage provided under this endorsement is Limit of Insurance indicated in the Schedule of this endorsement.

B. Subparagraph 1.g. Water as found under paragraph B. Exclusions is replaced by the following:

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2)** Mudslide or mudflow;
- (3)** Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment, except as provided in the Additional Coverage - Water Backup Of Sewers and Drains;
- (4)** Water under the ground surface pressing on, or flowing or seeping through:
 - (a)** Foundations, walls, floors or paved surfaces;
 - (b)** Basements, whether paved or not; or
 - (c)** Doors, windows or other openings.
- (5)** Water-borne material carried or otherwise moved by any of the water referred to in Paragraph **(1)**, **(3)**, or **(4)**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if Water, as described in Paragraphs **(1)** through **(5)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

