

<b>Endorsement</b>
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<b>CP 22</b>
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**Policy Number:**

**Wholesalers' Optimum Business Income  
and Extra Expense**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM  
CAUSES OF LOSS - SPECIAL FORM

The following is a summary of the coverage modifications, extensions and additions provided in this endorsement. The limits, unless stated otherwise, shown below apply at each designated location. If a limit is shown elsewhere in the policy for any of these coverages, then that limit applies in addition to the limits shown below. If a different deductible amount is shown in the policy for any of these coverages, then that deductible will be the applicable deductible. For complete details of the coverages provided, refer to the specific policy language.

<b>LIMIT</b>	<b>SUBJECT OF INSURANCE</b>	<b>PAGE</b>
Actual Loss Sustained		2
\$25,000	Expediting Expense	2
\$25,000	Auto Physical Damage	5
\$100,000	Dependent Properties/24 hour waiting period	3
Included	Premises Redefined to 1,000 feet	2
\$100,000	Contingent Cargo	5
\$10,000	Backup of Sewers or Drains	2
Included	Extended Period of Indemnity 180 days	2
\$250,000	Newly Acquired Property/ 180 days	3
\$50,000	Utility Services Interruption/24 hour waiting period	4

### Wholesalers' Optimum Business Income and Extra Expense

The following changes apply to the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM.

- I. The following amends specified provisions stated under **Section A. Coverage**:
- A. All references to personal property in the open (or in a vehicle) within 100 feet, are changed to 1,000 feet.
- B. Under item 5. **Additional Coverage, c. Extended Business Income**, all references to 30 consecutive days are changed to 180 consecutive days.
- C. The second, third and fourth paragraphs under **Section A. Coverage** are deleted.
- D. The fifth paragraph under **Section A. Coverage** is replaced with the following:  
We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property, including personal property in the open (or in a vehicle) within 1,000 feet, at the premises which are described in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss.
- E. The following is added as the seventh paragraph under **Section A. Coverage**:  
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.
- F. The following are added to item 5. **Additional Coverages**:
- e. **Water That Backs Up From A Sewer Or Drain**  
We will pay for the actual loss of

Business Income you sustain and necessary Extra Expense caused by:

- (1) Water that backs up from a sewer or drain; or
- (2) Water that enters into and overflows from within a:
  - (a) Sump pump;
  - (b) Sump pump well; or
  - (c) Other type systems;

designed to remove subsurface water which is drained from the foundation area.

The most we will pay for loss or damage in any one occurrence is \$10,000.

f. **Expediting Expense**

We will pay the reasonable extra cost, not to exceed \$25,000, to expedite the permanent repairs or permanent replacement, whichever is less, of Covered Property damaged or lost by a Covered Cause of Loss. These costs include overtime wages and the cost to transport necessary parts or materials.

Expediting expenses shall not include the cost for the temporary rental of property or the temporary replacement of damaged property.

Coverage provided under this Additional Coverage is payable only to the extent that expediting expenses will reduce or limit any loss payable under this Coverage Form. This is additional insurance.

- G. Item 6. **Coverage Extensions** is replaced with the following:

6. **Coverage Extensions**

You may extend the insurance provided by this Coverage Form as follows:

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#### a. Newly Acquired Locations

- (1) You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than at fairs, exhibitions or "job sites".
- (2) The most we will pay for loss under this extension for the sum of Business Income and Extra Expense incurred is \$250,000 at each location.
- (3) Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (a) This policy expires;
  - (b) 180 days expire after you acquire or begin to construct the property; or
  - (c) You report values to us.  
We will charge you additional premium for values reported from the date you acquire the property.

#### b. Business Income From Dependent Properties

- (1) We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to "dependent property" at a premises described in the Schedule caused by or resulting from a Covered Cause of Loss. However, coverage under this endorsement does not apply when the only loss to "dependent property" is loss or damage to

electronic data, including destruction or corruption of electronic data. If the "dependent property" sustains loss or damage to electronic data and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt or replaced. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

- (2) We will pay the necessary Extra Expense you incur due to direct physical loss of or damage to property at the premises of a "dependent property" caused by or resulting from any Covered Cause of Loss.
- (3) As used in this extension, "dependent property" means property owned or operated by others whom you depend on to:
  - (a) Deliver materials or services to you, or to others for your account (Contributing Locations). But any property which delivers any of the following services is not a Contributing Location with respect to such services:
    - (1) Water supply services;
    - (2) Power supply services; or
    - (3) Communication supply services, including services relating to internet access or access to any electronic network.
  - (b) Accept your products or services;

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- (c) Manufacture products for delivery to your customers under contract of sale; or
  - (d) Attract customers to your business.
- (4) As used in this extension, "Period of Restoration" means the period of time that:
- (a) Begins 24 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property". As respects Extra Expense only, the "Period of Restoration" begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and
  - (b) Ends on the date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.
- "Period of Restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
  - (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effect of "pollutants".

