



July 12, 2021

DISCLOSURE OF INSURANCE INFORMATION

Re: Loss: Champlain Towers South Collapse on June 24, 2021
 Insurer: James River Insurance Company ("James River")
 N. Insured: Champlain Towers South Condo. Ass'n. Inc. ("Champlain Towers")
 Policy No: 00098532-1 (Eff. 12/28/2020 – 12/28/2021)
 Claim No: 00154345

Pursuant to Section 626.9372 Florida Statutes and, based on the information we have at this time, James River provides these disclosures.

(a) The name of the responding insurer	James River Insurance Company
(b) The name of each insured	The named insured is "Champlain Towers South Condominium Association Inc." Please see Section II – Who Is An Insured. (Form CG 00 01 12 07, Pg. 9/16.) Please also see endorsement Additional Insured – Condominium Unit Owners. (Form CG2004-1185.)
(c) The limits of the liability coverage	\$1,000,000 Each Occurrence; \$2,000,000 General Aggregate
(d) A statement of any policy or coverage defense that such insurer reasonably believes is available to such insurer at the time of filing such statement	None; the entire limit has been tendered and accepted by Judge Hanzman
(e) A copy of the policy	Attached
Other known potentially available insurance	<p><u>Insurer:</u> Philadelphia Indemnity Insurance Company <u>N. Insured:</u> Champlain Towers South Condo. Ass'n. Inc. <u>Policy No:</u> PCAP018689-0318 <u>Limit:</u> \$1,000,000 Aggregate <u>Copy:</u> Attached</p> <p><u>Insurer:</u> Fireman's Fund Insurance Company <u>N. Insured:</u> Champlain Towers South Condo. Ass'n. Inc. <u>Policy No:</u> USL00656920U <u>Limit:</u> \$10,000,000 Each Occurrence / General Aggregate <u>Copy:</u> Attached</p>

	<u>Insurer:</u> QBE Insurance <u>N. Insured:</u> Champlain Towers South Condo. Ass'n. Inc. <u>Policy No:</u> HRP2020 <u>Limit:</u> \$5,000,000 Each Occurrence / General Aggregate <u>Copy:</u> Requested
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As we obtain new information, James River will endeavor to supplement its responses.

Sincerely,

/s/ Brandon R. Story

Brandon R. Story, CPCU, ARM
Director, Claims – Core/Casualty
James River Insurance Company

cc: Clyde & Co US LLP
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Claims Department

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FLORIDA POLICYHOLDER NOTICE

626.924 (2)

This policy is issued by a nonadmitted or surplus lines insurer. In order to comply with Florida Statutes, the following notice is given:

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT
APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

COMMERCIAL GENERAL LIABILITY DECLARATIONS

JAMES RIVER INSURANCE COMPANY
6641 WEST BROAD STREET, SUITE 300
RICHMOND, VA 23230

POLICY NUMBER
00098532-1

1. NAMED INSURED AND MAILING ADDRESS:

Champlain Towers South Condominium Association Inc
8777 Collins Avenue
Surfside, FL 33154

PRODUCER: 20251

R-T Specialty (ARL Orlando)
610 Crescent Executive Court, Suite 312
Lake Mary, FL 32746

2. POLICY PERIOD: From 12/28/2020 to 12/28/2021 12:01 A.M. Standard Time at your Mailing Address above.

IN RETURN FOR THE PAYMENT OF THE PREMIUM, IN RELIANCE UPON THE STATEMENTS IN THE APPLICATION(S) AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

LIMITS OF INSURANCE			
EACH OCCURRENCE LIMIT	\$	1,000,000	
DAMAGE TO PREMISES RENTED TO YOU LIMIT	\$	50,000	Any one premises
MEDICAL EXPENSE LIMIT		Excluded	Any one person
PERSONAL & ADVERTISING INJURY LIMIT	\$	1,000,000	Any one person or organization
GENERAL AGGREGATE LIMIT	\$	2,000,000	
PRODUCTS/COMPLETED OPERATIONS AGGREGATE LIMIT	\$	2,000,000	

RETROACTIVE DATE (CG 00 02 ONLY)

THIS INSURANCE DOES NOT APPLY TO "BODILY INJURY", "PROPERTY DAMAGE" OR "PERSONAL AND ADVERTISING INJURY" WHICH OCCURS BEFORE THE RETROACTIVE DATE, IF ANY, SHOWN BELOW.

RETROACTIVE DATE: **NONE; THIS IS NOT A CLAIMS MADE POLICY**

(ENTER DATE OR "NONE" IF NO RETROACTIVE DATE APPLIES)

DESCRIPTION OF BUSINESS

FORM OF BUSINESS: Corporation

BUSINESS DESCRIPTION: Residential condominium

ALL PREMISES YOU OWN, RENT OR OCCUPY

LOCATION NUMBER

1

ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY

8777 Collins Avenue, Surfside, FL 33154

CLASSIFICATION AND PREMIUM

LOCATION NUMBER	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE \$	ADVANCE PREMIUM \$
1	Club - civic, service or social - having buildings or premises owned or leased - Other than Not-For-Profit	41667	2,112 Area	██████	██████
1	Swimming Pools	48925	1 Per Pool	██████	██████
1	Condominiums - residential - (association risk only)	62003	136 Units	██████	██████
	Hired Auto Liability				██████
	Non-Owned Auto Liability				██████
TOTAL PREMIUM (SUBJECT TO AUDIT)					██████
If checked, premium shown is flat and not subject to audit <input checked="" type="checkbox"/>		Company Fee			
TOTAL SHOWN IS PAYABLE:		AT INCEPTION			
AUDIT PERIOD (IF APPLICABLE)		FREQUENCY: Not Applicable			

ENDORSEMENTS

ENDORSEMENTS ATTACHED TO THIS POLICY:

See attached schedule A – Schedule of Forms

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

SCHEDULE A

FORMS AND ENDORSEMENTS THAT APPLY TO THIS POLICY:

POLICY NO. 00098532-1

FORM NUMBER	DESCRIPTION
PN-01US-0410	Florida Policyholder Notice
MC0001US-0416	Commercial General Liability Declarations
GC0001US-0304	Schedule A
CG0001-1207	Commercial General Liability Coverage Form
AP2103US-0607	Minimum Policy Premium
MC2105US-1016	Deductible Endorsement - Damages and Expenses
MC2126US-0913	Premium Base Endorsement
AP2126US-0108	Hired Auto Liability
AP2129US-0812	Non-Owned Auto Liability - Including Loading and Unloading
GC2129US-1111	Limited Coverage for Swimming Pools and Spas - Excluding Diving Boards, Platforms or Similar Apparatus
CG2004-1185	Additional Insured - Condominium Unit Owners
AP1013US-1119	Premium Audit Conditions Amended
AP2104US-1012	Common Policy Conditions
AP2107US-0403	Binding Arbitration
AP5063US-1116	Limitation of Coverage to Designated Premises with Hired and Non-Owned Auto Exception
CG0068-0509	Recording and Distribution of Material or Information in Violation of the Law Exclusion
CG2107-0514	Exclusion - Access or Disclosure of Confidential or Personal Info and Data-Related Liability - Limited BI Exception Not Incl
CG2136-0305	Exclusion - New Entities
CG2147-1207	Employment-Related Practices Exclusion
CG2167-1204	Fungi or Bacteria Exclusion
IL0021-0908	Nuclear Energy Liability Exclusion
AP2029US-1210	Combined Policy Exclusions
AP2061US-0408	Absolute Pollution and Pollution Related Liability Exclusion - with Hostile Fire/HVAC Exceptions
AP2102US-0403	Communicable Disease Exclusion
GC2131US-0403	Fiduciary Exclusion
MC2139US-0403	Exclusion - Coverage C - Medical Payments
XC2151US-0109	Named Insured Versus Named Insured Exclusion
AP1014US-1005	Florida Policy Changes
AP5027R-0115	Rejection of Coverage for Certified Acts of Terrorism Coverage
CG2175-0115	Exclusion of Certified Acts of Terrorism and Exclusion of Other Acts of Terrorism Committed Outside the United States
ILP001-0104	US Treasury Departments Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders
AP0100US-0403	Privacy Policy

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
 - (i)** "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii)** "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
 - (b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i)** Any insured; or
 - (ii)** Any person or organization for whom you may be legally responsible; or
 - (d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
 - (e)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
- (b) the operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;

- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Distribution Of Material In Violation Of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a.** We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1)** The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2)** Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1)** Advertising, broadcasting, publishing or telecasting;
- (2)** Designing or determining content of websites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Distribution Of Material In Violation Of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and

- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I – Coverage A – Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a.** Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by,
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage **C**;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage **B**.

- 3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
- 4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
- 5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage **A**; and
 - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
- 6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
- 7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

- 1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b.** While it is in or on an aircraft, watercraft or "auto"; or
- c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b.** Vehicles maintained for use solely on or next to premises you own or rent;
- c.** Vehicles that travel on crawler treads;
- d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1)** Power cranes, shovels, loaders, diggers or drills; or
- (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;

- e.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2)** Cherry pickers and similar devices used to raise or lower workers;

- f.** Vehicles not described in Paragraph **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a.** False arrest, detention or imprisonment;
- b.** Malicious prosecution;
- c.** The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d.** Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e.** Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f.** The use of another's advertising idea in your "advertisement"; or
- g.** Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and

(2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM POLICY PREMIUM

This endorsement modifies and amends insurance provided under the following:

ALL COVERAGE PARTS

This endorsement sets forth the minimum earned premium for the policy. The minimum earned premium for this policy is calculated in accordance with the following:

1. The minimum premium for the policy period is 100% of the total policy premium as shown on the policy declarations page plus any premium adjustment by endorsements and any additional premium developed by audit.
2. Audits that indicate a return premium will not reduce the minimum as stated in paragraph 1.
3. If the insured cancels this policy and the policy is not subject to audit, the return premium will be 90% of the unearned policy premium; however in no event will the Company retain less than **25%** of the minimum premium shown in paragraph 1. above.
4. If the insured cancels this policy and the policy is subject to audit, the earned premium will be determined by final audit, however in no event will it be less than **25%** of the minimum premium as described in paragraph 1. above.
5. If the Company cancels the policy for any reason, other than for non-payment of premium, then the insured will be returned the full amount of the unearned premium without any minimum premium restrictions.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEDUCTIBLE ENDORSEMENT – DAMAGES AND EXPENSES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Coverage	Amount and Basis of Deductible	
	PER CLAIM	or PER OCCURRENCE
Bodily Injury Liability OR	\$	\$
Property Damage Liability OR	\$	\$
Personal & Advertising Injury Liability OR	\$	\$
Damage To Premises Rented To You OR	\$	\$
Medical Payments OR	\$	\$
Bodily Injury Liability and/or Property Damage Liability and/or Personal & Advertising Injury Liability, and/or Damage To Premises Rented To You and/or Medical Payments Combined	\$	\$ 2,500

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to "claims expense" and damages for all "bodily injury", "property damage" or "personal and advertising injury" or medical expenses however caused):

- A.** Our obligation under the Bodily Injury Liability, Property Damage Liability, Personal and/or Advertising Injury Liability, Damage to Premises Rented to You, Medical Payments or any other coverages provided by this policy to pay "claims expense" and damages on your behalf applies only to the amount of "claims expense" and damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** We may select a deductible amount on either a per claim or a per "occurrence" basis. Our selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:

1. PER CLAIM BASIS. If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:

- a) Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury" including "claims expense";
- b) Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage" including "claims expense";
- c) Under Personal & Advertising Injury Liability Coverage, to all damages sustained by any one person or organization because of "personal and advertising injury" including "claims expense";
- d) Under Damage To Premises Rented To You Coverage, all damages to any one premises while rented to you, because of "property damage" including "claims expense";
- e) Under Medical Payments Coverage, to all medical expenses sustained by any one person including "claims expense"; or
- f) Under Bodily Injury Liability and/or Property Damage Liability and/or Personal & Advertising Injury Liability, and/or Damage To Premises Rented To You, and/or Medical Payments Coverages Combined, to all injury, damage and medical expenses sustained by any one person or organization including "claims expense"

as the result of any one "occurrence", offense or accident.

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", "person" includes an organization.

2. PER OCCURRENCE BASIS. If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a) Under Bodily Injury Liability Coverage, to all damages because of "bodily injury" including "claims expense";
- b) Under Property Damage Liability Coverage, to all damages because of "property damage" including "claims expense";
- c) Under Personal & Advertising Injury Liability Coverage, to all damages because of "personal and advertising injury" including "claims expense";
- d) Under Damage To Premises Rented To You Coverage, all damages to any one premises while rented to you, because of "property damage" including "claims expense";
- e) Under Medical Payments Coverage, to all medical expenses because of an accident including "claims expense"; or
- f) Under Bodily Injury Liability and/or Property Damage Liability and/or Personal & Advertising Injury Liability, and/or Damage To Premises Rented To You, and/or Medical Payments Coverages Combined, to all injury, damage and medical expenses including "claims expense"

as the result of any one "occurrence", offense or accident, regardless of the number of persons or organizations who sustain damages because of that "occurrence", offense or accident.

C. The terms of this insurance, including those with respect to:

- 1. Our right and duty to defend any "suits" seeking those damages; and
 - 2. Your duties in the event of an "occurrence", offense, claim, or "suit"
- apply irrespective of the application of the deductible amount.

- D. We may pay any part or all of the deductible amount on your behalf to effect settlement of any claim or "suit". This advance payment on your behalf will be invoiced to you and shall be promptly reimbursed to us within 30 days of the invoice date. Failure to reimburse us for deductible amounts paid on your behalf may result in policy cancellation as stated in common policy conditions.
- E. "Claims expense" shall include investigations, adjustment and legal expenses, interests and fees, including court costs and premiums on bonds incurred by us. "Claims expense" does not include salary charges of regular employees of the Company.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIUM BASE ENDORSEMENT

One or more of the following symbols may be entered under the Premium Base column of the Declarations. These symbols designate the base used for determining your premium. The following is a definition of these symbols when used as a premium base.

Symbol Definition

"Area" means: The total number of square feet of floor space at the insured premises, computed as follows:

For entire buildings, by multiplying the product of the horizontal dimensions of the outside of the outer building walls by the number of floors, including basements but do not use the area of the following:

1. Courts and mezzanine types of floor openings.
2. Portions of basements or floors where 50% or more of the area is used for shop or storage for building maintenance, dwelling by building maintenance employees, heating units, power plants or air-conditioning equipment.
3. For tenants, determine the area they occupy in the same manner as for the entire buildings.

The rates apply per 1,000 square feet of area.

"Total Cost" means:

The total cost of all work let or sublet in connection with each specific project including:

1. The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work.
2. All fees, bonuses or commissions made, paid or due.

The rates apply per \$1,000 of total cost.

"Admissions" means:

The total number of persons, other than employees or the named insured, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

The rates apply per admission.

"Payroll" means:

1. Remuneration which includes money or substitutes for money.
2. Payroll includes:
 - a. Commissions, bonuses, pay for holidays, vacations or periods of illness;
 - b. Extra pay for overtime.
 - c. Payments by an employer or amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as Federal Social Security Act;

- d. Payment to employees on any basis other than time worked, such as piece work, profit sharing or incentive plans;
- e. Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;
- f. The rental value of an apartment or a house provided for an employee based on comparable accommodations;
- g. Value of meals and lodging other than an apartment or house received by employees as part of their pay;
- h. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay;
- i. The payroll of mobile equipment operators and their helpers, whether or not the operators are designated or licensed to operate automobiles. If the operators and their helpers are provided to the insured along with equipment hired under contract and their actual payroll is not known, use 1/3 of the total amount paid out by the insured for the hire of the equipment;
- j. The payroll of executive officers and individual insureds and co-partners;
- k. Fees paid to employment agencies for temporary personnel provided to the insured;

3. Payroll does not include:

- a. Tips and other gratuities received by employees;
- b. Payments by an employer to group insurance or group pension plans for employees in accordance with the manuals in use by us;
- c. The value of special rewards for individual invention or discovery;
- d. Dismissal or severance payments except for time worked or accrued vacation;

The rates apply per \$1,000 of payroll.

"Gross Sales" or "Receipts" means:

- 1. The gross amount charged by the named insured, concessionaires of the named insured or by others trading under the insured's name for:
 - a. All goods or products, sold or distributed;
 - b. Operations performed during the policy period;
 - c. Rentals; and
 - d. Dues or fees.
- 2. Inclusions

The following items shall not be deducted from gross sales:

 - a. Foreign exchange discounts;
 - b. Freight allowance to customers;
 - c. Total sales of consigned goods and warehouse receipts;
 - d. Trade or cash discounts;
 - e. Bad debts; and
 - f. Repossession of items sold on installments (amount actually collected.)
- 3. Exclusions

The following items shall be deducted from gross sales:

 - a. Sales or excise taxes which are collected and submitted to a governmental division;
 - b. Credits for repossessed merchandise and products returned.
 - c. Allowances for damaged and spoiled goods;
 - d. Finance charges for items sold on installments;
 - e. Freight charges on sales if freight is charged as a separate item on customers invoice; and
 - f. Royalty income from patent rights or copyrights which are not product sales.

The rates apply per \$1,000 of gross sales.

"Each" means:

The basis of premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the Declarations such as "per acre."

The rates apply per unit of exposure.

"Unit" means:

A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.

The rates apply per each unit.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

SCHEDULE

Coverage		Limit of Insurance		Additional Premium
Hired Auto Liability	\$	1,000,000	\$	

The insurance provided under **SECTION I, - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business. The Limit of Insurance shown in the Schedule above is the most we will pay for those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" arising out of the use of a "hired auto" by you or your "employees" in the course of your business. The Limits of Insurance shown in the Schedule above are included within and are not in addition to the Limits of Insurance shown in the Declarations. Nothing in this endorsement shall increase the Limits of Insurance shown in the Declarations.

A. Solely with respect to HIRED AUTO LIABILITY:

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, is amended by adding the following exclusions:

This insurance does not apply to:

"Bodily injury" or "property damage" arising out of any:

- (1) Uninsured or Underinsured Motorist law; or
- (2) No Fault Law or similar act or law.

"Property damage" to:

- (1) Property owned or being transported by, or rented or loaned to the insured; or
- (2) Property in the care, custody or control of the insured.

B. Solely with respect to HIRED AUTO LIABILITY:

SECTION II – WHO IS AN INSURED, is replaced by the following:

Each of the following is an insured under this endorsement to the extent set forth below:

- a. You;
- b. Any other person using a "hired auto" with your permission; and
- c. Any other person or organization, but only for their liability because of acts or omissions of an insured under **a.** or **b.** above.

None of the following is an insured:

- (1) Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
- (2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;

- (4) The owner or lessee (of whom you are a sub lessee) of a “hired auto” or any agent or “employee” of any such owner or lessee;
- (5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. Solely with respect to **HIRED AUTO LIABILITY**:

SECTION V – DEFINITIONS is amended by adding the following:

- 1. “Auto Business” means the business or occupation of selling, repairing, servicing, storing or parking “autos”.
- 2. “Hired Auto” means any “auto” you lease, hire or borrow. This does not include any “auto” you lease, hire or borrow from any of your “employees” or members of their households, or from any partner or “executive officer” of yours.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-OWNED AUTO LIABILITY- INCLUDING LOADING AND UNLOADING

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

SCHEDULE

Coverage		Limits of Insurance		Additional Premium
Non-Owned Auto Liability	\$	1,000,000	\$	██████

The insurance provided under **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, applies to “bodily injury” or “property damage” arising out of the use of a “non-owned auto” by any person other than you in the course of your business. Use includes operation, “loading or unloading” and the handling and placing of persons by an insured into, onto or from a “non-owned auto”.

The Limit of Insurance shown in the Schedule above is the most we will pay for those sums that the insured becomes legally obligated to pay as damages because of “bodily injury” or “property damage” arising out of the use of a “non-owned auto” by any person other than you in the course of your business. The Limits of Insurance shown in the Schedule above are included within and are not in addition to the Limits of Insurance shown in the Declarations. Nothing in this endorsement shall increase the Limits of Insurance shown in the Declarations.

A. Solely with respect to NON-OWNED AUTO LIABILITY:

SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, is amended by adding the following exclusions:

This insurance does not apply to:

“Bodily injury” or “property damage” arising out of any:

- (1) Uninsured or Underinsured Motorist law; or
- (2) No Fault Law or similar act or law.

“Property damage” to:

- (1) Property owned or being transported by, or rented or loaned to the insured; or
- (2) Property in the care, custody or control of the insured.

B. Solely with respect to NON-OWNED AUTO LIABILITY:

SECTION II – WHO IS AN INSURED, is replaced by the following:

Each of the following is an insured under this endorsement to the extent set forth below:

- a. You;
- b. For a “non-owned auto”, any partner or “executive officer” of yours, but only while such “non-owned auto” is being used in your business; and
- c. Any other person or organization, but only for their liability because of acts or omissions of an insured under a. or b. above.

None of the following is an insured:

- (1) Any person engaged in the business of his or her employer for “bodily injury” to any co-“employee” of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-“employee” as a consequence of such “bodily injury”, or for any obligation to share damages with or repay someone else who must pay damages because of the injury;

- (2) Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
- (4) The owner of a "non-owned auto" or any agent or "employee" of any such owner;
- (5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. Solely with respect to **NON-OWNED AUTO LIABILITY:**

SECTION V – DEFINITIONS is amended by adding the following:

- 1. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- 2. "Non-Owned Auto" means any "auto" you do not own, lease, hire or borrow which is used in connection with your business. However, if you are a partnership, a "non-owned auto" does not include any "auto" owned by any partner.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED COVERAGE FOR SWIMMING POOLS AND SPAS – EXCLUDING DIVING BOARDS, PLATFORMS OR SIMILAR APPARATUS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE

- A. This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of the ownership, use or maintenance of any diving boards, platforms, slides, or similar apparatus provided or used in connection with any swimming pool or spa.
- B. This insurance does not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of the ownership use, or maintenance of swimming pools or spas unless at the time of the “occurrence” or offense, the following conditions are met:
 - 1. Swimming pools and Spas must have:
 - a. Trained, certified Lifeguards on duty during all hours of operation, or in their absence:
 - (1) Prominently displayed signage referencing:
 - (a) Posted hours of operation, and
 - (b) “Life Guard Not Present, Swim at Own Risk”, and
 - (c) All other safety and warning notices required by law or ordinance.
 - b. Complete fencing surrounding the pool or spa area with a gate that can be secured when not in use; and
 - c. Life saving equipment that is accessible within the pool and spa area as required by law or ordinance; and
 - d. Water depths are clearly marked; and
 - e. Pool or spas contain anti-entrapment drain covers and fittings conforming to current standards of the Virginia Graeme Baker Pool and Safety Act.

ALL OTHER TERMS AND CONDITONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – CONDOMINIUM
UNIT OWNERS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

WHO IS AN INSURED (Section II) is amended to include as an insured each individual unit owner of the insured condominium, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit owner's exclusive use or occupancy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PREMIUM AUDIT CONDITIONS AMENDED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE
PRODUCTS/COMPLETED OPERATIONS COVERAGE

Condition **5. Premium Audit** is replaced by the following:

5. Premium Audit

- a.** We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b.** Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill.
- c.** The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request. We have the right, but not the obligation, to conduct a physical audit of records needed for premium computation after the expiration of this policy.
- d.** Your refusal to maintain or provide needed records, or to allow us to conduct a physical audit of needed records, will result in our developing and calculating a final audit premium based on information available to us without your cooperation. If a final Premium Audit calculated without your cooperation results in additional premium due to us, you are obligated to pay such additional premium.
- e.** Failure to pay any additional premium due resulting from a Premium Audit when due may result in the cancellation of any additional or subsequent policy in effect with the Company, at our sole discretion.
- f.** Any additional or subsequent policy in effect after the term of this policy with the Company shall be subject to adjustment of its rating base based on the Premium Audit, at our sole discretion.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

COMMON POLICY CONDITIONS

All Coverage Parts in this policy are subject to the following Conditions.

1. CANCELLATION AND NON-RENEWAL

- A. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- B. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- C. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- D. Notice of cancellation will state the effective date of cancellation. The policy will end on that date.
- E. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata unless cancellation is due to non payment of premium, in which case the refund may be less than pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- F. If notice is mailed, proof of mailing will be sufficient proof of notice.

If we elect not to renew this policy, we shall mail written notice to the First Named Insured at the address shown in the Declarations. Such written notice of non-renewal shall be mailed at least 30 days prior to the end of the policy term.

2. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

3. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring suit or transfer those rights to us and help us enforce them.

4. REPRESENTATIONS

By accepting this policy, you agree:

- A. The statements in the Declarations are accurate and complete;
- B. Those statements are based upon representations you made to us; and
- C. We have issued this policy in reliance upon your representations.

5. SERVICE OF SUIT

It is agreed that in the event of the failure of this Company to pay any amount claimed to be due hereunder, this Company will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give such Court jurisdiction and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.

It is further agreed that service of process in such suit may be made upon the Company's President, or his nominee, at the address shown on the Declarations page of this policy, and that in any suit instituted against any one of them upon this policy, this Company will abide by the final decision of

such Court or of any Appellate Court in the event of an appeal.

The above-named is authorized and directed to accept service of process on behalf of this Company in any such suit and/or upon the request of the insured to give a written undertaking to the insured that it or they will enter a general appearance upon this Company's behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States of America, which makes provision therefore, this Company hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designates the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

6. TERMS, CONDITIONS AND PREMIUM

On each renewal, continuation, anniversary of the effective date of the policy or on an annual basis, the Company will determine the rate and premium and/or amend the terms and conditions in accordance with the rates and rules then in effect.

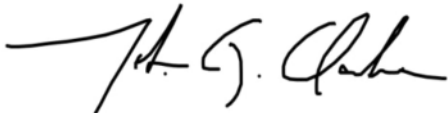
7. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

In Witness Whereof, this Company has executed and attested these presents; but this policy shall not be valid unless signed by duly authorized representatives of this Company.

VICE PRESIDENT

A handwritten signature in black ink, appearing to read "J. G. Cohen", written over the Vice President title.

PRESIDENT

A handwritten signature in black ink, appearing to read "Richard J. Schmitz", written over the President title.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BINDING ARBITRATION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

Should we and the insured disagree as to the rights and obligations owed by us under this policy, including the effect of any applicable statutes or common law upon the contractual obligations otherwise owed, either party may make a written demand that the dispute be subjected to binding arbitration.

When such a request is made, The American Arbitration Association shall be used, with each party selecting an arbitrator from the list of qualified arbitrators for insurance coverage disputes provided by that Association. The two chosen arbitrators shall select a third arbitrator from the same list; if they cannot agree to a selection, The American Arbitration Association shall make the selection for them. Each party shall bear the costs of its arbitrator and shall share equally the costs of the third arbitrator and of the arbitration process. A decision agreed to by two of the arbitrators will be binding.

In the event you prevail in the arbitration and we promptly offer to you arbitration costs and reasonable attorney fees incurred in connection therewith, in addition to the disputed contract benefit, you shall have no right to sue us for breach of implied covenants or unreasonable withholding of contract benefits.

To the extent that we prevail in the arbitration, the arbitrators may award us any expenses and/or damages incurred or paid under reservation of rights in excess of our contract obligations as determined by the arbitrators.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES WITH HIRED AND NON-OWNED AUTO EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Premises:

All locations listed in the "All Premises You Own, Rent or Occupy" section of the MC0001US-0416 Commercial General Liability Declaration and any Locations added as an additional Location by endorsement to this Policy

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance applies only to "bodily injury", "property damage", or "personal and advertising injury" arising out of the ownership, maintenance or use of the premises shown in the above Schedule.

However, this limitation does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of hired and non-owned auto exposures for which coverage is afforded by this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion q. of Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

- B. Exclusion p. of Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – LIMITED BODILY INJURY
EXCEPTION NOT INCLUDED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:**

2. Exclusions

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – NEW ENTITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph 3. of **Section II – Who Is An Insured** does not apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C.** The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
- (2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMBINED POLICY EXCLUSIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The following exclusions are added to this policy:

ABSOLUTE ASBESTOS, LEAD OR SILICA EXCLUSION

Injury or damages, including any claim or suit, arising out of, resulting from, caused or contributed to by Asbestos, Lead or Silica is not covered under this policy, nor are any expenses nor any obligation to share damages with or repay anyone else who must pay damages from same in conjunction with occurrences arising or alleged to have arisen out of same, including but not limited to any:

- a. "Bodily injury", "personal and advertising injury", "property damage" or damages of any type, arising out of the inhalation, ingestion, physical exposure to, absorption of, or toxic substances of or from Asbestos, Lead or Silica in any form, or from any goods, products or structures containing same, or "property damage" or devaluation of property arising from any form of same; or
- b. Existence of Asbestos, Lead, or Silica, in any form, in occupancy or construction, or the manufacture, sale, transportation, handling, storage, disposal, or removal of same, or goods or products containing same; or
- c. Loss, cost, expense, fines and/or penalties arising out of any (1) request, demand, order, governmental authority or directive or that of any private party or citizen action that any insured, or others, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of Asbestos, Lead, or Silica, or (2) any litigation or administrative procedure in which any insured or others may be involved as a party in response to the effects or alleged effects of Asbestos, Lead, or Silica; or
- d. Supervision, instructions, recommendations, requests, warnings or advice given or which should have been given, as well as any costs, including but not limited to abatement, mitigation, removal, containment, treatment, detoxification, neutralization, or disposal of same or in any way responding to or assessing the effects of same; or
- e. Actual or alleged Asbestosis, Lead poisoning, Silicosis or any other similar condition.

This exclusion applies regardless of whether:

- a. Injury or damage claimed is included within the "products/completed operations hazard" of the policy; or
- b. An alleged cause for the injury or damage is the insured's negligent hiring, placement, training, supervision, retention, act, error or omission.

CLAIM(S) IN PROGRESS EXCLUSION

- a. This policy does not apply to "bodily injury", "personal and advertising injury" or "property damage" which begins or takes place before the inception date of coverage, whether such "bodily injury", "personal and advertising injury" or "property damage" is known to an insured, even though the nature and extent of such damage or injury may change and even though the damage may be continuous, progressive, cumulative, changing or evolving, and even though the "occurrence" causing such "bodily injury", "personal and advertising injury" or "property damage" may be or may involve a continuous or repeated exposure to substantially the same general harm.

- b. All “property damage” to units of or within a single project or development, and arising from the same general type of harm, shall be deemed to occur at the time of damage to the first such unit, even though the existence, nature and extent of such damage or injury may change and even though the “occurrence” causing such “property damage” may be or involve a continuous or repeated exposure to substantially the same general harm which also continues or takes place (in the case of repeated exposure to substantially the same general harm) during the policy term.

DISCRIMINATION EXCLUSION

Discrimination charges, of any kind, actual and alleged, are not covered under this policy, nor are any expenses or obligation to share damages with or repay another who must pay damages from same.

DAMAGES LIMITATION

Damages mean a monetary judgment, award, or settlement. Damages do not include:

- a. Civil or criminal fines, sanctions or penalties, whether imposed pursuant to statute or otherwise; or
- b. Judgments or awards arising from acts or omissions deemed uninsurable by law; or
- c. The restitution of consideration or expense paid to you for professional services rendered or which should have been rendered; or
- d. Disputed fees or any actual or alleged personal profit or advantage to which you are not legally entitled; or
- e. Equitable or non-pecuniary relief.

DUTY TO DEFEND EXCLUSION

Where there is no coverage under this policy, there is no duty to defend.

PROFESSIONAL LIABILITY EXCLUSION

Professional liability, malpractice, errors, omissions, or acts of any type including rendering or failure to render any type of professional service is not covered under this policy nor are any expenses nor any obligation to share damages with or repay anyone else who must pay damages from same, unless such coverage is specifically endorsed onto this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE POLLUTION AND POLLUTION RELATED LIABILITY EXCLUSION—WITH HOSTILE FIRE/HVAC EXCEPTIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The following exclusion is added to this policy. If the policy already includes a pollution exclusion or a pollution-related exclusion, such exclusion(s) is(are) deleted and replaced with the following:

Pollution/environmental impairment/contamination is not covered under this policy, nor are any expenses nor any obligation to share damages with or repay anyone else who must pay damages from same in conjunction with occurrences arising out of or alleged to have arisen out of same. All liability and expense arising out of or related to any form of pollution, whether intentional or otherwise and whether or not any resulting injury, damage, devaluation, cost or expense is expected by any insured or any other person or entity is excluded throughout this policy.

This insurance does not apply to any damages, claim, or suit arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" including but not limited to any:

- a. "Bodily injury", "personal and advertising injury", "property damage", or damages for the devaluation of property, or for taking, use or acquisition or interference with the rights of others in or on property or air space, or any other type injury or expense; or
- b. Any loss, cost, expense, fines and/or penalties arising out of any (1) request, demand, order, governmental authority or directive or that of any private party or citizen action that any insured, or others, test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess same, the effects of "pollutants", environmental impairments, contaminants or (2) any litigation or administrative procedure in which any insured or others may be involved as a party as a result of actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or placement of "pollutants", environmental impairments, or contaminants into or upon land, premises, buildings, the atmosphere, any water course, body of water, aquifer or ground water, whether sudden, accidental or gradual in nature or not, and regardless of when.

This exclusion applies regardless of whether:

- a. Injury or damage claimed is included within the "products-completed operations hazard" of the policy; or
- b. An alleged cause for the injury or damage is the insured's negligent hiring, placement, training, supervision, retention, act, error or omission.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This exclusion does not apply to:

- a. "bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- b. "bodily injury", "personal and advertising injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" originated:
 - i. At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or
 - ii. At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "pollutants".

The following definition is added to the policy. If the policy already includes a definition of "pollutants" such definition is deleted and replaced with the following:

"Pollutants" mean any solid, liquid, gaseous, fuel, lubricant, thermal, acoustic, electrical, or magnetic irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, fibers, radiation, acid, alkalis, petroleums, chemicals or "waste". "Waste" includes medical waste, biological infectants, and all other materials to be disposed of, recycled, stored, reconditioned or reclaimed.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This Policy does not apply to any claim or suits based on or directly or indirectly arising out of or resulting from:

1. Any form of communicable disease; or
2. Any sexually transmitted disease; or
3. Any form of inhalation, absorption or contact; or
4. Acquired Immunodeficiency Syndrome, or Human Immunodeficiency Virus, or exposure to another having the same, or to substances or materials contaminated with the same; or
5. Failure by an insured to perform services which were either intended to or assumed to prevent communicable diseases or their transmission to others; or
6. Fear of contracting Acquired Immunodeficiency Syndrome, Human Immunodeficiency Virus, or any other communicable disease; or
7. The negligent:
 - a. employment,
 - b. investigation,
 - c. placement,
 - d. supervision,
 - e. reporting to the proper authorities or failure to so report,
 - f. hiring,
 - g. training or
 - h. retention

of a person for whom any insured is or ever was responsible and whose conduct is excluded in 1. through 6. above.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIDUCIARY EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This policy does not apply to any claim arising out of the:

1. Coercion, conversion or misappropriation of others' funds or property;
2. Any dishonest, fraudulent, criminal, malicious acts or omissions of the insured, partner or employee or any person for whom you are legally responsible; or
3. Any activities or operations performed in the capacity of a fiduciary.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – COVERAGE C – MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

ALL PREMISES AND CLASSIFICATIONS

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any premises or classification shown in the Schedule:

1. Section I – Coverage C – Medical Payments does not apply and none of the references to it in the Coverage Part apply.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSURED VERSUS NAMED INSURED – EXCLUSION

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

This insurance does not apply to any liability arising out of any claim for damages made, initiated, alleged, or caused to be brought about by any Named Insured covered by this policy against any other Named Insured covered by this policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES—CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The CANCELLATION AND NON-RENEWAL Condition of this Policy is deleted and replaced with the following:

CANCELLATION AND NON-RENEWAL

- A. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- B. If the policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the reason therefore, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
 - (a) A material misstatement or misrepresentation; or
 - (b) A failure to comply with our underwriting requirements.
- C. If the policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the reason therefore, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 45 days before the effective date of cancellation if we cancel for any other reason.
- D. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- E. Notice of cancellation will state the effective date of cancellation. The policy will end on that date.
- F. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- G. If notice is mailed, proof of mailing will be sufficient proof of notice.

If we elect not to renew this Policy for an additional "policy period", we shall mail written notice, stating the reason for non-renewal, to the first Named Insured at the address shown in the Declarations. Such written notice of non-renewal shall be mailed at least 45 days prior to the end of the policy period.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

**REJECTION OF COVERAGE
FOR CERTIFIED ACTS OF TERRORISM COVERAGE
(PURSUANT TO TERRORISM RISK INSURANCE ACT)**

SCHEDULE

THE INSURED WAS OFFERED AND

HAS DECLINED TERRORISM COVERAGE ON THIS POLICY

In accordance with the federal Terrorism Risk Insurance Act, this notice confirms that you were offered and have rejected coverage for terrorist acts certified under that Act.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM AND EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism", or out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, with respect to an "other act of terrorism", this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25 million (valued in US dollars). In determining whether the \$25 million threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the terrorism and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
2. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or

b. Protracted and obvious physical disfigurement; or

c. Protracted loss of or impairment of the function of a bodily member or organ; or

3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
 - b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or
 - (2) Outside of the United States in the case of:
 - (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
 - (b) The premises of any United States mission; and
 - c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
3. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".
- Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

JAMES RIVER INSURANCE COMPANY

Privacy Policy

We do not sell customer information to nonaffiliated third parties, and we do not share customer information with nonaffiliated third parties except those parties who perform contractual services for us, and parties to which we are authorized to provide information by law. In addition, when we provide information to affiliates or non-affiliates, we limit those disclosures to information about your transactions and experiences with us and to disclosures otherwise permitted by law. You do not need to take any action to prevent us from selling or sharing information we obtain about you.

We use security measures and training in our effort to protect the customer information we collect. We protect the information we obtain about you by maintaining physical, electronic and procedural safeguards.

We collect the following types of information about you when you purchase or use our products and services. Most of the information that we obtain about you comes directly from you, such as through the insurance applications you submit when requesting insurance products. These applications and other inquiries we make of you allow us to learn information that we may use to contact you in the future, such as your name, address, telephone number and e-mail address. In addition, insurance applications and other information you provide enables us to determine the type and value of your insured property, the types of insurance coverages you have or in which you might be interested, and similar information.

If you visit an Internet site that we maintain, we might request or obtain information that will enable us to identify you as a registered user, such as your name, a user identification name, a password, password reminders, and your Internet service provider. We might use a "cookie" to retain some of this information. We also might obtain information about your operating system, web browser and similar information to enable us to improve the operation of our site.

When we consider products and services in which you may be interested, we often review information that we have about your past transactions with us or our affiliates, such as your existing or former policy coverages, premiums and payment history. In addition, we may learn information about your transactions with nonaffiliated third parties, including the types of products or services you obtained from them and your experiences with them. Finally, we may obtain other information from third parties that has a bearing upon your eligibility for the products or services you seek from us. This information may include your credit report or information about your creditworthiness, or other information maintained by consumer reporting agencies.

We provide customer information only to our affiliates and to nonaffiliates that must protect your customer information.

We also may provide information as mentioned in this notice to nonaffiliated third parties that perform services for us or perform functions on our behalf, such as marketing and research, or to other financial institutions with which we have joint agreements for activities such as marketing. By law, our contracts with these parties must prevent them from using the information they receive about you except as described in this notice.

Finally, we may share customer information as permitted by applicable law. This means that we will share information with parties as necessary to affect, administer, or enforce transactions that you request. For example, we might provide information to a company that processes, prints and mails our insurance policies to you, or to a company that adjusts claims under your policies. We also might disclose customer information to other entities specified by law, such as insurance advisory organizations, our attorneys and accountants, consumer reporting agencies, or civil and regulatory authorities. Federal law sets the limitations on these types of disclosures.

We strive to keep our records as accurate as possible. We attempt to maintain accurate records about you and we will gladly make appropriate corrections when you notify us. Of course, we do not control the accuracy of information gathered and provided by third parties, and you may need to notify third parties directly if you believe that any information we received from them is inaccurate. You may request the name and address of any consumer-reporting agency from which we obtain a report on you. You then may contact that consumer-reporting agency to request a copy of the report it makes or to advise of any changes to the information they maintain and report.

We will provide one copy of this Privacy Policy to joint contract holders. Please share this information with everyone covered under your policy or contract.



COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

DECLARATIONS

NOTICE: THIS IS A CLAIMS-MADE POLICY. THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD, IF APPLICABLE, AND REPORTED TO THE INSURER AS SOON AS PRACTICABLE BUT IN NO EVENT LATER THAN 90 DAYS AFTER THE END OF THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

UNLESS AMENDED BY ENDORSEMENT, AMOUNTS INCURRED AS DEFENSE COSTS SHALL BE IN ADDITION TO THE LIMIT OF LIABILITY AND SHALL NOT BE APPLIED AGAINST THE APPLICABLE RETENTION.

THE INSURER HAS THE DUTY TO DEFEND.

POLICY NUMBER: PCAP018689-0318

PRODUCER: GIG Insurance Group, Inc.

RENEWAL OF: PCAP018689-0218

ITEM I. NAME AND ADDRESS OF PARENT ORGANIZATION:

Physical:

Champlain Towers South Condominium Association, Inc.
8777 Collins Ave
Surfside, FL 33154

Mailing: Champlain Towers South Condominium Association, Inc.
Champlain Towers South Condominium Association, Inc.
8777 Collins Ave
Surfside, FL 33154

ITEM II. POLICY PERIOD: Inception Date: 12/28/20 Expiration Date: 12/28/2021
(12:01 A.M. at the address set forth in Item I)

ITEM III. LIMIT OF LIABILITY: \$1,000,000 in the aggregate for the Policy Year

ITEM IV. RETENTION: \$1,000 in the aggregate each Claim

ITEM V. PRIOR LITIGATION DATE: 12/28/18

ITEM VI. PREMIUM: [REDACTED]

ITEM VII. ENDORSEMENTS FORMING PART OF THIS POLICY AT ISSUANCE:

FL.PCAP-PIBELL1-BELL. FL.PCAP-PICAPFL1-AMEND. FL.PCAP-PISLD001-TRIACAPLC FL.PCAP-PITERDN1-TRIANOTI
PCAP-PICYBE001-CYBER. PCAP-PICAP020-ENHANCEMEI PCAP-PICAPETS-OFAC. PCAP-PICME1-CRISIS.
PCAP-PICAP021-WAGEHOUR.

This Declarations page, together with the **Application**, the attached Community Association Policy Form, and all endorsements thereto, shall constitute the contract between the Insurer and the **Insureds**. This Policy is valid only if signed below by a duly authorized representative of the Insurer.

This policy has been signed by the Company's President and Secretary.

President

Secretary

Authorized Representative

COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

NOTICE: THIS IS A CLAIMS-MADE POLICY. THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR DISCOVERY PERIOD, IF APPLICABLE, AND REPORTED TO THE INSURER AS SOON AS PRACTICABLE BUT IN NO EVENT LATER THAN 90 DAYS AFTER THE END OF THE POLICY PERIOD. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.