The expiration date of this policy

will not cut short the "period of restoration".

- (5) As used in this extension, Extra Expense means necessary expenses that you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the premises of any "dependent property" caused by or resulting from a Covered Cause of Loss:
  - (a) To avoid or minimize the "suspension" of business and to continue "operations"; or
  - (b) To minimize the "suspension" of business if you cannot continue "operations".
- (6) The provisions of the Business Income (And Extra Expense) Coverage Form respecting direct physical loss or damage at the described premises will apply separately to each Dependent Property.
- (7) We will reduce the amount of your Business Income loss to the extent that you can resume operations in whole or in part by using any other available source of materials or outlet for your products or services.
- (8) The most we will pay under this extension is 25% of the Business Income limit shown in the Declarations or \$100,000, whichever is less.

#### c. Utility Services - Time Element

We will pay for loss of Business Income or Extra Expense at the described premises caused by the

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interruption of Utility Service to the described premises.

The interruption must result from direct physical loss or damage by a Covered Cause of Loss to Utility Property. Utility Property includes water supply property, communication supply property and power supply property. Such property must be located outside of a covered building described in the Declarations.

**Exception:** Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

As used in this Extension, Utility Services means:

- (1) Water Supply Services, meaning the following types of property supplying water to the described premises:
  - (a) Pumping stations; and
  - (b) Water mains.
- (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:
  - (a) Communication transmission lines, including fiber optic transmission lines;
  - (b) Coaxial cables; and

- (c) Microwave radio relays except satellites.

- (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (a) Utility generating plants;
- (b) Switching stations;
- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

The most we will pay under this Extension is \$50,000 for any one occurrence. Loss or damage to two or more Utility Properties arising out of the same occurrence will be considered one occurrence.

The coverage for Extra Expense will begin immediately after the time of direct physical loss or damage to Utility Property.

#### d. Contingent Cargo Business Income

You may extend the insurance provided by this Coverage Form to loss of Business Income or Extra Expense that results directly from the necessary interruption of business conducted at the described premises due to direct physical loss of or damage to materials, merchandise or equipment while being shipped to the described premises.

The most we will pay under this Extension is \$100,000.

#### e. Auto Physical Damage Business Income

We will pay for the actual loss of Business Income you sustain due to a Physical Damage loss to a covered auto used to transport your business

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personal property, if such Physical Damage loss is insured under your Business Auto insurance. For this coverage extension only, "operations" include business activities involving the covered motor vehicle, rather than the described premises.

Payment for Extra Expense, if part of this policy, does not apply to this Coverage Extension.

The covered motor vehicle must maintain rental coverage.

This Coverage Extension does not apply to "Private Passenger Type" vehicles. "Private Passenger Type" vehicles means a four wheel auto of the private passenger or station wagon type. The most we will pay under this extension is \$25,000.

II. **Section B. Limits Of Insurance** is replaced with the following:

#### B. Limits Of Insurance

The limits applicable to Coverage Extensions are in addition to the Limit of Insurance.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Extra Expense;
2. Civil Authority;
3. Alterations and New Buildings; or
4. Extended Business Income.

III. **Section D. Additional Condition** is deleted in its entirety.

IV. **Section E. Optional Coverages** is deleted in its entirety.

The following changes apply to the CAUSES OF LOSS -SPECIAL FORM as specified.

I. The following amends specified provisions stated under **Section B. Exclusions**:

A. The first paragraph under **Section B.**

**Exclusions 1.** is replaced with the following:

1. Except as specifically provided under **Section A. Coverage, item 6. Coverage Extension** of the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, we will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

B. Item **a. (1)** under **4. Special Exclusions** is replaced with the following:

- (1) Any loss caused directly or indirectly by the failure of power or other utility service supplied to the described premises, however caused, if the failure occurs outside of a covered building, except as specifically provided under **Section A. item 6. Coverage Extension** of the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM.

But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss resulting from that Covered Cause of Loss.