UNLESS AMENDED BY ENDORSEMENT, AMOUNTS INCURRED AS DEFENSE COSTS SHALL BE IN ADDITION TO THE LIMIT OF LIABILITY AND SHALL NOT BE APPLIED AGAINST THE APPLICABLE RETENTION.

THE INSURER HAS THE DUTY TO DEFEND.

(Words and phrases printed in **bold**, other than in the headings, are defined in Section 23 below.)

In reliance upon the truthfulness and accuracy of the statements made in the **Application**, in consideration of, and subject to, the payment of premium when due, and subject to the terms, conditions, and exclusions of this Policy, the Insurer and the **Insureds** agree as follows:

1. **Insuring Agreement:** The Insurer shall pay on behalf of the **Insureds** all **Loss** which they shall become legally obligated to pay as a result of a **Claim** first made during the **Policy Period** or **Discovery Period**, if applicable, against the **Insureds** for a **Wrongful Act** which takes place before or during the **Policy Period**.
2. **Defense Costs and Settlements:**
 - 2.1 It shall be the right and duty of the Insurer to defend any **Claim**. The Insurer may investigate, as it deems appropriate, any **Claim**, circumstance, or **Wrongful Act** involving the **Insureds**.
 - 2.2 The **Insureds** shall not incur any **Defense Costs**, admit any liability, assume any obligation, agree to any settlement, or make any settlement offer with respect to any **Claim** without the Insurer's prior written consent, which shall not be unreasonably withheld. The Insurer shall not be liable for any **Defense Costs** incurred or any admissions, obligations, agreements, or settlements made by the **Insureds** without the Insurer's prior written consent.
 - 2.3 The Insurer has the right to negotiate the settlement of any **Claims** it deems expedient, but only with the **Insured's** consent. If the **Insureds** withhold consent to such settlement, the Insurer's liability for such **Claim** is limited to the amount in excess of the Retention which the Insurer would have contributed to the settlement had the **Insured** consented to the settlement, plus **Defense Costs** covered by the Policy incurred prior to the date of such refusal to settle.
3. **Cooperation:** As a condition precedent to the **Insureds'** rights under this Policy, they shall give to the Insurer all information and cooperation as the Insurer reasonably may require and shall do nothing that may prejudice the Insurer's position or its rights of recovery.
4. **Claim Exclusions:** This Policy does not apply to any **Claim** made against any **Insured** for:

4.1

- (a) bodily injury, sickness, disease, death; or
- (b) emotional distress, mental anguish, false arrest or imprisonment, abuse of process, malicious prosecution, libel, slander, defamation, violation or invasion of any right of privacy or private occupancy, trespass, nuisance or wrongful entry or eviction; or
- (c) damage to, destruction of, or loss of use of any tangible property;

provided, however, that part (b) of this exclusion shall not apply to any **Claim** brought by or on behalf of any **Third Person** or past, present or prospective **Insured Person** for an **Employment Practices Wrongful Act**;

4.2 for any error, misstatement, misleading statement, act, omission, neglect or breach of duty by **Insured Persons** of any **Subsidiary** in such capacity or by the **Subsidiary** itself if such error, misstatement, misleading statement, act, omission, neglect or breach of duty actually or allegedly occurred, in whole or in part, when such entity was not a **Subsidiary**;

4.3 based upon, arising from, or in any way related to any error, misstatement, misleading statement, act, omission, neglect or breach of duty which has been reported or has been the subject of any notice under any insurance policy of which this Policy is a renewal or replacement or under any other policy which it may succeed in time;

4.4 for any actual or alleged violation of the Employee Retirement Income Security Act of 1974, amendments thereto or similar federal, state, local or common law;

4.5 based upon, arising from, or in any way related to:

- (a) any demand, suit, or other proceeding against any **Insured** which has been made, which existed, or was pending prior to the applicable Prior Litigation Date set forth in Item V of the Declarations; or
- (b) the same or substantially the same facts, circumstances or allegations involved in such demand, suit, or other proceeding;

4.6 brought or maintained by or on behalf of the **Insured Organization**;

4.7 based upon, arising from, or in any way related to the actual, alleged, or threatened discharge, dispersal, release or escape of **Pollutants, Fungi** or **Microbes**, or any direction, request or voluntary decision to test for, abate, monitor, clean up, remove, contain, treat, detoxify, or neutralize **Pollutants, Fungi** or **Microbes**;

4.8 based upon, arising from, or in any way related to an **Insured Person** serving as a director, officer, trustee, regent, governor, volunteer, employee, or similar position of any entity other than the **Insured Organization**; or

4.9 based upon, arising from, or in any way related to:

- (a) any **Insureds** gaining in fact any personal profit, remuneration or advantage to which

they were not legally entitled; or

- (b) any deliberately dishonest, malicious or fraudulent act or omission or any willful violation of law by any **Insured**; provided, however, this exclusion shall only apply if it is finally adjudicated that such conduct in fact occurred.

For purposes of determining the applicability of Section 4.9, the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person**.

4.10 based upon, arising from, or in any way related to any **Employment Practices Wrongful Act** alleged by or on behalf of an employee of the **Property Manager** .

4.11 based upon, arising from, or in any way related to any **Construction Defect**.

4.12 based upon, arising from, or in any way related to any actual or alleged liability of an **Insured**, in whole or in part, in the capacity as a builder or developer, or in the capacity of a sponsor of the **Organization**, or of an **Insured** affiliated with such a builder, developer or sponsor, and which is related to actual or alleged misconduct on the part of such builder, developer or sponsor, including but not limited to actual or alleged conflict of interest, self- dealing, or disputes concerning conversion, construction or development.

5. Loss Exclusions: The Insurer shall not be liable to pay any **Loss** in connection with any **Claim**:

5.1 for any obligation of the **Insured Organization** to modify any building or property in order to affect compliance with the Americans With Disabilities Act and any amendments thereto or any similar federal, state or local statute, regulation, or common laws; or

5.2 for any actual or alleged liability of any **Insured** under any contract or agreement, express or implied, written or oral, except for employment related obligations which would have attached absent such contract or agreement;

Provided, however, that these exclusions shall not apply to the Insurer's duty to defend and to pay **Defense Costs**.

6. Application Representations and Severability:

6.1 The **Insureds** represent that the statements and representations contained in the **Application** are true and shall be deemed material to the acceptance of the risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such statements and representations.

6.2 The **Insureds** agree that if the **Application** contains any material statements or representations that are untrue, this Policy shall be void as to the **Insured Organization** and any **Insured Person** who knew the facts that were not truthfully disclosed, provided that such knowledge shall not be imputed to any other **Insured Person**.

7. Reporting Requirements:

7.1 The **Insureds**, as a condition precedent to their rights under this Policy, shall report every **Claim** to the Insurer as soon as practicable from the date any **Executive Officer** has knowledge of the **Claim**, and in no event later than ninety (90) days after the end of the **Policy Period**.

- 7.2 Notice of any **Claim**, circumstance, or **Wrongful Act** shall be forwarded to **Philadelphia Insurance Companies, Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, Pa 19004-0950 1.800.765.9749 (phone) 1.800.685.9238 (fax) claimsreport@phly.com**
- 7.3 All notices under this Policy shall be sent in writing by mail, prepaid express courier, or facsimile and shall be effective upon receipt thereof by the addressee.
8. **Notice of Circumstance or Wrongful Act:** If during the **Policy Period** or the **Discovery Period** the **Insureds** become aware of any circumstance or **Wrongful Act** that reasonably may be expected to give rise to a **Claim**, and if such circumstance or **Wrongful Act** is reported to the Insurer during the **Policy Period** in writing with details as to the nature and date of such circumstance or **Wrongful Act**, the identity of any potential claimant, the identity of any **Insured Person** involved in such circumstance or **Wrongful Act**, and the manner in which the **Insureds** first became aware of such circumstance or **Wrongful Act**, then any **Claim** subsequently arising from such circumstance or **Wrongful Act** shall be deemed under this Policy to be a **Claim** made during the **Policy Period** in which the circumstance or **Wrongful Act** was first duly reported to the Insurer.
9. **Limit of Liability:**
- 9.1 The Insurer's maximum aggregate Limit of Liability for all **Loss** under this Policy shall be the amount set forth in Item III of the Declarations. Amounts incurred as **Defense Costs** shall be in addition to the Limit of Liability.
- 9.2 All **Claims** arising from the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed one **Claim** and subject to a single limit of liability. Such **Claim** shall be deemed first made on the date the earliest of such **Claims** is first made, regardless of whether such date is before or during the **Policy Period**.
- 9.3 With respect to all **Claims** deemed to have been made in a **Policy Year**, should the Limit of Liability be exhausted by payment of **Loss** resulting from one or more of such **Claims**, the Insurer's duty to defend shall cease and any and all obligations of the Insurer hereunder shall be deemed to be completely fulfilled and extinguished and the Insurer shall have no further obligations hereunder of any kind or nature.
10. **Retention:** The Insurer shall be liable to pay only the amount of covered **Loss** in excess of the applicable Retention amount set forth in **Item IV** of the Declarations. Such applicable Retention shall be uninsured, shall not be applicable to **Defense Costs** and shall be borne by the **Insured Organization**.
11. **Allocation:** If a **Claim** gives rise to **Loss** covered under this Policy and loss not covered under this Policy, either because a **Claim** includes both covered and uncovered matters or both covered and uncovered parties, the **Insureds** and the Insurer shall allocate such amount between covered **Loss** and uncovered loss.
12. **Other Insurance:** If any **Loss** arising from any **Claim** is insured by other valid and collectible insurance, then this Policy shall apply only in excess of the amount of any deductibles, retentions and limits of liability under such other policy or policies, whether such other policy or policies are

stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written specifically excess of this Policy by reference in such other policy to this Policy's Policy Number.

13. Discovery Period:

- 13.1** If the Insurer or the **Parent Organization** fails or refuses to renew this Policy or if the **Parent Organization** cancels this Policy, any **Insured** shall have the right to an extension of the coverage granted by this Policy following the effective date of such cancellation or non-renewal. Such extension of coverage shall apply solely with respect to **Wrongful Acts** taking place before the effective date of such cancellation or non-renewal.
- 13.2** If the Insurer refuses to renew this Policy the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discover Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. Such Discovery Period shall be deemed fully earned as of such date. This extension shall not apply if this Policy is terminated by the Insurer for failure to pay any premium when due.
- 13.3** If the **Parent Organization** fails or refuses to renew or cancels this Policy, the **Parent Organization** may purchase a **Discovery Period** of twelve (12) month from the end of the **Policy Period**, provided that the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy within thirty (30) days of the end of the **Policy Period**. Such Discovery Period Premium shall be deemed fully earned as of such date.
- 13.4** The extension of coverage for the **Discovery Period** shall not in any way increase the Limit of Liability set forth in Item III of the Declarations. For purposes of the Limit of Liability, the **Discovery Period** is considered to be part of and not in addition to the last **Policy Year**.
- 14. Conversion to Automatic Run-off:**
- 14.1** In the event of a **Change in Control** during the **Policy Period**, coverage under this Policy shall continue until the end of the **Policy Period**, but only with respect to **Claims** for **Wrongful Acts** taking place prior to the effective date of such **Change in Control**. The entire premium for this Policy shall be deemed fully earned as of the effective date of such **Change in Control**.
- 14.2** The **Parent Organization** shall give written notice of such **Change in Control** to the Insurer as soon as practicable, together with such information as the Insurer may reasonably require.
- 15. Subrogation:** If the Insurer pays any **Loss** under this Policy, the Insurer shall be subrogated to the extent of such payment to all rights of recovery thereof. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Insurer effectively to bring suit in the name of the **Insureds**. The obligations of the **Insureds** pursuant to this Section 15 survive the termination of the **Policy Period**.
- 16. Parent Organization as Authorized Representative :** The **Insureds** agree that the **Parent Organization** shall act on their behalf with respect to all matters under this Policy,

including without limitation the giving and receiving of notices hereunder, the payment or return of premiums, and the negotiation and acceptance of endorsements.

17. Amendment, Assignment and Headings:

17.1 Any amendment to this Policy or assignment of an interest in this Policy, in whole or in part, shall be effective only if made by endorsement to this Policy signed by an authorized representative of the Insurer.

17.2 The headings to the provisions in this Policy, including those found in any endorsements attached hereto, are provided for convenience only and do not affect the construction hereof.

18. Territory: This Policy applies to **Wrongful Acts** occurring anywhere in the world, provided that a **Claim** is brought against the **Insured** within the United States of America, its territories or possessions or Canada.

19. Spousal Benefit: If a **Claim** against an **Insured Person** for a **Wrongful Act** otherwise covered under this Policy includes a claim against his/her legal spouse where the claimant asserts such claim by reason of spousal status or seeks to obtain recovery against property in which such spouse has an interest, the amount which such spouse becomes legally obligated to pay in respect of such **Claim** (including defense costs) shall be deemed the **Loss and Defense Costs** of such **Insured Person**, and subject to this Policy's terms, conditions, and exclusions. In any event, this extension shall not cover any conduct or wrongful act committed by such legal spouse.

20. Estates and Legal Representatives: In the event of the death, incapacity, or bankruptcy of an **Insured Person**, any **Claim** made against the estate, legal representatives, heirs, or the assigns of such **Insured Person** for a **Wrongful Act** by such **Insured Person** shall be deemed to be a **Claim** against such **Insured Person**.

21. Termination:

21.1 The Insurer may not cancel this Policy except for non-payment of premium when due. Such cancellation shall be effective as of the inception date of the **Policy Period**.

21.2 The **Parent Organization** may cancel this Policy by sending notice of cancellation to the Insurer. Such cancellation shall be effective on the date the Insurer receives such notice. The **Parent Organization** may not cancel this Policy in anticipation of or after the effective date of a **Change in Control**. In the event the **Parent Organization** cancels this Policy, the Insurer shall retain the customary short rate premium. Payment of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of cancellation but such payment shall be made as soon as practicable.

21.3 If the Insurer elects not to renew this Policy, the Insurer shall provide the **Parent Organization** with not less than sixty (60) days advance notice thereof.

22. Action Against Insurer:

22.1 No action shall be taken against the Insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Policy, or the amount of the **Insureds'**

obligation to pay shall have been finally determined either by judgment against the **Insureds** after actual trial, or by written agreement of the **Insureds**, the claimant and the Insurer.

22.2 No person or organization shall have the right under this Policy to join the Insurer as a party to any action against the **Insureds**, nor shall the Insurer be impleaded by the **Insureds** or their legal representatives.

23. Definitions:

23.1 **"Application"** means all signed applications, including attachments and materials submitted therewith or as a part thereof, or incorporated therein, for this Policy and for any policy in an uninterrupted series of policies issued by the Insurer of which this Policy is a direct or indirect renewal or replacement. All such applications, attachments, and materials are deemed attached to and incorporated into this Policy.

23.2 **"Change in Control"** means:

- (a) the acquisition by another entity of voting rights resulting in voting control by such other entity of more than 50% of the outstanding voting rights representing the present right to vote for election of directors or equivalent positions of the **Parent Organization**;
- (b) the merger of the **Parent Organization** into another entity such that the **Parent Organization** is not the surviving entity, or the consolidation of the **Parent Organization** with another entity; or
- (c) the loss of the **Parent Organization's** not-for-profit tax status.

23.3 **"Claim"** means:

- (a) a written demand for monetary or non-monetary relief against an **Insured**;
 - (b) the commencement of a civil or criminal judicial proceeding or arbitration against an **Insured**;
 - (c) the commencement of a formal criminal, administrative or regulatory proceeding or investigation against an **Insured**, including any brought before the Equal Employment Opportunity Commission or any similar state, local or territorial governmental agency ; or
- including any appeal therefrom. A **Claim** will be deemed first made on the date an **Insured** receives a written demand, complaint, indictment, notice of charges, or order of formal investigation.

23.4 **"Defense Costs"** means reasonable and necessary fees (including attorneys' fees and experts' fees) and expenses incurred in the defense of a **Claim** and cost of attachment or similar bonds, but shall not include the wages, salaries, benefits or expenses of any directors, officers or employees of the **Insured Organization**.

23.5 **"Discovery Period"** means the period of time set forth in Section 13.

23.6 **"Employment Practices Wrongful Act"** means:

- (a) wrongful dismissal or discharge or termination of employment, whether actual or constructive;
- (b) discrimination, whether based upon race, sex, age, national origin, religion, sexual orientation or disability;
- (d) sexual or other harassment in the workplace;
- (e) employment related misrepresentation;
- (f) violation of employment laws;
- (g) wrongful failure to employ, promote or grant tenure;
- (h) wrongful discipline; (i) negligent evaluation; (j) retaliation; and/or
- (l) failure to provide adequate workplace or employment policies or procedures.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party, Employment Practices Wrongful Act** means any actual or alleged, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Insured Person** in his/her capacity as an **Insured Person** or by the **Insured Organization**.

- 23.7 "Executive Officer"** means the president, chief executive officer, chief operating officer, chief financial officer, managing director, any executive vice president and any equivalent executive position of the **Insured Organization**.
- 23.8 "Fungi"** means any form of fungus, including but not limited to yeast, mold, mildew, rust, smut or mushroom, and any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of fungi.
- 23.9 "Insolvency"** means the status of the **Insured Organization** as a result of the appointment of any receiver, conservator, liquidator, trustee, rehabilitator or similar official to control, supervise, manage, or liquidate the **Insured Organization**, or the **Insured Organization** becoming an insolvent debtor-in-possession.
- 23.10 "Insured(s)"** means the **Insured Persons** and the **Insured Organization**. Insured(s) also means any **Property Manager**, but only if the **Property Manager** is acting pursuant to the written authority granted by the **Parent Organization** or on behalf of and at the direction of the **Parent Organization** or any **Subsidiary**.
- 23.11 "Insured Organization"** means any entity named in Item I of the Declarations and any **Subsidiary**, including any such entity operating as a debtor-in-possession.
- 23.12 "Insured Person(s)"** means one or more natural persons who were, now are, or shall hereafter be duly elected or appointed directors, trustees, officers, employees, committee members or volunteers of the **Insured Organization**, or, with respect to a **Subsidiary** operating outside the United States, their functional equivalent, regardless of title. It also means one or more natural persons who were, now are, or shall hereafter be duly elected or appointed directors, trustees, officers, employees, committee members or volunteers of any **Property Manager**, but only if

such persons are acting within the scope of their employment with the **Property Manager** and on behalf of the **Parent Organization** or any **Subsidiary**.

23.13 "Interrelated Wrongful Acts" means **Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of causally connected facts, circumstances, situations, events, transactions, or causes.

23.14 "Loss" means:

- (a) sums which the **Insureds** are legally obligated to pay solely as a result of any **Claim** insured by this Policy, including damages, judgments, settlement amounts, legal fees and costs awarded pursuant to judgments, punitive or exemplary damages, and the multiple portion of any multiplied damage award; and
- (b) any excise tax equal to ten percent (10%) of an excess benefit which has been assessed by the Internal Revenue Service against any **Insured Person** pursuant to Section 4658 of the Internal Revenue Code for participation of an organization manager in an excess benefit transaction.

Loss shall not include any other taxes, fines, penalties, or matters uninsurable pursuant to any applicable law.

23.15 "Microbes" means any non-fungal microorganisms or non-fungal colony-form organisms that causes infection or disease including but not limited to any spores, mycotoxins, odors or any other substances, products, or by products produced by, released by, or arising out of the current or past presence of microbes.

23.16 "Parent Organization" means the **Insured Organization** first named in Item I of the Declarations.

23.17 "Policy Period" means the period from the inception date set forth in Item II of the Declarations to the expiration date set forth in Item II of the Declarations, or its earlier termination pursuant to Section 21.

23.18 "Policy Year" means the period of one year following the effective date and hour of this Policy or the period of one year following any anniversary date thereof falling within the **Policy Period**; or if the time between the effective date or any anniversary date and the termination of this Policy is less than one year, such lesser period.

23.19 "Pollutants" means any substance exhibiting hazardous characteristics as is or may be identified on any list of hazardous substances issued by the United States Environmental Protection Agency, or any state, local, or foreign counterpart. This definition shall include, without limitation, any solid, liquid, gaseous or thermal irritant, or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, odors, noise, lead, oil or oil products, radiation, asbestos or asbestos-containing products, waste (including material to be recycled, reconditioned or reclaimed), and any electric, magnetic or electromagnetic field of any frequency, as well as any air emission, waste water, infectious medical waste, nuclear materials, or nuclear waste.

23.20 "Subsidiary" means any entity which qualifies as a not-for-profit organization under the Internal Revenue Code and for which the **Parent Organization** has or controls the right to elect or

appoint more than fifty percent (50%) of the Board of Directors or other governing body of such entity if such right exists:

- (a) prior to inception date of the **Policy Period**;
- (b) after the inception date of the **Policy Period** and the assets of such entity do not exceed thirty- five percent (35%) of the total consolidated assets of the **Insured Organization** as reflected in the **Parent Organization's** most recent audited consolidated financial statement;
- (c) after the inception date of the **Policy Period** and the assets of such entity exceed thirty- five percent (35%) of the total consolidated assets of the **Insured Organization** as reflected in the **Parent Organization's** most recent audited consolidated financial statement but only upon the condition that the **Parent Organization**:
 - (i) give written notice of such transaction to the Insurer within 90 days after the effective date of such transaction;
 - (i) provide the Insurer with such information as the Insurer may require; and
 - (ii) pay any additional premium required by the Insurer.

23.21 "Third Party" means any natural person who is an active or current customer, supplier, vendor, applicant, business invitee or other client of the **Insured Organization**.

23.22 "Wrongful Act" means:

- (a) any actual or alleged error, misstatement, misleading statement, act, omission, neglect, or breach of duty, or **Employment Practices Wrongful Act** committed or attempted by the **Insured Persons** in their capacities as such or by the **Insured Organization**; or
- (b) any matter claimed against the **Insured Persons** solely by reason of their status as **Insured Persons**.

23.23 "Construction Defect" means any actual or alleged defective, faulty or delayed construction or any other matter recognized as a construction defect under applicable common or statutory law, whether or not as a result of:

- (a) faulty or incorrect design or architectural plans;
- (b) improper soil testing;
- (c) inadequate or insufficient protection from subsoil, ground water or earth movement or subsidence;
- (d) the construction, manufacture or assembly of any tangible property;
- (e) the failure to provide construction related goods or services as represented or to pay for such goods or services; or
- (f) the supervision of such activities.

23.24 “Property Manager” means any entity providing real estate property management services to the **Insured Organization** pursuant to a written contract.

PHILADELPHIA INDEMNITY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ENHANCEMENT ENDORSEMENT FOR
COMMUNITY ASSOCIATION RISKS**

This endorsement modifies insurance provided under the following:

COMMUNITY ASSOCIATION EXECUTIVE ADVANTAGE POLICY

It is agreed that the Policy is hereby amended as follows:

- (1.) It is agreed that **Section 2.3** of the Policy is hereby deleted in its entirety and replaced with the following:

The Insurer has the right to negotiate the settlement of any **Claims** it deems expedient for any amount up to \$15,000. If the **Insureds** withhold consent to any negotiated settlement up to \$15,000, the Insurer shall waive payment of the Retention by the **Insured Organization** up to an amount of \$5,000. The Retention in excess of \$5,000 shall be borne by the **Insured Organization**. In addition, if the **Insureds** withhold consent to any such settlement in excess of \$15,000, the Insurer's liability for such **Claim** is limited to the amount in excess of the Retention which the Insurer would have contributed to the settlement had the **Insured** consented to the settlement, and 70 percent (70%) of any additional covered **Loss**, including **Defense Costs**, incurred subsequent to such refusal to settle.

- (2.) **Section 4.1** of the Policy is hereby deleted in its entirety and replaced with the following:

4.1 based upon, arising from, or in any way related to:

- (a) bodily injury, sickness, disease, death; or
- (b) emotional distress, mental anguish; or
- (c) damage to, destruction of, or loss of use of any tangible property;

provided, however, that part (b) of this exclusion shall not apply to any **Claim** brought by or on behalf of any **Third Person** or past, present or prospective **Insured Person** for an **Employment Practices Wrongful Act**;

PHILADELPHIA INDEMNITY INSURANCE COMPANY

(3.) **Section 4.6** of the Policy is hereby deleted in its entirety and replaced with the following:

brought or maintained by or on behalf of the **Insured** against any **Property Manager**;

(4.) **Section 4** of the Policy is hereby amended as follows:

The last paragraph of **Section 4.9** is deleted and replaced with the following:

For purposes of determining the applicability of **Sections 4.1** through **4.9**, the **Wrongful Act** of any **Insured Person** shall not be imputed to any other **Insured Person**.

(5.) **Section 6** of the Policy is hereby deleted in its entirety and replaced with the following:

6. Application Representations and Severability:

6.1 The **Insureds** represent that the statements and representations contained in the **Application** are true and shall be deemed material to the acceptance of the risk or the hazard assumed by the Insurer under this Policy. This Policy is issued in reliance upon the truth of such statements and representations.

6.2 The **Insureds** agree that if the **Application** contains any statements or representations that are untrue, this Policy shall be void as to:

(a) any **Insured Person** who knew the facts that were not truthfully disclosed, provided that such knowledge shall not be imputed to any other **Insured Person**. This provision shall also apply to the **Insured Organization** to the extent that it indemnifies such **Insured Person**; and/or

(b) the **Insured Organization**, if it is established that any director or any executive officer of the **Insured Organization** knew the facts that were not truthfully disclosed;

whether or not such director or executive officer knew of such untruthful disclosure in the Application.

Except as set forth above, and solely with respect to **Loss** that is not indemnified due to the **Insured Organization's** financial insolvency or because indemnification

PHILADELPHIA INDEMNITY INSURANCE COMPANY

is not legally permissible, this Policy shall not be rescinded by the Insurer in whole or in part for any reason, however, such coverage will be subject to all other terms, conditions and exclusions of the Policy.

(6.) **Sections 7.2 and 7.3** of the Policy are hereby deleted in their entirety and replaced with the following:

7.2 Notice of any **Claim**, circumstance, or **Wrongful Act** shall be forwarded in writing by mail, prepaid express courier, or facsimile to **[Philadelphia Insurance Companies Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, PA 19004-0950]** and shall be effective upon receipt thereof by the addressee.

7.3 In addition to the postal address set forth in **Section 7.2**, such notice may also be given in writing to the **Insurer** by email at the following email address:

claimsreport@phly.com

Your email must reference the policy number for this Policy. The date of the **Insurer's** receipt of the emailed notice shall constitute the date of notice.

(7.) **Section 9** of the Policy is hereby amended by the addition of the following:

9.4 If **Loss** becomes due and payable, the Insurer shall pay such **Loss** in the following order of priority:

- (a) The Insurer shall first pay such **Loss** on behalf of the **Insured Persons**; and
- (b) whatever amount of the Limit of Liability remains after the payment of such **Loss**, the Insurer then shall pay such **Loss** on behalf of the **Insured Organization**.

(8.) **Sections 13.2 and 13.3** of the Policy are hereby deleted in their entirety and replaced with the following:

13.2 If the Insurer refuses to renew this Policy the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discovery Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. The **Parent**

PHILADELPHIA INDEMNITY INSURANCE COMPANY

Organization shall also have the option of paying seventy percent (70%) of the annual premium for an additional twenty-four (24) months from the end of the **Automatic Discovery Period** or one hundred percent (100%) of the annual premium for an additional thirty-six (36) months from the end of the **Automatic Discovery Period**. Such Discovery Period Premium shall be deemed fully earned as of such date. This extension shall not apply if this Policy is terminated by the Insurer for failure to pay any premium when due.

- 13.3** If the **Parent Organization** fails or refuses to renew or cancels this Policy the **Parent Organization** may purchase a **Discovery Period** of twelve (12) month from the end of the **Policy Period**, provided that the **Parent Organization** pays the Insurer an additional amount equal to thirty-five percent (35%) of the annual premium of this Policy within thirty (30) days of the end of the **Policy Period**. The **Parent Organization** shall also have the option of paying seventy percent (70%) of the annual premium for an additional twenty-four (24) months from the end of the **Policy Period** or one hundred percent (100%) of the annual premium for an additional thirty-six (36) months from the end of the **Policy Period**. Such Discovery Period Premium shall be deemed fully earned as of such date

(9.) **Section 18** of the Policy is hereby deleted in its entirety and replaced with the following:

- 18. Territory:** This Policy applies to **Wrongful Acts** occurring anywhere in the world.

(10.) **Section 19** of the Policy is hereby deleted in its entirety and replaced with the following:

- 19. Spousal Benefit:** If a **Claim** against an **Insured Person** for a **Wrongful Act** otherwise covered under this Policy includes a claim against his/her legal spouse or domestic partner where the claimant asserts such claim by reason of status as a spouse or domestic partner or seeks to obtain recovery against property in which such spouse or domestic partner has an interest, the amount which such spouse or domestic partner becomes legally obligated to pay in respect of such **Claim** (including defense costs) shall be deemed the **Loss** and **Defense Costs** of such **Insured Person**, and subject to this Policy's terms, conditions, and exclusions. In any event, this extension shall not cover any conduct or wrongful act committed by such legal spouse or domestic partner.

PHILADELPHIA INDEMNITY INSURANCE COMPANY

- (11.) The definition of **Claim** under **Section 23.3** of the Policy is hereby deleted in its entirety and replaced with the following:

23.3 "Claim" means:

- (a) a written demand for monetary or non-monetary relief against an **Insured**;
- (b) the commencement of a civil or criminal judicial proceeding or arbitration against an **Insured**;
- (c) the commencement of a formal criminal, administrative or regulatory proceeding or formal investigation against an **Insured**, including any brought before the Equal Employment Opportunity Commission or any similar state, local or territorial governmental agency ;
- (d) a written request to any **Insured** by a prospective claimant to toll or waive any statute of limitation;

including any appeal therefrom. A **Claim** will be deemed first made on the date an **Insured** receives a written demand, complaint, indictment, notice of charges, or order of formal investigation.

- (12.) The definition of **Employment Practices Wrongful Act(s)** under **Section 23.6** of the Policy is hereby deleted in its entirety and replaced with the following:

23.6 "Employment Practices Wrongful Act" means:

- (a) wrongful dismissal or discharge or termination of employment, whether actual or constructive;
- (b) discrimination, whether based upon race, sex, age, national origin, religion, sexual orientation, marital status, gender identity or expression, disability, health status, military status or other protected status established under federal, state or local law;
- (c) sexual harassment, whether quid pro quo or hostile work environment, or other unlawful harassment or bullying in the workplace;
- (d) employment related misrepresentation;
- (e) violation of employment laws;

PHILADELPHIA INDEMNITY INSURANCE COMPANY

- (f) wrongful deprivation of career opportunity, wrongful demotion, or wrongful failure to employ, promote or grant tenure;
- (g) wrongful discipline;
- (h) wrongful evaluation, supervision, training or retention of employees;
- (i) retaliation; and/or
- (j) failure to provide adequate workplace or employment policies or procedures.

Solely with respect to any **Claim** brought by or on behalf of any **Third Party**, **Employment Practices Wrongful Act** means any actual or alleged, discrimination, sexual harassment or violation of such **Third Party's** civil rights in relation to such discrimination or sexual harassment, whether direct, indirect, or unintentional, committed by an **Insured Person** in his/her capacity as an **Insured Person** or by the **Insured Organization**.

- (13.) The definition of **Pollutants** under **Section 23.19** of the Policy is hereby amended as follows:

The word "noise" is deleted.

- (14.) The definition of **Third Party** under **Section 23.21** of the Policy is hereby deleted in its follows:

23.21 "Third Party" means any natural person who is not an employee or applicant for employment.

All other terms, conditions, and exclusions of this Policy remain unchanged.

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

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

I. SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS

The following is a summary of Limits of Liability or Limits of Insurance and/or additional coverages provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

COVERAGE	LIMITS OF INSURANCE
Business Travel Accident Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Assurance	\$50,000
Emergency Real Estate Consulting Fee	\$50,000
Fundraising Event Blackout	\$25,000
Identity Theft Expense	\$50,000
Image Restoration and Counseling	\$50,000
Key Individual Replacement Expenses	\$50,000
Kidnap Expense	\$50,000
Political Unrest	\$5,000 per employee: \$25,000 policy limit
Temporary Meeting Space Reimbursement	\$25,000
Terrorism Travel Reimbursement	\$50,000
Travel Delay Reimbursement	\$1,500
Workplace Violence Counseling	\$50,000

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable.

B. Limits of Liability or Limits of Insurance

1. When coverage is provided by this endorsement and another coverage form or endorsement attached to this policy, the greater limits of liability or limits of insurance will apply. In no instance will multiple limits apply to coverages which may be duplicated within this policy. Additionally, if this policy and any other coverage part or policy issued to you by us, or any company affiliated with us, apply to the same occurrence, offense, wrongful act, accident or loss, the maximum limits of liability or limits of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limits of liability or limits of insurance under any one coverage part or policy.
2. Limits of liability or limits of insurance identified in Section I. **SCHEDULE OF ADDITIONAL COVERAGES AND LIMITS** above are not excess of, but are in addition to the applicable Limits of Liability or Limits of Insurance stated in the Declarations.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. Business Travel Accident Benefit

We will pay a Business Travel Accident Benefit to the insured if a director or officer suffers injury or death while traveling on a common carrier for your business during the policy period.

For the purpose of Business Travel Accident Benefit coverage, injury means:

1. Physical damage to the body caused by violence, fracture, or an accident that results in loss of life not later than one hundred eighty (180) days after the policy expiration, the date of cancellation or the date of non-renewal;
2. Accidental loss of limbs or multiple fingers;
3. Total loss of sight, speech or hearing.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

The Business Travel Accident Benefit shall not be payable if the cause of the injury was:

1. An intentional act by the insured;
2. An act of suicide or attempted suicide;
3. An act of war; or
4. A disease process.

B. Conference Cancellation

We will reimburse the insured for any business-related conference expenses, paid by the insured and not otherwise reimbursed, for a canceled conference that an employee was scheduled to attend. The cancellation must be due directly to a "natural catastrophe" or a "communicable disease" outbreak that forces the cancellation of the conference.

With respect to a conference cancellation claim, it is further agreed as follows:

1. The insured employee must have registered for the conference at least thirty (30) days prior to the cancellation; and
2. The cancellation must be ordered by a local, state or federal Board of Health or other governmental authority having jurisdiction over the location of the conference.

The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

C. Donation Assurance

If the insured is a 501(c)(3) status non-profit organization as defined in the United States Internal Revenue Code, we will reimburse the insured for "failed donation claim(s)."

With respect to any "failed donation claim," it is further agreed as follows:

1. The donor must not have been in bankruptcy, nor have filed for bankruptcy or reorganization in the past seven (7) years prior to the time said pledge was made to the insured;
2. For non-cash donations, our payment of a "failed donation claim" shall be based on the fair market value of said non-cash donation at the time of the "failed donation claim";
3. In the case of unemployment or incapacitation of a natural person donor and as a condition of payment of the "failed donation claim":
 - a. Neither the natural person donor nor the insured shall have had reason to believe the donor would become unemployed or incapacitated subsequent to the donation date; and
 - b. The donor shall be unemployed for at least sixty (60) days prior to a claim being submitted by the insured;
4. No coverage shall be afforded for a written pledge of funds or other measurable, tangible property to the insured dated prior to the policy period; and
5. A donation amount which is to be collected by the insured over more than a twelve (12) month period shall be deemed a single donation.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

D. Emergency Real Estate Consulting Fee

We will reimburse the insured any realtor's fee or real estate consultant's fee necessitated by the insured's need to relocate due to the "unforeseeable destruction" of the insured's "principal location" listed in the Declarations during the policy period. The limit of insurance for this

coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

E. Fundraising Event Blackout

We will reimburse the insured for “fundraising expenses” that are incurred due to the cancellation of a fundraising event caused by the lack of electric supply resulting in a power outage, provided the fundraising event is not re-scheduled. The fundraising event must have been planned at least thirty (30) days prior to the power outage. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

F. Identity Theft Expense

We will reimburse any present director or officer of the named insured for “identity theft expenses” incurred as the direct result of any “identity theft” first discovered and reported during the policy period; provided that it began to occur subsequent to the effective date of the insured’s first policy with us. The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

G. Image Restoration and Counseling

We will reimburse the insured for expenses incurred for image restoration and counseling arising out of “improper acts” by any natural person.

Covered expenses are limited to:

1. The costs of rehabilitation and counseling for the accused natural person insured, provided the natural person insured is not ultimately found guilty of criminal conduct; this reimbursement to occur after acquittal of the natural person insured;
2. The costs charged by a recruiter or expended on advertising, for replacing an officer as a result of “improper acts”; and
3. The costs of restoring the named insured’s reputation and consumer confidence through image consulting.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

H. Key Individual Replacement Expenses

We will pay “key individual replacement expenses” if the Chief Executive Officer or Executive Director suffers an “injury” during the policy period which results in the loss of life during the policy period. The limit of insurance for this coverage is the lesser of \$50,000 or ten (10) times the annual premium paid for this policy. No deductible applies to this coverage.

I. Kidnap Expense

We will pay on behalf of any director or officer of the insured, reasonable fees incurred as a result of the kidnapping of them or their spouse, “domestic partner,” parent or child during the policy period. Coverage will not apply to any kidnapping by or at the direction of any present or former family member of the victim.

Reasonable fees will include:

1. Fees and costs of independent negotiators;
2. Interest costs for any loan from a financial institution taken by you to pay a ransom demand or extortion threat;
3. Travel costs and accommodations incurred by the named insured;
4. Reward money paid to an informant which leads to the arrest and conviction of parties responsible for loss covered under this insurance; and
5. Salary, commissions and other financial benefits paid by you to a director or officer. Such compensation applies at the level in effect on the date of the kidnap and ends upon the earliest of:
 - a. Up to thirty (30) days after their release, if the director or officer has not yet returned to work;
 - b. Discovery of their death;
 - c. One hundred twenty (120) days after the last credible evidence following abduction that they are still alive; or
 - d. Twelve (12) months after the date of the kidnapping.

The limit of insurance for this coverage is \$50,000 each policy period for all insureds combined. No deductible applies to this coverage.

J. Political Unrest Coverage

We will reimburse any present director, officer, employee or volunteer of the named insured while traveling outside the United States of America for "emergency evacuation expenses" that are incurred as a result of an incident of "political unrest." This "political unrest" must occur during the policy period. No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel. The limit of insurance for this coverage is \$5,000 per covered person, subject to a maximum of \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

K. Temporary Meeting Space Reimbursement

We will reimburse the insured for rental of meeting space which is necessitated by the temporary unavailability of the insured's primary office space due to the failure of a climate control system, or leakage of a hot water heater during the policy period. Coverage will exist only for the renting of temporary meeting space required for meeting with parties who are not insured under this policy. The limit of insurance for this coverage is \$25,000 per policy period for all insureds combined. No deductible applies to this coverage.

L. Terrorism Travel Reimbursement

We will reimburse any present director or officer of the named insured in the event of a "certified act of terrorism" during the policy period which necessitates that he/she incurs "emergency travel expenses." The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

M. Travel Delay Reimbursement

We will reimburse any present director or officer of the named insured for any "non-reimbursable expenses" they incur as a result of the cancellation of any regularly scheduled business travel on a common carrier. The limit of insurance for this coverage is \$1,500 per policy period for all insureds combined. A seventy-two (72) hour waiting period deductible applies to this coverage.

N. Workplace Violence Counseling

We will reimburse the insured for emotional counseling expenses incurred directly as a result of a "workplace violence" incident at any of the insured's premises during the policy period. The emotional counseling expenses incurred must have been for:

1. Your employees who were victims of, or witnesses to the "workplace violence";
2. The spouse, "domestic partner," parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and
3. Any other person or persons who directly witnessed the "workplace violence" incident.

The limit of insurance for this coverage is \$50,000 per policy period for all insureds combined. No deductible applies to this coverage.

IV. DEFINITIONS

For the purpose of this endorsement, the following definitions apply:

- A. "Certified act of terrorism" means any act so defined under the Terrorism Risk Insurance Act, and its amendments or extensions.
- B. "Communicable disease" means an illness, sickness, condition or an interruption or disorder of body functions, systems or organs that is transmissible by an infection or a contagion directly or indirectly through human contact, or contact with human fluids, waste, or similar agent, such as, but not limited to Meningitis, Measles or Legionnaire's Disease.
- C. "Domestic partner" means any person who qualifies as a domestic partner under the provisions of any federal, state or local statute or regulation.
- D. "Emergency evacuation expenses" mean:
 1. Additional lodging expenses;
 2. Additional transportation costs;
 3. The cost of obtaining replacements of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
 4. Translation services, message transmittals and other communication expenses.

provided that these expenses are not otherwise reimbursable.

- E. "Emergency travel expenses" mean:

1. Hotel expenses incurred which directly result from the cancellation of a scheduled transport by a commercial transportation carrier, resulting directly from and within forty-eight (48) hours of a "certified act of terrorism"; and
2. The increased amount incurred which may result from re-scheduling comparable transport, to replace a similarly scheduled transport canceled by a commercial transportation carrier in direct response to a "certified act of terrorism";

provided that these expenses are not otherwise reimbursable.

F. "Failed donation claim" means written notice to the insured during the policy period of:

1. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured; or
2. The unemployment or incapacitation of a natural person donor preventing him/her from honoring a prior written pledge of funds or other measurable, tangible property to the insured.

G. "Fundraising expenses" mean deposits forfeited and other charges paid by you for catering services, property and equipment rentals and related transport, venue rentals, accommodations (including travel), and entertainment expenses less any deposits or other fees refunded or refundable to you.

H. "Identity theft" means the act of knowingly transferring or using, without lawful authority, a means of identification of any director or officer (or spouse or "domestic partner" thereof) of the named insured with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.

I. "Identity theft expenses" mean:

1. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies;
2. Costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors; and
3. Loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.

J. "Improper acts" means any actual or alleged act of:

1. Sexual abuse;
2. Sexual intimacy;
3. Sexual molestation; or
4. Sexual assault;

committed by an insured against any natural person who is not an insured. Such "improper acts" must have been committed by the insured while in his or her capacity as an insured.

K. "Injury" whenever used in this endorsement, other than in Section III. A. **Business Travel**,

means any physical damage to the body caused by violence, fracture or an accident.

L. “Key individual replacement expenses” mean the following necessary expenses:

1. Costs of advertising the employment position opening;
2. Travel, lodging, meal and entertainment expenses incurred in interviewing job applicants for the employment position opening; and
3. Miscellaneous extra expenses incurred in finding, interviewing and negotiating with the job applicants, including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up an employment contract.

M. “Natural catastrophe” means hurricane, tornado, earthquake or flood.

N. “Non-reimbursable expenses” means the following travel-related expenses incurred after a seventy-two (72) hour waiting period, beginning from the time documented on the proof of cancellation, and for which your director or officer produces a receipt:

1. Meals and lodging;
2. Alternative transportation;
3. Clothing and necessary toiletries; and
4. Emergency prescription and non-prescription drug expenses.

O. “Political unrest” means:

1. A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
2. A long-term condition of disturbance, turmoil or agitation that makes a foreign country dangerous or unstable for citizens of the United States; or
3. A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government’s ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff

for which either an alert or travel warning has been issued by the United States Department of State.

P. “Principal location” means the headquarters, home office or main location where most business is substantially conducted.

Q. “Unforeseeable destruction” means damage resulting from a “certified act of terrorism,” fire, collision or collapse which renders all of the insured’s “principal locations” completely unusable.

R. “Workplace violence” means any intentional use of or threat to use deadly force by any person with intent to cause harm and that results in bodily “injury” or death of any person while on the insured’s premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**FLORIDA AMENDATORY
ENDORSEMENT**

This endorsement modifies and is subject to the insurance provided under the following:

Community Association Executive Advantage Policy

The policy is amended as follows:

- A.** Paragraphs **13.2** and **13.3** of section **13. Discovery Period** are deleted in their entirety and replaced by the following:

13.2 If the Insurer refuses to renew this Policy the **Discovery Period** shall be the period of ninety (90) days from the end of the **Policy Period**, and there shall be no charge for this **Automatic Discovery Period** of ninety (90) days. If prior to the end of the **Automatic Discovery Period** the **Parent Organization** pays an additional premium amount in accordance with the Insurer's approved rates and rules, the term of the **Discovery Period** shall be extended for an additional twelve (12) months from the end of the **Automatic Discovery Period**. Such Discovery Period Premium shall be deemed fully earned as of such date. This extension shall not apply if this Policy is terminated by the Insurer for failure to pay any premium when due.

13.3 If the **Parent Organization** fails or refuses to renew or cancels this Policy the **Parent Organization** may purchase a **Discovery Period** of twelve (12) months from the end of the **Policy Period**, provided that the **Parent Organization** pays an additional premium amount in accordance with the Insurer's approved rates and rules within thirty (30) days of the end of the **Policy Period**. Such Discovery Period Premium shall be deemed fully earned as of such date.

- B.** Paragraph **23.14 "Loss"** of section **23. Definitions** is deleted in its entirety and replaced by the following:

C.

23.14 "Loss" means:

- (a) sums which the **Insureds** are legally obligated to pay solely as a result of any **Claim** insured by this Policy, including damages, judgments, settlement amounts, legal fees and costs awarded pursuant to judgments, and the multiple portion of any multiplied damage award; and

- (b) any excise tax equal to ten percent (10%) of an excess benefit which has been assessed by the Internal Revenue Service against any **Insured Person** pursuant to Section 4658 of the Internal Revenue Code for participation of an organization manager in an excess benefit transaction.

Loss shall not include any other taxes, fines, penalties, or matters uninsurable pursuant to any applicable law. **Loss** shall also not include punitive or exemplary damages except for vicarious liability.

- D. Paragraph **23.19 "Pollutants"** of section **23. Definitions** is deleted in its entirety and replaced by the following:

23.19 "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- D. Section **21. Termination** is deleted in its entirety and replaced by the following:

21. Termination:

- 21.1** The Insurer may cancel this Policy only for non-payment of premium by mailing to the **Parent Organization** written notice of cancellation at least ten (10) days prior to the effective date of cancellation. Written notice shall state the reason for cancellation.
- 21.2** The **Parent Organization** may cancel this Policy by sending notice of cancellation to the Insurer. Such cancellation shall be effective on the date the Insurer receives such notice. The **Parent Organization** may not cancel this Policy in anticipation of or after the effective date of a **Change in Control**. In the event the **Parent Organization** cancels this Policy, the Insurer shall retain the customary short rate premium. Payment of any unearned premium by the Insurer shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be mailed to the **Parent Organization** within fifteen (15) working days after the effective date of cancellation.
- 21.3** If the Insurer elects not to renew this Policy, the Insurer shall provide the **Parent Organization** with not less than sixty (60) days notice prior to the end of the **Policy Period**. Written notice shall state the reason for non-renewal.
- 21.4** The Insurer will mail notices of cancellation and non-renewal to the **Parent Organization** at the mailing address stated in the Declarations. Proof of mailing shall be sufficient proof of notice.

All other terms, conditions, and exclusions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism subject to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy.

Policy Number: PCAP018689-0318

Named Insured: Champlain Towers South Condominium Association, Inc.


PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

 One Bala Plaza, Suite 100
 Bala Cynwyd, Pennsylvania 19004
 610.617.7900 Fax 610.617.7940
 PHLY.com
Terrorism Premium (Certified Acts) [REDACTED]

PHILADELPHIA INSURANCE COMPANIES DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE REJECTION OPTION

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act:* The term “act of terrorism” means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 and 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED ABOVE AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Your attached proposal (or policy) includes a charge for terrorism. We will issue (or have issued) your policy with terrorism coverage unless you decline by placing an “X” in the box below.

NOTE 1: You will want to check with entities that have an interest in your organization as they may require that you maintain terrorism coverage (e.g. mortgagees).

	I decline to purchase terrorism coverage. I understand that I will have no coverage for losses arising from “certified” acts of terrorism.
--	---

 INSURED’S SIGNATURE _____
 DATE _____

PHILADELPHIA INDEMNITY INSURANCE COMPANY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**U.S. ECONOMIC AND TRADE SANCTIONS CLAUSE
ENDORSEMENT**

This endorsement modifies and is subject to the insurance provided under the following:

Community Association Executive Advantage Policy

The policy is amended as follows:

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

All other terms, conditions, and exclusions of this Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS MANAGEMENT ENHANCEMENT ENDORSEMENT

Unless otherwise stated herein, the terms, conditions, exclusions and other limitations set forth in this endorsement are solely applicable to coverage afforded by this endorsement, and the policy is amended as follows:

Solely for the purpose of this endorsement: 1) The words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. 2) The words "we," "us" and "our" refer to the company providing this insurance.

I. SCHEDULE OF ADDITIONAL COVERAGE AND LIMITS

The following is the Limit of Liability provided by this endorsement. This endorsement is subject to the provisions of the policy to which it is attached.

Crisis Management Expense	\$25,000
---------------------------	----------

II. CONDITIONS

A. Applicability of Coverage

Coverage provided by your policy and any endorsements attached thereto is amended by this endorsement where applicable. All other terms and conditions of the policy or coverage part to which this endorsement is attached remain unchanged.

B. Limits of Liability or Limits of Insurance

When coverage is provided by this endorsement and any other coverage form or endorsement attached to this policy, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Liability or Limit of Insurance.

C. Claim Expenses

Coverages provided herein are not applicable to the generation of claim adjustment costs by you; such as fees you may incur by retaining a public adjuster or appraiser.

III. ADDITIONAL COVERAGES

A. We will reimburse you for "crisis management emergency response expenses" incurred because of an "incident" giving rise to a "crisis" to which this insurance applies. The amount of such reimbursement is limited as described in Section II. **CONDITIONS, B. Limits of Liability or Limits of Insurance**. No other obligation or liability to pay sums or perform acts or services is covered.

B. We will reimburse only those "crisis management emergency response expenses" which are incurred during the policy period as shown in the Declarations of the policy to which this coverage is attached and reported to us within six (6) months of the date the "crisis" was initiated.

IV. DEFINITIONS

- A.** "Crisis" means the public announcement that an "incident" occurred on your premises or at an event sponsored by you.
- B.** "Crisis management emergency response expenses" mean those expenses incurred for services provided by a "crisis management firm." However, "crisis management emergency response expenses" shall not include compensation, fees, benefits, overhead, charges or expenses of any insured or any of your employees, nor shall "crisis management emergency response expenses" include any expenses that are payable on your behalf or reimbursable to you under any other valid and collectible insurance.
- C.** "Crisis management firm" means any service provider you hire that is acceptable to us. Our consent will not be unreasonably withheld.
- D.** "Incident" means an accident or other event, including the accidental discharge of pollutants, resulting in death or "serious bodily injury" to three or more persons.
- E.** "Serious bodily injury" means any injury to a person that creates a substantial risk of death, serious permanent disfigurement, or protracted loss or impairment of the function of any bodily member or organ.

PHILADELPHIA INDEMNITY INSURANCE COMPANY**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAGE AND HOUR ENDORSEMENT**

This endorsement modifies and is subject to the insurance provided under the following:

Community Association Executive Advantage Policy

The policy is amended as follows:

In consideration of the premium paid, it is hereby understood and agreed that this Policy is amended as follows:

1. The following sublimited coverage shall be added to this Policy subject to all terms and conditions unless noted herein:

WAGE AND HOUR EXPENSE COSTS SUBLIMIT

The Insurer shall pay on behalf of the **Insureds** for **Wage and Hour Expense Costs** incurred by the **Insured Organization** with the Insurer's consent, resulting from a **Wage and Hour Wrongful Act** that is brought and maintained by or on behalf of any past or present full-time, part-time or leased employee of the **Insured Organization**. The **Wage and Hour Wrongful Act** must first be made against such **Insured Organization** during the **Policy Period** for a **Wrongful Act** taking place before or during the **Policy Period**.

2. As respects coverage afforded by this Endorsement, Section 7. REPORTING REQUIREMENTS is amended to include the following:

If an **Insured Organization** chooses to seek coverage for a **Wage and Hour Wrongful Act**, they must notify the Insurer in writing as soon as practicable after any **Executive Officer** becomes aware of such **Wage and Hour Wrongful Act**, but in no event later than 90 days after the end of the **Policy Period**, if applicable.

Notice of any Wage and Hour Wrongful Act shall be forwarded to **[Philadelphia Insurance Companies Attention: Claims Department, One Bala Plaza Suite 100, Bala Cynwyd, PA 19004-0950]** claimsreport@phly.com

All notices under this **Policy** shall be sent in writing by mail, email, prepaid express courier or facsimile and shall be effective upon receipt thereof by the addressee.

3. For purposes of coverage provided by this Endorsement, the following exclusion shall apply:

The Insurer shall not be liable for **Loss** on account of any **Claim** made against any **Insured** for an actual or alleged violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (except the Equal Pay Act) or any other similar state or local law concerning wage and hour practices, including but not limited to any **Claim** for overtime, off-the-clock work, failure to provide rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversion, unjust enrichment or unfair business practices; however, the Insurer shall

PHILADELPHIA INDEMNITY INSURANCE COMPANY

provide an Aggregate Sublimit of Liability of \$150,000 and subject to a Retention of \$1,000 for **Wage and Hour Expense Costs**.

Such Sublimit of Liability shall be part of, and not in addition to, the Limit of Liability applicable to this coverage part.

4. For purposes of this Endorsement, the following definitions shall apply:

Wage and Hour Wrongful Act means any actual or alleged violation of the responsibilities or duties imposed by any federal, state or local statutory or common law (including, but not limited to, the Fair Labor Standards Act) governing wage, hour and payroll practices, including but not limited to any overtime, off-the-clock work, failure to provide rest or meal periods, failure to reimburse expenses, improper classification of employees as exempt or non-exempt, failure to timely pay wages, conversion, unjust enrichment or unfair business practices (excluding the Equal Pay Act, as amended).

Wage and Hour Expense Costs means the reasonable costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses (other than regular or overtime wages, salaries or fees of the directors, officers or employees of the **Insured Organization** or other overhead of the **Insured Organization**) incurred by the **Insureds** in defending a **Wage and Hour Wrongful Act** against such **Insured** and the premium for appeal, attachment or similar bonds although the Insurer has no obligation to apply for or secure such bond.

All other terms, conditions, and exclusions of this Policy remain unchanged.

CYBER SECURITY LIABILITY ENDORSEMENT

Effective Date: 12/28/20

Policy Number: PCAP018689-0318

Issued To: Champlain Towers South Condominium Association, Inc.

NOTICE: INSURING AGREEMENTS B. AND C. INCLUDE CLAIMS MADE AND REPORTED COVERAGE. CLAIMS MADE AND REPORTED COVERAGE REQUIRES CLAIMS TO BE FIRST MADE AGAINST THE INSURED AND REPORTED TO THE COMPANY DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD.

CLAIM EXPENSES ARE INCLUDED WITHIN THE APPLICABLE LIMIT OF INSURANCE SHOWN ON THE SCHEDULE ANY CLAIM EXPENSES PAID UNDER THIS COVERAGE FORM WILL REDUCE THE APPLICABLE LIMITS OF INSURANCE AND MAY EXHAUST THEM COMPLETELY.

PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.

In consideration of the payment of the premium and in reliance upon all statements and information furnished to **us** including all statements made in the application, its attachments and the material incorporated therein, which are incorporated herein and deemed to be a part of this policy, **we** agree as follows:

SCHEDULE

INSURING AGREEMENTS	
A. Security Event Costs	\$100,000 each Security Event
B. Network Security and Privacy Liability Coverage	\$100,000 each Claim
C. Employee Privacy Liability Coverage	\$100,000 each Claim
D. Customer Notification Expenses Sublimit	\$50,000 each Security Event
E. Public Relations Expenses Sublimit	\$50,000 each Security Event
CYBER SECURITY ENDORSEMENT AGGREGATE LIMIT OF INSURANCE	\$100,000 all Loss
THIS ENDORSEMENT IS SUBJECT TO THE AGGREGATE LIMIT SHOWN IN THE DECLARATIONS OF THE FOLLOWING COVERAGE PART: COVERAGE PART: Community Association Executive Advantage AGGREGATE LIMIT: \$1,000,000	

I. Deductibles (applicable only to the following)

INSURING AGREEMENTS	DEDUCTIBLE
A. Security Event Costs	\$1,000 Each Security Event
B. Network Security and Privacy Liability Coverage	\$1,000 Each Claim
C. Employee Privacy Liability Coverage	\$1,000 Each Claim

II. Continuity and Retroactive Dates

INSURING AGREEMENTS	CONTINUITY DATE	RETROACTIVE DATE
A. Security Event Costs	n/a	12/28/19
B. Network Security and Privacy Liability Coverage	12/28/19	12/28/19
C. Employee Privacy Liability Coverage	12/28/19	12/28/19

Unless otherwise stated, the terms and conditions of this endorsement apply only to the coverage provided by this endorsement.

Throughout this endorsement the words "you" and "your" refer to the **Named Insured**. The words "we," "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in bold face type have a special meaning found in Section **III. DEFINITIONS**.

Various provisions in this endorsement restrict coverage. Read the entire endorsement carefully to determine **your** rights, duties and what is and is not covered.

We will provide coverage only for those insuring agreements for which a premium has been paid as indicated in the **SCHEDULE** to this endorsement. Our obligation to provide coverage ends when the applicable limit of insurance has been paid.

I. INSURING AGREEMENTS**A. Security Event Costs**

We will reimburse you for **security event costs** incurred that are the direct result of a **security breach, privacy breach**, or breach of **privacy regulations** if:

1. the breach first happens after the applicable **retroactive date**;
2. the breach is first discovered by a **knowledgeable person** during the **policy period** and reported to us as soon as practicable but no later than 60 days after the end of the **policy period**; and
3. the breach involves a violation of a statute, rule, or regulation or your failure to provide required notice to affected individuals pursuant to a consent decree, judgment or settlement entered into with our prior written consent.

B. Network Security and Privacy Liability Coverage

We will pay **damages** you are legally obligated to pay and **claim expenses** incurred as a result of a **security breach** or **privacy breach** if:

1. the breach first happens after the applicable **retroactive date**;
2. the **claim** resulting from the breach is first made during the **policy period** and reported to us within 60 days after the end of the **policy period**.

C. Employee Privacy Liability Coverage

We will pay **damages** you are legally obligated to pay and **claim expenses** incurred as a result of injury to your **employee** caused by a **privacy breach** or the breach of **privacy regulations** if:

1. the breach first happens after the applicable **retroactive date**; and
2. the **claim** resulting from the breach is first made during the **policy period** and reported to us within 60 days after the end of the **policy period**.

II. INVESTIGATION, DEFENSE AND SETTLEMENT

A. Our Right to Investigate, Defend and Settle

1. We have the right to retain counsel to investigate and respond to a **security breach, privacy breach**, or breach of **privacy regulations** covered by this endorsement.
2. We have the right and duty to retain counsel to defend a **claim** or suit seeking to recover **damages** covered by this endorsement. If we are

prohibited by applicable law from exercising our right to defend we will pay **reasonable and necessary legal fees**.

3. We have no duty to retain counsel, defend or pay any **loss** after the applicable limit of liability has been paid.

III. DEFINITIONS

The following definitions apply to the singular and plural forms of the words or terms:

- A. **Act of terrorism** means any violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion.
- B. **Adverse media report** means a broadcast or publication to the general public of a **newsworthy event**.
- C. **Bodily injury** means physical injury, sickness, disease, disability, mental anguish, mental injury or emotional distress sustained by a person, including death resulting therefrom at any time.
- D. **Claim** means a written demand received by you for **damages** or **non-monetary relief**, including the service of suit, an arbitration demand, an investigation or proceeding brought by a State's Attorney General or an enforcement action brought by the Federal Trade Commission to protect the privacy rights of consumers that results from a **security breach, privacy breach**, or breach of **privacy regulations**.
- E. **Claim expenses** mean:
 1. **Reasonable and necessary legal fees**;
 2. expenses incurred in the investigation, adjustment, defense, resolution or appeal of a **claim** or circumstances a **knowledgeable person** reasonably believes are likely to result in a **claim**; and
 3. the premium required to post a bond to appeal a judgment that is within the applicable limit of liability.
- F. **Computer hardware** means the physical components of any **computer system** including CPU's, memory storage devices, storage media, and input/output devices and other peripheral devices and components including but not limited to cable, connectors, fiber optics, networking equipment, **electronic data** storage

devices, input and output devices, backup facilities, wire, power supply units, keyboards, display monitors and audio speakers.

- G. **Computer program(s)** means an organized set of instructions that, when executed, causes a computer to behave in a predetermined manner. **Computer program(s)** include but are not limited to communications, networking, operating system, and internet hosting applications, data processing and related computer programs used to create, maintain, modify, process, retrieve, store, and/or transmit **electronic data**.
- H. **Computer system** means an electronic, wireless, web or similar systems (including all **computer hardware**, **computer programs** and **electronic data**) used to process data or information in an analog, digital, electronic or wireless format, including but not limited to, associated input and output devices, data storage devices, networking equipment, wired or wireless peripherals, electronic backup facilities, and media libraries, that is owned or leased, operated and controlled by you or operated by an authorized independent contractor.
- I. **Continuity date** means the dates set forth as such in the **SCHEDULE** applicable to the relevant insuring agreement.
- J. **Corporate Information breach** means public disclosure of an organization's non-public information that:
 - 1. is in your care, custody or control; and
 - 2. was provided to you under a written confidentiality/non-disclosure agreement.
- K. **Credit protection services** means free credit report, identity theft protection services, credit monitoring services, credit freezes or fraud alerts provided to the affected individuals as appropriate. We will pay only pay for the reasonable and necessary costs and expenses incurred in providing Credit **protection services** to an affected individual for a period of twelve (12) months beginning on the date of your discovery of the **security breach** or **privacy breach**, unless a longer period is required by a statute, rule, regulation, or agreement entered into with our prior written consent.
- L. **Customer notification expenses** means expenses you are obligated to incur to comply with state or federal privacy legislation mandating notification in the event of the actual or suspected **unauthorized access** by a third party to non-public personal, financial or medical information of an individual. **Customer notification expenses** include postage and other expenses you incur to provide the required notification but do not include **public relations expenses** or amounts paid to a consultant or for vendor services.

M. Damages means a monetary judgment, award, or settlement, including punitive damages or exemplary damages where not prohibited by any potentially applicable law.

Damages does not mean:

1. multiplied damage awards, fines, taxes, sanctions, statutory penalties, or attorneys fees whether imposed by law, court or otherwise.
2. future profits, restitution, or disgorgement of profits or lost income; or the cost to comply with orders granting injunctive relief, including specific performance, or any agreement to provide such relief;
3. Return, reduction, loss, restitution or offset of fees, charges, royalties, lost profits or commissions for goods or services already provided or contracted to be provided;
4. Liquidated damages, fines or penalties owed under the terms of a contract, judgment, consent decree or settlement;
5. Any amount that may be deemed uninsurable under the law pursuant to which this policy may be construed;
6. Costs or expenses incurred to comply with injunctive, non-monetary or declaratory relief including specific performance or any agreement to provide such relief;
7. Costs or expenses incurred to convert, re-perform or complete any work; or
8. Discounts, coupons, refunds or other incentives offered to your customers or clients.

N. Denial of service means unauthorized or unexpected interference or malicious attack by any person(s) or entity(ies) that restricts or prevents access to a **computer system** by persons or entities authorized to gain access to the **computer system** or **digital assets**.

O. Digital assets mean **electronic data** and **computer programs** that exist in a **computer system**. **Digital assets** do not include **computer hardware**.

P. Electronic data means machine-readable information that exists in a **computer system**, including but not limited to your business information and customer information, other than **computer programs**.

Q. Electronic media means floppy disks, CD ROM's, hard drives, magnetic tapes, magnetic discs, or any other media on which **electronic data** is recorded or stored.

- R. Employee(s)** means any individual in your service, including any part-time, seasonal, and temporary **employee**, who is compensated by salary, wages, fees or commissions and whom you have the right to direct and control, but excluding any of your partners, officers or directors. **Employee(s)** also include leased workers and independent contractors while acting on your behalf who you have agreed to indemnify in a written contract. **Employee(s)** also includes volunteers and un-paid interns in your service while performing duties equivalent to those of an employee, who have signed your **privacy policy**.
- S. Endorsement aggregate limit** means the ENDORSEMENT AGGREGATE LIMIT OF INSURANCE for this policy set forth in the **SCHEDULE**.
- T. Insured** means the **Named Insured** and a Director or Officer of a Named Insured for liability that results from his or her performance of the duties owed to the **Named Insured**.
- U. Knowledgeable person** means your Managing Partner, President, Executive Director, Chairman, Chief Information Officer, Chief Technology Officer, Chief Security Officer, Risk Manager, General Counsel or a person holding a similar position.
- V. Knowingly wrongful conduct** means dishonest, fraudulent, criminal or malicious act, error or omission, or any intentional or knowing violation of the law, or gaining of any profit or advantage to which an **insured** is not legally entitled;
- W. Loss** means all amounts we are obligated to pay under this endorsement and includes **claim expenses**. **Loss** does not mean and we have no duty to pay or reimburse you for:
1. Restoring, updating or replacing **digital assets**;
 2. Physical damage to the **computer hardware** or data center
 3. Contractual penalties, liquidated or consequential damages, except those penalties or damages that the **insured** would be liable for in the absence of a contract or agreement;
 4. Economic or market value of **digital assets**; or
 5. Costs or expenses incurred to repair, restore, remediate, replace, reprogram, redesign, reconfigure, maintain, identify, patch, remove, or eradicate software program errors or **computer system** vulnerabilities; or to restore the **computer system**.

- X. **Malicious code** means unauthorized and corrupting or harmful computer code, including not limited to computer viruses, spy ware, Trojan horses, worms, logic bombs, and mutations of any of the preceding.
- Y. **Named Insured** means the entity or entities identified in Item One of the Declarations to this Policy or in this endorsement as a Named **Insured**.
- Z. **Non-monetary relief** means a written demand for non-economic redress of an injury.
- AA. **Newsworthy event** means an actual or potential **privacy breach**, **security breach**, or violation of **privacy regulations** that has or is reasonably likely to be publicized to the general public through a media outlet.
- BB. **Personally identifiable information** means any individual's name in combination with any one or more of the following, whether in electronic or paper format:
 - 1. Social security number;
 - 2. Driver's license number or any other state identification number;
 - 3. Non-public medical or healthcare data including protected health information;
 - 4. Any account number, or credit or debit card number in combination with any required password, access or other security code that would permit access to the financial account;
 - 5. Non-public personal information as defined in any **privacy regulation**; or
 - 6. An animal's name in combination with veterinary records or details of services deemed confidential under applicable law.
- CC. **Policy period** means the period of time from the effective date to the expiration date specified in the Declarations of the policy to which this endorsement is attached
- DD. **Pollutants** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- EE. **Privacy breach** means a common law or statutory breach of confidence or violation of any common law or statutory rights to privacy, including but not limited to breach of your **privacy policy**, breach of a person's right of publicity, false light, intrusion upon a person's seclusion, or public disclosure of a person's or

animal's private information. Privacy breach will also include a **corporate information breach**.

FF. Privacy policy means your policies in written or electronic form that govern the collection, dissemination, confidentiality, integrity, accuracy or availability of **personally identifiable information** provided to your **employees** or third parties.

GG. Privacy regulations mean statutes and regulations designed and intended to protect the confidentiality and use of **personally identifiable information** including:

1. Health Insurance Portability and Accountability Act of 1996 ("HIPAA");
2. Gramm-Leach-Bliley Act of 1999 ("G-L-B");
3. Privacy protection laws enacted by state governments, like the California Database Protection Act of 2003, to control access to and the use of **personally identifiable information**;
5. Privacy provisions of consumer protection laws, such as the Federal Fair Credit Reporting Act ("FCRA") and the California Consumer Credit Reporting Agencies Act ("CCCRAA");
6. Children's Online Privacy Protection Act;
7. EU Data Protection Act; and
8. Any alleged violation of law regarding the confidentiality of animal records

HH. Professional services means those acts or services requiring specialized knowledge, skill or professional judgment, which you render, or for which any person or entity renders on your behalf, to others pursuant to a written agreement and for a fee or other consideration.

Professional services do not include an **insured's** obligation to maintain the confidentiality of **personally identifiable information**.

II. Property damage means physical injury to tangible property, including all resulting loss of use of such property or loss of use of tangible property that is not physically injured.

JJ. Public relations expenses, means the reasonable and necessary expenses you incur to re-establish your reputation or public image that was damaged as a direct result of **security breach**, **privacy breach**, or breach of a **privacy regulation**.

Public relations expenses do not include **customer notification expenses**.

KK. Reasonable and necessary legal fees means amounts incurred to obtain required legal services for rates that are no higher than the rates we would pay to qualified counsel in the region where the breach occurred or the **claim** is pending.

LL. Related claims means **claims** that arise out of a **security breach**, **privacy breach**, or breach of **privacy regulation** that share any causal connection.

MM. Retroactive date means those dates as set forth in the **SCHEDULE**

NN. Security breach means:

1. **Unauthorized access** of your **computer system** or **unauthorized use** of **computer systems** including **unauthorized access** or **unauthorized use** resulting from the theft of a password from your **computer system**;
2. A **denial of service** attack against your **computer systems**; or
3. Infection of your **computer systems** by **malicious code** or transmission of **malicious code** from your **computer systems**.

A series of continuing **security breaches**, related or repeated **security breaches**, or multiple **security breaches** resulting from a failure(s) of computer security, shall be considered a single **security breach** and be deemed to have occurred at the time of the first such **security breach**.

OO. Security event costs means:

1. **Reasonable and necessary legal fees**;
2. Reasonable and necessary costs and expenses you incur in providing the notification required by statutes, rule or regulations, or which you incur to comply with the terms of a judgment, consent decree, settlement, or other legal obligation, including a regulatory fine or penalty where required by law;
3. Computer forensic costs of outside experts retained to determine the scope, cause, or extent of any theft or unauthorized disclosure of information, but such expenses do not include amounts paid to or incurred by an **insured** or **employees**;
4. Amounts paid to obtain **credit protection services** for individuals affected by the **security breach**;

- 5. Expenses incurred to mitigate harm to your brand or reputation following an **adverse media report**;
- 6. **Customer notification expenses**, but only if an amount is shown in the **SCHEDULE** for the Customer Notification Expenses Aggregate Sublimit; and
- 7. **Public relations expenses**, but only if an amount is shown in the **SCHEDULE** for Public Relations Expenses Aggregate Sublimit

PP. Unauthorized access means the gaining of access to a **computer system** by an unauthorized person or persons.

QQ. Unauthorized use means the use of a **computer system** by an unauthorized person or persons or an authorized person in an unauthorized manner.

IV. EXCLUSIONS

This endorsement does not provide coverage for any **Loss** arising out of or attributable, directly or indirectly, to:

- A.** Any failure, outages, or disruption of power, utility services, satellites, or telecommunications external services not under your direct operational control, including electrical disturbances, surge, brownout, or blackout;
- B.** Any seizure, destruction or damage to, or loss of use of, the **computer system** or **electronic data** arising out of any action of a governmental authority, including any delay caused by the restrictions or requirements imposed by any governmental authority;
- C.** Fire, smoke, explosion, lightning, wind, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, act of God, or any other physical event or peril, unless explicitly covered under this policy;
- D.** Failure to ensure that the **computer system** is reasonably protected by security practices and systems maintenance procedures;
- E.** Any **loss**, circumstance, act, error, or omission committed prior to the inception date, if on or before the inception date of this policy a **knowledgeable person** knew or could reasonably have foreseen such circumstance, act, error, or omission may be the basis of any **loss** under the Insuring Agreements or **covered cause of loss**;
- F.** Any loss or circumstance you previously provided notification of to a prior insurer;

- G.** Any **act of terrorism**, strike or similar labor action, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder, defend, control, prevent or suppress any of the foregoing;
- H.** Any discharge, dispersal, release or escape of any solid, liquid, gaseous, biological, radiological or thermal irritant or contaminant, including smoke, vapor, dust, fibers, spores, fungi, germs, soot, fumes, asbestos, acids, alkalis, chemicals and waste (including but not limited to, materials to be recycled, reconditioned or reclaimed and nuclear materials) into or upon land, the atmosphere or any water-course or body of water or any cost or expense arising out of any direction, request or voluntary action to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize any **pollutants**;
- I.** Ordinary wear and tear or gradual deterioration of the **computer system** or **digital assets**;
- J.** Any actual or alleged **bodily injury**; provided, however, that this exclusion shall not apply to mental injury, mental anguish or emotional distress with respect to any otherwise covered **claim** under Insuring Agreements **B. Network Security and Privacy Liability Coverage** or **C. Employee Privacy Liability Coverage**;
- K.** Infringement, misappropriation or violation of any patent, copyright, trademark, service mark, trade dress, trade name, or other intellectual property right;
- L.** Any employment practices or discrimination against or harassment of any person or entity on any basis, including but not limited to: race, creed, color, religion, ethnic background, national origin, age, handicap, disability, gender, marital status, sexual orientation or pregnancy;
- M.** The rendering of or failure to render **professional services**;
- N.** Any **knowingly wrongful conduct** on the part of an **insured**, however, we will pay **claim expenses** incurred before a determination is made that the wrongful conduct occurred as evidenced by a finding of fact, judgment, admission, plea of nolo contendere or no contest;
- O.** Any guarantee, representation or promise you make relating to contract price, costs, cost savings, return on investment or profitability, including your failure to meet cost guarantees, representations or contract price;
- P.** Any contractual liability or obligation or any breach of any contract, including any liability of others assumed by you, unless such liability would have attached to you even in the absence of such contract;

- Q.** Any failure to effect or maintain any insurance or bond;
- R.** Any violation of the Securities Exchange Act of 1933 as amended, the Securities Exchange Act of 1934 as amended, any state Blue Sky or Securities Law or rules, regulations or amendments issued in relation to such acts, or any similar state, federal or foreign statutes or regulations;
- S.** Any **claim** brought by, on behalf of, or at the behest of, or for the benefit of any **insured**;
- T.** Any pending or prior litigation as of the **continuity date** of this endorsement as well as all future **claims** or litigation based on the prior litigation derived from the same or essentially the same facts (actual or alleged) that gave rise to the prior or pending litigation;
- U.** Any act committed prior to the **policy period** and subsequent to the **retroactive date** for which you gave notice under any prior insurance policy or which any **knowledgeable person** had any basis to believe might reasonably be expected to give rise to a **claim** under this endorsement;
- V.** Any unsolicited electronic dissemination of faxes, emails, or other communications to multiple actual or prospective customers by you or any other third party, including actual or alleged violations of:
 - 1. The Telephone Consumer Protection Act (TCPA) as amended;
 - 2. The CAN-SPAM Act of 2003 as amended; or
 - 3. Any other federal, state or foreign anti-spam or telemarketing statute;
- W.** Any express warranties or guarantees or any liability you assume under contract unless you would have been legally liable in the absence of such contract;
- X.** Any dispute involving your fees or charges, or for any alleged inaccurate, inadequate or incomplete description of the price of your goods, products or services; or
- Y.** Any actual or alleged gambling, contest, lottery, promotional game or other game of chance.

V. POLICY TERMS AND CONDITIONS

A. Limits of Insurance

- 1. We shall not be liable for more than the **endorsement aggregate limit** shown in the **SCHEDULE** during a **policy period**. The **endorsement aggregate limit** shown the **SCHEDULE** is the most we will pay for all **loss** under this

endorsement. The **endorsement aggregate limit** applies without regard to the number of: **security breaches; privacy breaches; breaches of privacy regulations; claims;** or claimants.

2. Any sub-limits shown in the **SCHEDULE** are part of, subject to, included within, and do not increase, the **endorsement aggregate limit**. The limits shown the **SCHEDULE** for each individual Insuring Agreement is the most we will pay for **loss** under that Insuring Agreement.
3. The Customer Notification Expenses Aggregate Sublimit set forth in the **SCHEDULE** is the most we will pay for **customer notification expenses** under this endorsement.
4. The Public Relations Expenses Aggregate Sublimit set forth in the **SCHEDULE** is the most we will pay for **public relations expenses** under this endorsement.
5. All **loss** resulting from, **related claims** is subject to the applicable each **claim** limit of liability in the policy in effect at the time the earliest of the **related claims** was reported.
6. The **endorsement aggregate limit** shall be part of, subject to, and not in addition to, the Aggregate Limit of Liability set forth in the Declarations of the policy to which this endorsement is attached.

B. Deductible

1. We shall be liable only for **loss** or **claim** in excess of the applicable deductible shown in the **SCHEDULE**. The deductible applies separately to each **security event** or **claim**.
2. We have no obligation to pay **loss** until the deductible has been paid.

C. In Case of Loss

1. If a **knowledgeable person** has information from which it may be reasonably concluded that a **security breach, privacy breach, or breach of privacy regulations** has occurred written notice must be provided to us as soon as practicable, but in no event later than 60 days after the end of the **policy period**.
2. No coverage is provided under this endorsement for any **loss** paid or incurred or settlement entered into without our prior written consent, which will not be unreasonably withheld. This consent requirement can be waived, at our sole discretion, if we determine that it was not possible for the **insured** to obtain our consent and the **loss** was paid or incurred to mitigate **loss**.

3. You must provide evidence of the **loss** for which you are seeking coverage under this endorsement. You must provide detailed proof of all circumstances leading to the **loss** event, including the **loss** amount justification, as soon as practicable, but under no circumstances later than sixty (60) days after the **loss** event. You will provide us with details of the **loss**, threat or failure, including a description of the incident and as applicable, a description of the equipment involved, system logs, security logs, statements from outside experts or consultants, and a description of the **digital assets** involved.
4. You must take all reasonable steps to protect the **computer system** to prevent additional **loss** or damage. These reasonable steps include taking all necessary and reasonable measures to ensure that all traces of **malicious code** have been removed prior to using the **computer system**. Any additional loss resulting from the original **malicious code** will be subject to a separate deductible, which will be one hundred and fifty percent (150%) of the original deductible.
5. It is your sole responsibility to report the **loss** to any applicable governmental authorities, if appropriate.
6. To recover **loss** under Insuring Agreement A. you must complete and submit to us a signed Final Statement of Loss, in written or electronic form. Unless we agree to an extension the Final Statement of Loss must be submitted within one hundred and twenty (120) days after the **security breach, privacy breach** or breach of **privacy regulations** is discovered by a **knowledgeable person** and must include completed description of the circumstances that resulted in the **loss** and a calculation of the **loss**. The Final Statement of Loss must be duly sworn to by your Chief Financial Officer or by another officer of equal authority.
7. You must provide us all information and assistance that we reasonably request and cooperate with us and our designated representatives in the investigation and adjustment of any **loss** and the defense or resolution of any **claim**. Once we pay the adjusted covered **loss**, receipt of reimbursement will constitute a full release of our liability under this endorsement.

D. Subrogation, Salvage and Recoveries

It is agreed that upon payment of any **loss** or **claim** under this endorsement, we shall become subrogated to all your rights, title, interest and causes of action with respect to such **loss** or **claim**. You must do nothing after **loss** or **claim** to impair those rights.

In the case of recovery after payment for any **loss** or **claim** under this endorsement, the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding your own labor or establishment costs, shall be applied in the following order:

1. To reimburse you in full for the part, if any, of such **loss** or **claim** that exceeds the amount of **loss** or **claim** paid under this endorsement (excluding the amount of any applicable deductible);
2. The balance if any, or the entire net recovery if no part of such **loss** or **claim** exceeds the amount of **loss** or **claim** paid under this endorsement to reimburse us;
3. To that part of such **loss** or **claim** you sustained by reason of the Deductible shown in the **SCHEDULE** and/or to that part of such **loss** or **claim** is covered by any policy(ies) of insurance to which this endorsement is excess.

E. Other Insurance

Except for **customer notification expenses** and **public relations expenses**, coverage provided under this endorsement shall be excess of any valid and collectible insurance provided to you by other insurers.

Customer notification expenses and public **relations expenses** shall be considered primary insurance under this endorsement.

F. Headings

The descriptions in the headings of this endorsement attached hereto are solely for convenience, and form no part of the terms and conditions of coverage.

G. Coordination Among Insuring Agreements

Coverage exists only for those Insuring Agreements designated as included in the **SCHEDULE** and for which a premium was paid. Each Insuring Agreement contains terms which limit coverage.

In the event that **loss** is covered by Insuring Agreement B. and C. we will not pay more than the lesser of the actual **loss** or the highest available Limit of Liability. In no event will we be required to pay more than the **endorsement aggregate limit** identified in the **SCHEDULE**.

If coverage is provided under more than one Insuring Agreement for the same **claim** or loss, the maximum applicable deductible shall be the highest applicable deductible that applies under any Insuring Agreement providing coverage.

In the event that **loss** is covered by more than one Insuring Agreement **of** the endorsement, the policy to which it is attached or any other policy issued by us we will not pay more than the lesser of the actual **loss** or the highest available Limit of Liability of the applicable Insuring Agreement or policy.

H. Extended Reporting Periods – Applicable to Insuring Agreements B and C.

1. If we or you cancel or refuse to renew this endorsement for reasons other than non-payment of premium, we will provide to you a sixty (60) day Automatic Extension of the coverage granted by this endorsement, at no additional charge, for any **claim** first made against you and reported to us during the sixty (60) day extension period but only as respects acts, errors or omissions committed after the **retroactive date** (if any) stated in the **SCHEDULE** and prior to the date of cancellation or non-renewal. In the event you purchase replacement coverage for this endorsement or a Supplemental Extended Reporting Period under 2. below, said sixty (60) day Automatic Extension period will terminate upon the effective date of said replacement coverage or extended reporting period.
2. If we or you cancel or refuse to renew this endorsement for reasons other than non-payment of premium, you shall have the right to purchase an optional Supplemental Extended Reporting Period for twelve months (12) for 100% of the expiring annual premium; twenty-four months (24) for 125% of the expiring annual premium; thirty-six months (36) for 150% of the annual expiring premium; forty-eight months (48) for 175% of the expiring annual premium; sixty months (60) for 200% of the expiring annual premium; seventy-two months (72) for 225% of the expiring annual premium. This extension will provide coverage granted by this endorsement for any claim first made against you and reported to us during the Supplemental Extended Reporting Period. This Supplemental Extended Reporting Period only applies to acts, errors or omissions committed after the **retroactive date** (if any) stated in the **SCHEDULE** and prior to the date of cancellation or non-renewal. You must apply for this extension in writing accompanied by payment of the appropriate premium prior to the expiration of the sixty (60) day Automatic Extension period under 1. above, such premium for the Supplemental Extended Reporting Period shall be fully earned at inception.

3. Terms and Conditions of Basic and Supplemental Extended Reporting Period

- a. At policy renewal, our offer of a different premium, deductible, limit of insurance, or change in policy language shall not constitute non-renewal for the purposes of granting the optional extended reporting period.
- b. The right to the extended reporting period shall not be available to you when cancellation or non-renewal is due to non-payment of premium.
- c. The limit of insurance for the extended reporting period shall be part of, and not in addition to, our limit of insurance for the **policy period**.

Allianz Global Corporate & Specialty®

Allianz

Insurance Policy



Allianz 

July 24, 2020

Dear: Harp, Inc.

Re: Policy Number: USL00656920U
Issuing Company: Fireman's Fund Insurance Company (AN ALLIANZ COMPANY)

Thank you for choosing Allianz as your insurance company. We appreciate the trust you've placed in us. A copy of your commercial insurance policy is enclosed. Be sure to keep it in a secure place that you can easily access if you have a question or claim.

As a valued policyholder, you can count on Allianz for:

Trust and financial stability – Rated A+ by A.M. Best and AA by Standard and Poor's, Allianz Global Corporate & Specialty earns one of the highest financial ratings of the leading global property and casualty insurers.

Exceptional claim service – Allianz has a 125-year reputation for outstanding claim service built on our commitment to honesty, integrity, and partnership with our clients. The company is ranked as "One of the world's most admired companies" by *Fortune*® and "One of the top global brands in the world" by Interbrand.

The ability to keep pace as your business evolves – Your business needs are continually changing. Whether you are adopting new technologies or expanding into new geographic markets, Allianz has the expertise and resources to grow with you.

We truly look forward to serving you and supporting your business. In the interim, please know that we deeply appreciate your business.

Best regards,



Bill Scaldaferrri

President & CEO
Allianz Global Corporate & Specialty, North America

COMMON POLICY DECLARATIONS

Policy No: USL00656920U**Policy Period:** **From:** 08/01/2020
To: 08/01/2022

Beginning and ending at 12:01 a.m., standard time at the mailing address of the Named Insured shown below.

Named Insured and Mailing Address:Harp, Inc.
One International Blvd
9th Floor, Suite 908
Mahwah, NY 07495
(Refer to Named Insured Schedule)**Producer Name and Mailing Address:**Trivedi-Capacity Associates, LLC
One International Blvd 9th Floor, Suite 908
Mahwah, NJ 07495

In return for the payment of the premium, and subject to all terms of this policy, we agree with you to provide the insurance as stated in this policy.

Premium Summary

Umbrella Liability
Certified Terrorism**Total Amount Payable by the Insured**

Named Insured Schedule

Named Insured	Legal Entity
Harp, Inc.	RPG

Forms Schedule

The following policy forms and endorsements have been attached to and made a part of the policy at Inception:

Form Title	Form Number
Policyholder Messages	
Important Policy Notice Regarding Terrorism Coverage	380139 01 15
Important Notice Regarding the Terrorism Coverage Offered in this Quotation	380140 01 15
New York Labor Law Section 240 and its Impact to Your Business	386626 10 13 NY
Policyholder Message	386636 08 17

Harp, Inc.
Policy No: USL00656920U

Fireman's Fund Insurance Company

Form Schedule, Continued

Form Title	Form Number
Umbrella Liability	
Umbrella Liability Coverage Section - Declarations	
Schedule of Primary Insurance	178300 06 19
The Fund Umbrella	5400 06 19
Economic or Trade Sanctions Compliance	145985 06 14
Silica Particles Exclusion	178575 05 04 NY
Sublimited Primary Coverage Exclusion	178578 06 04
Disclosure of Premium and Estimated Premium for Certified Acts of Terrorism Coverage; Cap on Insurer Participation in Payment of Terrorism Losses (Pursuant to Terrorism Risk Insurance Act)	178587 01 15 NY
Lead Exclusion	178771 03 98
Pollution - Absolute Exclusion - Coverage B	178789 10 01
Products-Completed Operations Hazard Exclusion - Coverage B	178792 03 98
Professional Services Exclusion	178794 04 13
New York Amendatory	178859 10 03 NY
Cancellation, Nonrenewal or Conditional Renewal	178860 10 02 NY
Coverage Amendments	178874 04 13
Discrimination Liability Exclusion - Coverage B	178905 10 01
Personal and Advertising Injury Exclusion - Coverage B	178909 09 98
Abuse, Assault and Molestation Exclusion - Coverage B	178913 10 01
Intellectual Property Exclusion	178944 10 01
Designated Operations Exclusion	178947 10 01
Primary Insurance Restriction Endorsement Amendment Coverage B	178962 10 01
Coverage for Certified Acts of Terrorism	178993 01 15
Additional Policy Provisions	179020 04 13
Directors and Officers Exclusion - Coverage B	179032 04 13
Violation of Statutes Exclusion (E-Mails, Fax, Phone Calls or Other Methods of Recording or Distribution of Material or Information)	179033 05 09
Communicable Diseases and Viruses - Absolute Exclusion	179054 09 07
New York Changes - 2008 N.Y. Laws (Former SB 8610) Provisions	179059 01 09 NY
Crisis Management Response Costs and Crisis Management Loss Coverage Extension Endorsement	179061 06 19 NY
Access or Disclosure of Confidential or Personal Information and Data-Related Exclusion	179087 05 14
New York Amendatory	AGRL IL NY01 08 19
Amendment - Limits of Insurance	100001

Harp, Inc.
Policy No: USL00656920U

Fireman's Fund Insurance Company

Form Schedule, *Continued*

Form Title	Form Number
Policy Term Endorsement	100002
Non-Cumulation of Limits Endorsement	100003
Risk Purchasing Group - Program Manager	100004
Occupational or Environment Disease Exclusion	100005
Employment Practices Exclusion - Coverage A	100006
Claims Made Amendment and Exclusion	100007
Fungi or Bacteria Exclusion - all states except New York	100008
State Amendatory Endorsement	100009

SIGNATURE PAGE

IN WITNESS WHEREOF, the Company indicated on the Declarations Page of the policy has caused the policy to be signed by its President and Secretary.



Secretary



President

Important Policy Notice Regarding Terrorism Coverage

380139 01 15

You are hereby notified that this policy will apply with respect to a "certified act of terrorism", if coverage for such "certified act of terrorism" is provided by all scheduled **Primary Insurance** or **Underlying Insurance** that are subject to the Terrorism Risk Insurance Act, as amended.

As used in this message, "certified act of terrorism" means an act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, to be an act of terrorism pursuant to such Act, as amended ("The Act"). The criteria contained in The Act for a "certified act of terrorism" includes the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended; and
2. The act resulted in damage:
 - a. Within the United States (including its territories and possessions and Puerto Rico); or
 - b. Outside the United States in the case of:
 - (1) An air carrier (as defined in Section 40102 of title 49, United States code) or United states flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States) regardless of where the loss occurs; or
 - (2) The premises of any United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

If you have any questions, please contact your agent or broker.

Important Notice Regarding the Terrorism Coverage Offered in this Quotation

380140 01 15

You are hereby notified that under the Terrorism Risk Insurance Act, as amended ("The Act"), you have a right to purchase insurance coverage for losses arising out of certified acts of terrorism, as defined in Section 102(1) of The Act: The term "certified act of terrorism" means any act or acts that are certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHEN COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM **CERTIFIED ACTS OF TERRORISM**, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM **CERTIFIED ACTS OF TERRORISM** WHEN THE AMOUNT OF SUCH LOSSES IN ANYONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEEDS \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

This quotation includes an offer of coverage for losses due to certified acts of terrorism, as defined by The Act, and, if accepted, will be subject to the limit(s), terms and conditions of any policy subsequently issued. In addition, as with any other coverage under an umbrella policy, the scope of your coverage for terrorism is directly related to the coverage of your primary policy(ies). Our offer of certified acts of terrorism coverage is conditioned upon your acceptance and purchase of certified acts of terrorism coverage, as defined in The Act, for all policies of insurance which are scheduled in this policy as primary insurance for this policy that are subject to The Act. The quoted premium for this terrorism coverage is per attached quote.

In order to accept or reject this offer of certified acts of terrorism coverage for the premium stated above please do one of the following:

To Reject this offer, do ALL of the following:

- (1) Communicate your decision to your agent or broker; and
- (2) Mark the "Reject" option below, sign and date below, and return the originally signed document to the address specified below.

To Accept this offer, you must do ALL of the following:

- (1) Communicate your decision to your agent or broker;

- (2) Accept and purchase certified acts of terrorism coverage in all scheduled primary insurance policies that are subject to The Act; and
- (3) Pay the premium by the due date shown on your premium billing.

WE STRONGLY RECOMMEND that you contact your insurance agent prior to accepting this offer.

Please note that any coverage mandated by applicable Workers Compensation laws in your state will not be affected by your rejection below of terrorism coverage.

If you have any questions about this or any other insurance matter, please contact your agent or broker.

TERRORISM COVERAGE ELECTION:

I understand that this offer is conditional on my purchase of coverage for certified acts of terrorism, as defined in The Act, for all policies of insurance which are scheduled in this policy as primary insurance for this policy that are subject to The Act. I understand that if at a later time it is determined that any of the primary policies that are subject to The Act do not include coverage for certified acts of terrorism, as defined in The Act, then my election to accept this quote to purchase coverage for certified acts of terrorism, as defined in The Act, will be null and void. In that event, I also understand that the policy that I am purchasing will have no coverage for losses arising from certified acts of terrorism, as defined in The Act.

() I REJECT COVERAGE FOR LOSSES DUE TO CERTIFIED ACTS OF TERRORISM, AS DEFINED IN THE ACT.

Applicant:

Signature:

Title:

Date:

Insurance Company:

Please return to your agent or broker.

New York Labor Law Section 240 and its Impact to Your Business

386626 10 13 NY

New York Labor Law Section 240 places the *responsibility for worksite safety* on building owners, tenants and managers who hire contractors or service providers who erect, demolish, repair, alter, paint or clean a building or structure - generally anyone you hire to work on your premises. The law, commonly known as the 'Scaffold Statute', may impose strict liability to you for injuries sustained by contractors or service providers as a result of a fall from height or from falling objects on your premises.

Understanding the applicability of this law, common claim scenarios and best practices for mitigating the risk to you may impact the effectiveness of your overall risk management program and improve the availability and affordability of General Liability insurance coverage in the future.

Liability may be imposed regardless of whether the property owner, tenant or manager exercised any supervision or control over the injured worker at all. Furthermore, the law may not allow you to assert that the injured party was negligent themselves or assumed the risk of injury while on your property.

Because of the complexity of this law and the often severe nature of injuries when a fall from height or falling objects are involved, these claims or suits can often be costly to defend and ultimately pay. Examples of claims or suits subject to New York Labor Law Section 240:

- An employee of an electrical contractor you hire falls off of a ladder while rewiring light fixtures in your leased office building and suffers a brain injury.
- An artist you hire to paint a mural in your office lobby falls from the scaffolding and is seriously injured.
- An employee of a roofing company is injured when a co-worker tosses debris off of the roof while working on your retail complex.
- A technician dies after falling through a skylight while repairing your rooftop air conditioning system.

The allegation of liability in each of these claims was violation of New York Labor Law Section 240, even though the building owner or manager *did not directly supervise or control the worksite*.

Best Practices for Managing Your Risk:

Hiring licensed and experienced contractors and service providers paired with effective risk transfer protocols is the best foundation for managing the additional risk to your business in New York. The following best practices have proven useful in mitigating New York Labor Law exposure:

- Purchase adequate insurance limits. Even with risk transfer opportunities discussed below, claims or suits have historically been very costly. Consult with your agent on liability limits adequate to protect your assets.
- Hire only licensed contractors and service providers that provide you with evidence of both General Liability and Worker's Compensation insurance. Even seemingly low-hazard jobs, such as janitorial services, can result in injuries that may be subject to Section 240 of New York Labor Law.
- Require all contractors you hire to strictly follow all applicable OSHA and Department of Safety and Health regulations.
- **Transfer the Risk:** Use a written contract or purchase order before *any* work is performed on your property, regardless of how incidental. Since purchase orders generally do not have indemnification agreements, be sure to attach an addendum to the purchase order that indemnifies you and holds you harmless. The contract(s) you use should be reviewed by your attorney and may incorporate several or all of the following best practice approaches

Contract Language

- Include hold harmless and indemnification language in your favor and to the fullest extent of the law; avoid mutual hold harmless agreements.
- Include a "primary and non-contributory" clause meaning the contractor or service provider's insurance may apply first in the event of a claim or suit.
- Name you as "additional insured" on the contractor or service provider's General Liability insurance.

Insurance Limits and Coverage

- At a minimum, require \$1M per occurrence General Liability insurance limits. It's important to note however that damage from New York Labor Law based suits and claims have well exceeded \$1M, so higher limits are encouraged.
- The contractor's or service provider's General Liability insurance policy may include exclusions or limitations to coverage for the very exposure you are requiring additional insured coverage for. Coverage language that excludes or limits injury to "any employee of any insured," "employee action over" or similar language should be avoided. The existence of such exclusions may render your risk transfer ineffective in the event of a claim or suit from a worker injured on your premise. Prohibit this type of language in the General Liability insurance coverage you require from your contractor or service provider and ask for a list of endorsements contained in their policy.

Contract Management

- Have a diary system to ensure that your contractor's or service provider's Worker's Compensation and General Liability insurance does not lapse.
- If you own or manage several properties, consider centralizing all contract management and insurance certificate reviews.

As a New York building owner, manager or tenant, you cannot completely avoid the strict liability components of New York Labor Law Section 240, but you can mitigate their impact on your business. For more information about how to manage your business risk, please contact your agent.

This publication provides general information and recommendations that may apply to many different situations or operations. Any recommendations described in this publication are not intended to be specific to your unique situation or operation and are not intended to address all possible hazardous conditions or unsafe acts that may exist. Consult with your staff and specialists to determine how and whether the information in this publication might guide you in developing specific plans or procedures for your situation or operations. This publication does not substitute for legal advice, which should come from your own counsel.

Policyholder Message

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Important Information for Policyholders

If you have questions about your policy, please contact your independent agent or broker. If you have additional questions, you can contact the company issuing the policy listed on your Declarations page at the following address:

Allianz Global Risks US Insurance Company
225 W. Washington Street, Suite 1800
Chicago, IL 60606-3484

Toll Free Telephone: 1-(888) 466-7883

Toll Free Telephone for Claims: 1-(800) 870-8857

Website: <http://www.agcs.allianz.com/>

Website Address for Support Services: <http://www.agcs.allianz.com/global-offices/united-states/support-services/>

The information above supersedes any other Company contact information you may have received with your policy.

Umbrella Liability

Umbrella Liability Coverage Section - Declarations

- These Declarations, together with the Common Policy Declarations, Schedule of Primary Insurance, Coverage Form(s) and any Endorsement(s), complete this policy.
- In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

The Fund Umbrella® (5400 06 19)

Limits of Insurance

Description of Limits	Limit of Insurance
Each Occurrence	\$ 10,000,000
Aggregate	\$ 10,000,000

Endorsements Completed in the Declaration

Designated Operations Exclusion (178947 10 01)

Description of Operations
Any construction and/or development, with the exception of alteration or renovation operations and/or maintenance or repair operations. This exception does not apply to any structural alteration that involves changing the size of, or any demolishing or moving of any building or other structure.

Schedule of Primary Insurance

178300 06 19

The schedule of Primary Insurance is completed to read as follows:

Commercial General Liability Occurrence

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
General Aggregate Limit (Other than Products – Completed Operations)	\$ 2,000,000
Products-Completed Operations Aggregate	\$ 2,000,000
Personal & Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Liquor Liability Each Common Cause	\$ 1,000,000
Liquor Liability Aggregate	\$ 1,000,000

Employee Benefits Administration Liability Occurrence

Description of Limits	Limits of Insurance
Each Employee	\$ 1,000,000
Aggregate	\$ 1,000,000

Automobile Liability Combined Single Limit

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
Bodily Injury and Property Damage Combined Single Limit-Any One Accident	\$ 1,000,000

Employers Liability

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
Bodily Injury by Accident	\$ 500,000
Bodily Injury by Disease Limit Policy	\$ 500,000
Bodily Injury by Disease Each Employee	\$ 500,000

Garagekeepers Legal Liability, *Continued*

Garagekeepers Legal Liability

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
Each Occurrence	\$ 1,000,000
Aggregate	\$ 1,000,000

Directors and Officers Liability (Condo-Co-op)

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
Each Claim	\$ 1,000,000
Aggregate	\$ 1,000,000

Fire Damage Legal Liability

Company	Policy No	Expiration Date
Various	As provided by carrier	08/01/2022

Description of Limits	Limits of Insurance
Each Occurrence	\$ 1,000,000
Aggregate	\$ 1,000,000

Quick Reference

The Fund Umbrella®

5400 06 19

This insurance is provided by one of Allianz Global Risks US Insurance Companies as shown on the Declarations Page. Our mailing address is: 225 W. Washington Street Suite 1800 Chicago, IL 60606.

At inception, The Fund Umbrella policy consists of: the Declarations, The Fund Umbrella policy form, and the endorsements listed on the Declarations.

BEGINNING ON PAGE

SECTION I. EXCESS LIABILITY - COVERAGE A

A. Insuring Agreement	2
B. When We Will Have a Duty to Defend.....	2
C. Exclusions.....	3
D. Who Is An Insured.....	6
E. Limits of Insurance.....	6

SECTION II. UMBRELLA LIABILITY - COVERAGE B

A. Insuring Agreement	7
B. When We Will Have a Duty to Defend.....	8
C. Exclusions.....	8
D. Who Is An Insured.....	12
E. Limits of Insurance.....	13

SECTION III. SUPPLEMENTARY PAYMENTS.....14

SECTION IV. CONDITIONS

A. Appeals	14
B. Bankruptcy.....	14
C. Cancellation.....	15
D. Changes.....	15
E. Conformity with Laws.....	15
F. Duties of Insureds in the Event of Occurrence, Claim or Suit.....	15
G. Maintenance of Primary Insurance.....	16
H. Payment of Loss Under this Policy.....	16
I. Premium.....	16
J. Titles or Captions.....	16
K. Transfer of Your Rights and Duties Under this Policy.. ..	16
L. Subrogation.....	16
M. Other Insurance.....	17
N. Separation of Insureds.....	17
O. Inspection and Audit.....	17
P. Unintentional Failure to Disclose.....	17
Q. Waiver of Subrogation Same as Primary.....	17

SECTION V. NUCLEAR ENERGY LIABILITY EXCLUSION.....18

SECTION VI. DEFINITIONS.....19

Read the entire policy carefully to determine rights, duties and what is and is not covered.

The words "you" and "your" refer to the **Named Insured** shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance. Other words and phrases that are boldfaced have special meaning. Refer to the DEFINITIONS and WHO IS AN INSURED sections.

By accepting this policy, you agree that:

1. The statements in the Declarations and Application are your agreements and representations;
2. Those statements are accurate and complete;
3. This policy is issued and continued in reliance upon the truth of those representations; and
4. This policy contains all agreements existing between you, us, and our agents, relating to this insurance.

SECTION I. EXCESS LIABILITY - COVERAGE A

A. COVERAGE A - INSURING AGREEMENT

1. We will pay on behalf of any **Insured** those sums in excess of **Primary Insurance** that any **Insured** becomes legally obligated to pay as damages or a **Covered Pollution Cost or Expense** provided that such damages and **Covered Pollution Cost or Expense**:
 - a. Are covered by **Primary Insurance**;
 - b. Arise from injury or damage that occurs, or from an offense committed, during our Policy Period; and
 - c. Take place anywhere in the world.
2. The terms and conditions of **Primary Insurance** apply to Coverage A, unless they are inconsistent with any provision of this policy.
3. The amount we will pay is limited as described in Limits of Insurance.
4. a. Subject to Section I.B. and Section I.E.5., we will only pay defense expenses we incur in addition to the applicable Limits of Insurance.
- b. If we are prevented by law from investigating or settling any claim or defending any **Insured** against any **Suit**, we will pay any expense incurred by any **Insured** with our consent.

B. COVERAGE A - WHEN WE WILL HAVE A DUTY TO DEFEND

1. We will have the right and duty to defend any **Insured** against any **Suit** seeking damages or a **Covered Pollution Cost or Expense** to which Coverage A applies but only:
 - a. After the applicable limits of insurance of **Primary Insurance** and **Other Insurance** cease to apply because of exhaustion by the payment of judgments or settlements, or because of exhaustion by the payment of defense expenses by the terms of that policy; and
 - b. If no **Other Insurance** affording a defense or indemnity against such a **Suit** is available to any **Insured**. We will pay only those defense expenses we incur.
2. We have the right but not the duty, to associate with **Primary Insurers** in the defense and control of any **Occurrence**, claim or **Suit** to which we think Coverage A may apply.
3. At our discretion we may:
 - a. Investigate any **Occurrence**, claim or **Suit**; or
 - b. Settle any claim or **Suit**.
4. We have no duty to defend any **Insured** against any **Suit** seeking damages or a **Covered Pollution Cost or Expense**:
 - a. To which Coverage A does not apply;

- b. After our applicable Limits of Insurance have been exhausted by the payment of judgments or settlements, or exhausted by the payment of defense expenses or reimbursements in the same manner as the terms of **Primary Insurance** or **Other Insurance**; or
- c. To which **Primary Insurance** or **Other Insurance**, by its terms, has no duty to defend provided that such **Primary Insurance** or **Other Insurance** does not defend for reasons other than the exhaustion of its limits of insurance.

C. COVERAGE A - EXCLUSIONS

Coverage A of this policy does not apply:

1. **ASBESTOS** - To any liability arising, in whole or in part, out of or in any way related to **Asbestos**.
2. **E.R.I.S.A.** - To any liability of any **Insured** under, or any claim based upon:
 - a. The Employees' Retirement Income Securities Act (E.R.I.S.A.) of 1974 and any amendment thereto; or
 - b. Similar provisions of any federal, state, or local statutory law or common law.
3. **WORKERS COMPENSATION AND SIMILAR LAWS** - To any obligation of any **Insured** under a Law of:
 - a. Workers compensation;
 - b. Disability benefits;
 - c. Unemployment compensation; or
 - d. Any similar law.
4. **POLLUTION**
 - a. To any liability arising out of the actual, alleged or threatened, discharge, dispersal, seepage, migration, release or escape of **Pollutants**:
 - (1) At or from any premises, site or location which is or was at any time:
 - (a) Owned or occupied by; or
 - (b) Rented or loaned to; any **Insured**;
 - (2) At or from any premises, site or location which is or was at any time used by or for:
 - (a) Any **Insured**; or
 - (b) Others;
 for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (a) Any **Insured**; or
 - (b) Any person or organization for whom you may be legally responsible;
 - (4) At or from any premises, site or location on which any **Insured**, or any contractors or subcontractors working directly or indirectly on any **Insured's** behalf are performing operations:
 - (a) If the **Pollutants** are brought on or to such premises, site or location, in connection with such operations by such **Insured**, contractor or subcontractor; or
 - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, **Pollutants**;
 - (5) That are, or that are contained in, any property that is:
 - (a) Being transported or towed by, handled or handled for movement into, onto or from; any auto covered by **Primary Insurance**;
 - (b) Otherwise in the course of transit by or on behalf of any **Insured**; or

- (c) Being stored, disposed of, treated or processed, in or upon any auto covered by **Primary Insurance**; or
- (6) (a) Before the **Pollutants**, or any property in which the **Pollutants** are contained, are moved from the place where they are accepted by any **Insured** for movement into or onto any auto covered by **Primary Insurance**; or
- (b) After the **Pollutants**, or any property in which the **Pollutants** are contained, are moved from any auto covered by **Primary Insurance** to the place where they are finally delivered, disposed of or abandoned by any **Insured**.
- b. To any loss, cost or expense arising out of any:
 - (1) Request, demand, order or statutory or regulatory requirement that any **Insured** or others:
 - (a) Test for, monitor, clean up, remove, contain, treat, detoxify or neutralize; or
 - (b) In any way respond to, or assess the effects of; **Pollutants**; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of:
 - (a) Testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing; or
 - (b) In any way responding to, or assessing the effects of; **Pollutants**.

This subsection 4.b. does not apply to:

- (1) A **Covered Pollution Cost or Expense** to which Coverage A applies; or
- (2) Liability for damages because of property damage that the **Insured** would have in the absence of such request, demand or order or statutory or regulatory requirement, or such claim or **Suit** by or on behalf of a governmental authority.
- c. (1) **HOSTILE FIRE** - Subsections a.(1) and a.(4)(a) above do not apply to bodily injury or property damage arising out of heat, smoke or fumes from a **Hostile Fire**.
- (2) **MOBILE EQUIPMENT FUELS** - Subsection a.(4)(a) above does not apply to bodily injury or property damage arising out of the escape of fuels, lubricants, or other operating fluids, which are needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of **Mobile Equipment** or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them.

This exception does not apply if:

- (a) The fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released; or
- (b) Such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged or released as part of the operations being performed by such **Insured**, contractor or subcontractor.
- (3) **AUTO FUELS** - Subsection a.(5) above does not apply to fuels, lubricants, fluids, exhaust gasses or other similar **Pollutants**, that are needed for or result from the normal electrical, hydraulic or mechanical functioning of any auto or its parts, covered by **Primary Insurance** if:
 - (a) The **Pollutants** escape, seep, migrate, or are discharged, dispersed or released directly from an auto part designed by its manufacturer to hold, store, receive or dispose of such **Pollutants**; and
 - (b) The bodily injury, property damage or **Covered Pollution Cost or Expense** does not arise out of the operation of any equipment listed in subsections 6.(b) and (c) of definition J. of **Mobile Equipment**, under SECTION VI. DEFINITIONS.

- (4) **AUTO UPSET/OVERTURN/DAMAGE** - Subsection a.(6) above does not apply to **Occurrences** that occur away from premises owned by or rented to any **Insured** with respect to **Pollutants** not in or upon any auto covered by **Primary Insurance** if:
 - (a) The **Pollutants** or any property in which the **Pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of any auto covered by **Primary Insurance**; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the **Pollutants** is caused directly by such upset, overturn or damage.
- (5) **PRODUCTS/COMPLETED OPERATIONS** - Subsection a. above does not apply to bodily injury or property damage included within the products-completed operations hazard provided that your product or your work has not at any time been:
 - (a) Discarded, dumped, abandoned, thrown away; or
 - (b) Treated or handled as waste; by anyone.
- (6) **BUILDING HEATING EQUIPMENT** - Subsection a.(1) above does not apply to bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building.
- (7) **PESTICIDE OR HERBICIDE APPLICATOR** - With respect to pesticide or herbicide application by any **Insured**, subsection a.(4)(a) above does not apply if the operations meet all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations.
- (8) **CONTRACTORS** - subsection a.(1) above does not apply to bodily injury or property damage for which you may be held liable if:
 - (a) You are a contractor; and
 - (b) The owner or lessee of such premises, site or location has been added to this policy as an additional **Insured** with respect to your ongoing operations performed for that additional **Insured** at that premises, site or location; and
 - (c) Such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **Insured**, other than the owner or lessee of that premises who has been added to the policy as an additional **Insured**.
- (9) **MATERIALS** - Subsection a.(4)(a) above does not apply to bodily injury or property damage sustained within a building and caused by the release of gasses fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor.
- 5. **EMPLOYMENT PRACTICES** - To any liability arising out of any employment-related or personnel practices, policies, acts or omissions. This includes, but is not limited to:
 - a. Refusal to employ;
 - b. Termination of employment;
 - c. Coercion, criticism, demotion, failure to promote, evaluation, reassignment, discipline, defamation, self-defamation, harassment, humiliation, discrimination, libel, slander, false arrest and imprisonment, or violation of a person's right of privacy; or
 - d. Any consequential injury or damages as a result of a., b. or c. above.
 This exclusion applies:
 - a. To all claims, demands, charges, complaints or **Suits** by any person(s) or organization(s) for damages because of such injury or liability, including damages for care and loss of services;

- b. Whether any **Insured** may be held liable as an employer or in any other capacity either directly or indirectly related to employment; and
 - c. To any obligation to share damages with or repay someone else who must pay damages because of such injury or liability.
6. **WAR** - To any liability arising, directly or indirectly, out of:
- a. War, including undeclared or civil war;
 - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. COVERAGE A - WHO IS AN INSURED

Each of the following is an **Insured** under Coverage A:

- 1. **NAMED INSURED** - Any person or organization shown in the Named Insured section of our Declarations.
- 2. **NEWLY ACQUIRED OR FORMED ORGANIZATIONS** - Any organization you newly acquire or form during our Policy Period. However, Coverage A does not apply to any injury, damage or **Occurrence**, which took place or was committed before you acquired or formed the organization.
- 3. **PERSONS OR ORGANIZATIONS INSURED IN PRIMARY POLICIES** - Any person or organization that is an insured in **Primary Policies**. However, any person or organization that becomes an insured in **Primary Policies** after the inception date of our policy is an **Insured** under Coverage A of our policy only if, prior to the time of an **Occurrence**, you agreed in a written contract to provide such insurance as is afforded by Coverage A of this policy.

E. COVERAGE A - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the terms below fix the most we will pay regardless of the number of:
 - a. Coverages provided by this policy;
 - b. **Insureds**;
 - c. Claims made or **Suits** brought; or
 - d. Persons or organizations making claims or bringing **Suits**.
- 2. **OCCURRENCE LIMIT**
 - a. The "each occurrence" limit shown in our Declarations is the most we will pay under Coverages A and B combined, for the sum of damages and **Covered Pollution Cost or Expense** arising out of any one **Occurrence**.

Any amount we pay for damages or a **Covered Pollution Cost or Expense** arising out of an **Occurrence** will reduce or exhaust the amount of our applicable aggregate Limit of Insurance available for payment of damages or a **Covered Pollution Cost or Expense** arising out of any other **Occurrence**.
 - b. Coverage A applies only in excess of the Limit of Insurance shown in our Schedule of Primary Insurance. But if a **Primary Policy** has a limit of insurance:
 - (1) Greater than the amount shown, our policy applies excess of the greater amount; or
 - (2) Less than the amount shown, our policy applies excess of the amount shown in our Schedule.
 - c. If the limit of insurance of a **Primary Policy** is:
 - (1) Reduced; or
 - (2) Exhausted;

by payment of judgments or settlements arising out of **Occurrences**, Coverage A will apply in excess of such reduced or exhausted limit of insurance.

3. **SAME BASIS AGGREGATE LIMIT** - The Limit of Insurance shown in our Declarations as "aggregate" is the most we will pay under Coverage A for the sum of damages and **Covered Pollution Cost or Expense**. Our aggregate limit will apply only when a **Primary Policy** applies an aggregate limit, and will apply on the same basis as a **Primary Policy**.
4. **POLICY PERIOD EXTENSIONS** - The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the Policy Period shown in the Declarations. However, if we extend our Policy Period after this policy is issued, we will consider the additional period as part of the last preceding annual period for purposes of determining the Limits of Insurance.
5. **SAME BASIS DEFENSE EXPENSES** - If the limits of insurance of any **Primary Policy** or **Other Insurance** are reduced by defense expenses by the terms of that policy then any defense expense payments we make to defend any **Insured** or reimbursements we make to any **Insured** for defense expenses will reduce our applicable Limits of Insurance in the same manner.

SECTION II. UMBRELLA LIABILITY - COVERAGE B

A. COVERAGE B - INSURING AGREEMENT

1. We will pay on behalf of any **Insured** those sums that any **Insured**:
 - a. Becomes legally obligated to pay as damages because of **Bodily Injury** or **Property Damage**, but only if:
 - (1) The **Bodily Injury** or **Property Damage** occurs during our Policy Period;
 - (2) The **Bodily Injury** or **Property Damage** is caused by an **Occurrence**; and
 - (3) Prior to the Policy Period, no **Insured**, and no **Employee** authorized by you to give or receive notice of an **Occurrence** or claim, knew that the **Bodily Injury** or **Property Damage** had occurred, in whole or in part. If such an **Insured** or authorized **Employee** knew, prior to the Policy Period, that the **Bodily Injury** or **Property Damage** occurred, then any continuation, change or resumption of such **Bodily Injury** or **Property Damage** during or after the Policy Period will be deemed to have been known prior to the Policy Period.

However, under this subsection A.1.a.:

- (1) **Bodily Injury** or **Property Damage** which occurs during the Policy Period and was not, prior to the Policy Period known to have occurred by any **Insured** or by any **Employee** authorized by you to give or receive notice of an **Occurrence** or claim, includes any continuation, change or resumption of that **Bodily Injury** or **Property Damage** after the end of the Policy Period.
- (2) **Bodily Injury** or **Property Damage** will be deemed to have been known to have occurred at the earliest time when any **Insured**, or any **Employee** authorized by you to give or receive notice of an **Occurrence** or claim:
 - (a) Reports all, or any part, of the **Bodily Injury** or **Property Damage** to us or any other insurer;
 - (b) Receives a written or verbal demand or claim for damages because of the **Bodily Injury** or **Property Damage**; or
 - (c) Becomes aware by any other means that **Bodily Injury** or **Property Damage** has occurred or has begun to occur.
- b. Becomes legally obligated to pay as damages because of **Personal and Advertising Injury** but only if:
 - (1) Caused by an offense arising out of your business; and
 - (2) The offense was committed during our Policy Period.

The Policy Period for this policy may be comprised of more than one consecutive annual period. However, whether or not this policy of insurance applies to more than one consecutive annual period

the most we will pay for all damages for **Personal and Advertising Injury** arising out of an offense committed during one annual period is the Limits of Insurance available under that one annual period. This provision applies even if the **Personal and Advertising Injury** which arises from an offense committed during one annual period continues or progressively deteriorates into a subsequent annual period(s).

2. Coverage B does not apply to any claim or **Suit**:
 - a. Which is covered by **Primary Insurance** or Coverage A of this policy; or
 - b. Which would have been covered by **Primary Insurance** or Coverage A of this policy except for the exhaustion of the limits of such insurance.
3. Damages because of **Bodily Injury** include damages claimed by any person or organization for care, loss of services or death resulting at any time from the **Bodily Injury**.
4. Coverage B applies anywhere in the world.
5. The amount we will pay is limited as described in Limits of Insurance.
6.
 - a. Subject to Section II.B. and Section II.E.5., we will only pay defense expenses we incur in addition to the applicable Limits of Insurance.
 - b. If we are prevented by law from investigating or settling any claim or defending any **Insured** against any **Suit**, we will pay any expense incurred by any **Insured** with our consent.

B. COVERAGE B - WHEN WE WILL HAVE A DUTY TO DEFEND

1. We will have the right and duty to defend any **Insured** against any **Suit**, seeking damages to which Coverage B applies, but only:
 - a. If Coverage A or **Primary Insurance** does not apply or owe a duty of defense against such a **Suit**; and
 - b. If no **Other Insurance** affording a defense or indemnity against such a **Suit** is available to any **Insured**. We will pay only those defense expenses we incur.
2. We have the right but not the duty, to associate with **Other Insurance** insurers in the defense and control of any **Occurrence**, claim or **Suit** to which we think Coverage B may apply.
3. At our discretion we may:
 - a. Investigate any **Occurrence**, claim or **Suit**; and
 - b. Settle any claim or **Suit**.
4. We have no duty to defend any **Insured** against any **Suit** seeking damages:
 - a. To which Coverage B does not apply;
 - b. After our applicable Limits of Insurance have been exhausted by the payment of judgments or settlements, or exhausted by the payment of defense expenses in the same manner as the terms of **Other Insurance**; or
 - c. To which any **Other Insurance**, by its terms, has no duty to defend provided that such **Other Insurance** does not defend for reasons other than the exhaustion of its limits of insurance.

C. COVERAGE B - EXCLUSIONS

Coverage B of this policy does not apply:

1. **AIRCRAFT** - To any liability arising out of the ownership, maintenance, operation, use, entrustment to others, loading or unloading of any aircraft:
 - a. Owned, leased, hired, rented or borrowed by or on behalf of you; or
 - b. Chartered without crew by or on behalf of you.

This exclusion:

- a. Applies even if the claims against any **Insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **Insured**; and
- b. Does not apply to liability assumed under an **Insured Contract**.

2. **PERSONAL AND ADVERTISING INJURY** - To **Personal and Advertising Injury**:

- a. Caused by or at the direction of the **Insured** with the knowledge that the act would violate the rights of another and would inflict **Personal and Advertising Injury**.
- b. Arising out of oral or written publication of material, if done by or at the direction of the **Insured** with knowledge of its falsity.
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period.
- d. Arising out of a criminal act committed by or at the direction of the **Insured**.
- e. Arising out of a breach of contract, except an implied contract to use another's advertising idea in your **Advertisement**.
- f. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your **Advertisement**.
- g. Arising out of the wrong description of the price of goods, products or services stated in your **Advertisement**.
- h. Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. However, this exclusion does not apply to infringement, in your **Advertisement**, of copyright, trade dress or slogan.
- i. Committed by an **Insured** whose business is:
 - (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An internet search, access, content or service provider.

However, this exclusion i. does not apply to subsections 1., 2. and 3. of definition N. Personal and Advertising Injury, under SECTION VI. DEFINITIONS.

For the purposes of this exclusion i., the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

- j. Arising out of an electronic chatroom or bulletin board the **Insured** hosts, owns, or over which the **Insured** exercises control.
 - k. Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.
3. **ASBESTOS** - To any liability arising, in whole or in part, out of or in any way related to **Asbestos**.
4. **CONTRACTUAL LIABILITY** - To any liability for which any **Insured** is obligated to pay damages by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for damages:
- a. Assumed in a contract or agreement that is an **Insured Contract**, provided the **Bodily Injury, Personal and Advertising Injury** or **Property Damage** occurs after the execution of the contract or agreement; or
 - b. That the **Insured** would have in the absence of the contract or agreement.
5. **DAMAGE TO INSURED'S PROPERTY** - To **Property Damage** to property of one **Insured** in the care, custody or control of another **Insured**.
6. **DAMAGE TO YOUR PRODUCT OR WORK** - To **Property Damage** to:
- a. **Your Product** arising out of it or any part of it; or

- b. **Your Work** arising out of it or any part of it and included in the **Products-Completed Operations Hazard**. This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

7. **EMPLOYMENT PRACTICES** - To any liability arising out of any employment-related or personnel practices, policies, acts or omissions. This includes, but is not limited to:

- a. Refusal to employ;
- b. Termination of employment;
- c. Coercion, criticism, demotion, failure to promote, evaluation, reassignment, discipline, defamation, self-defamation, harassment, humiliation, discrimination, libel, slander, false arrest or imprisonment, and violation of a person's right of privacy; or
- d. Any consequential injury or damages as a result of a., b. or c. above.

This exclusion applies:

- a. To all claims, demands, charges, complaints or **Suits** by any person(s) or organization(s) for damages because of such injury or liability, including damages for care and loss of services;
- b. Whether any **Insured** may be held liable as an employer or in any other capacity either directly or indirectly related to employment; and
- c. To any obligation to share damages with or repay someone else who must pay damages because of such injury or liability.

8. **E.R.I.S.A.** - To any liability of any **Insured** under, or any claim based upon:

- a. The Employees' Retirement Income Securities Act (E.R.I.S.A.) of 1974 and any amendment thereto; or
- b. Similar provisions of any federal, state, or local statutory law or common law.

9. **EXPECTED OR INTENDED** - To **Bodily Injury** or **Property Damage** expected or intended from the standpoint of the **Insured**. This exclusion does not apply to **Bodily Injury** or **Property Damage** which results from the use of reasonable force to protect persons or property.

10. **IMPAIRED PROPERTY** - To **Property Damage** to **Impaired Property** or property that has not been physically injured arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in **Your Product** or **Your Work**; or
- b. A delay or failure by any **Insured** or anyone acting on any **Insured's** behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to **Your Product** or **Your Work** after it has been put to its intended use.

11. **WAR** - To any liability arising, directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

12. **POLLUTION**

- a. To any liability arising out of the actual, alleged or threatened, discharge, dispersal seepage, migration, release or escape of **Pollutants**:

(1) At or from any premises, site or location which is or was at any time:

- (a) Owned or occupied by; or
- (b) Rented or loaned to;

- any **Insured**;
- (2) At or from any premises, site or location which is or was at any time used by or for:
 - (a) Any **Insured**; or
 - (b) Others;
 for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (a) Any **Insured**; or
 - (b) Any person or organization for whom you may be legally responsible; or
 - (4) At or from any premises, site or location on which any **Insured**, or any contractors or subcontractors working directly or indirectly on any **Insured's** behalf are performing operations:
 - (a) If the **Pollutants** are brought on or to such premises, site or location, in connection with such operations by such **Insured**, contractor or subcontractor; or
 - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Pollutants**;
 - (5) That are, or that are contained in, any property that is:
 - (a) Being transported or towed by, handled, or handled for movement into, onto, or from, any **Auto** covered by Coverage B;
 - (b) Otherwise in the course of transit by or on behalf of any **Insured**; or
 - (c) Being stored, disposed of, treated or processed in or upon any **Auto** covered by Coverage B;
 - (6) (a) Before the **Pollutants** or any property in which the **Pollutants** are contained are moved from the place where they are accepted by any **Insured** for movement into or onto any **Auto** covered by Coverage B; or
 - (b) After the **Pollutants** or any property in which the **Pollutants** are contained are moved from any **Auto** covered by Coverage B to the place where they are finally delivered, disposed of or abandoned by any **Insured**.
- b. To any loss, cost or expense arising out of any:
- (1) Request, demand, order or statutory or regulatory requirement that any **Insured** or others:
 - (a) Test for, monitor, clean up, remove, contain, treat, detoxify or neutralize; or
 - (b) In any way respond to, or assess the effects of;**Pollutants**; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of:
 - (a) Testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing; or
 - (b) In any way responding to, or assessing the effects of;**Pollutants**.
- This subsection 12.b. does not apply to liability for damages because of **Property Damage** that the **Insured** would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or **Suit** by or on behalf of a governmental authority.
- c. **HOSTILE FIRE** - Subsections a.(1) and a.(4)(a) above do not apply to **Bodily Injury** or **Property Damage** arising out of heat, smoke or fumes from a **Hostile Fire**.

13. **RECALL OF PRODUCTS** - To damages claimed for any loss, cost or expense incurred by any **Insured** or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:
 - a. **Your Product**;
 - b. **Your Work**; or
 - c. **Impaired Property**;
 if such product, work or property is withdrawn or recalled:
 - a. From the market; or
 - b. From use;
 by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.
14. **WORKERS COMPENSATION AND SIMILAR LAWS** - To any obligation of any **Insured** under a law of:
 - a. Workers compensation;
 - b. Disability benefits;
 - c. Unemployment compensation; or
 - d. Any similar laws.

D. COVERAGE B - WHO IS AN INSURED

1. Each of the following is an **Insured** under Coverage B:
 - a. **NAMED INSURED**- Any person or organization shown in the Named Insured section of our Declarations and:
 - (1) If you are an individual, you and your spouse are **Insureds**, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) If you are a partnership or joint venture, you, your members, your partners and their spouses are **Insureds**, but only with respect to the conduct of your business.
 - (3) If you are a limited liability company, your members are **Insureds**, but only with respect to the conduct of your business. Your managers are **Insureds**, but only with respect to their duties as your managers.
 - (4) If you are an organization other than a partnership, joint venture or limited liability company, your executive officers and directors are **Insureds**, but only with respect to their duties as your officers or directors. Your stockholders are **Insureds**, but only with respect to their liability as stockholders.
 - (5) If you are a trust, your trustees are **Insureds**, but only with respect to their duties as trustees.
 - b. **NEWLY ACQUIRED OR FORMED ORGANIZATIONS** - Any organization you acquire or form during our Policy Period other than a partnership, joint venture or limited liability company. But Coverage B applies only:
 - (1) If you maintain majority ownership or majority interest in such organization; and
 - (2) To an injury, damage or **Occurrence**, that took place or was committed after you acquired or formed the organization.
 - c. **SUBSIDIARIES** - Any subsidiary you wholly own, either directly or indirectly, at the inception of our policy.
 - d. **REAL ESTATE MANAGERS** - Any person or any organization while acting as your real estate manager.
 - e. **CUSTODIANS** - Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and

- (2) Until your legal representative has been appointed.
- f. **LEGAL REPRESENTATIVES**-Your legal representative if you die, but only with respect to their duties as such.
- g. Your **Volunteer Workers** but only while performing duties related to the conduct of your business, or your **Employees**, other than:
 - (1) Your **Executive Officers** (if you are an organization other than a partnership, joint venture or limited liability company); or
 - (2) Your managers (if you are a limited liability company);
 are **Insureds**, but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

However, none of these **Employees** or **Volunteer Workers** are **Insureds** for injury:

- (a) To you;
 - (b) To your partners or members (if you are a partnership or joint venture);
 - (c) To your members (if you are a limited liability company);
 - (d) To a co-**Employee** while in the course of his or her employment or performing duties related to the conduct of your business;
 - (e) To your other **Volunteer Workers** while performing duties related to the conduct of your business;
 - (f) To the spouse, child, parent, brother or sister of that co-**Employee** or **Volunteer Worker** as a consequence of subsections (a) through (e) above;
 - (g) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in subsections (a) through (f) above; or
 - (h) Arising out of his or her providing or failing to provide professional health care services.
2. The following persons and organizations are not **Insureds** under Coverage B:
- No person or organization is an **Insured** with respect to the conduct of any current, past or newly acquired or formed:

- a. Partnership;
- b. Joint venture; or
- c. Limited liability company;

that is not shown as a **Named Insured** in our Declarations.

E. COVERAGE B - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the terms below fix the most we will pay regardless of the number of:
 - a. Coverages provided by this policy;
 - b. **Insureds**;
 - c. Claims made or **Suits** brought; or
 - d. Persons or organizations making claims or bringing **Suits**.
2. **OCCURRENCE LIMIT** - The "each occurrence" limit shown in our Declarations is the most we will pay under Coverages A and B combined, for the sum of damages and **Covered Pollution Cost or Expense** arising out of any one **Occurrence**.

Any amount we pay for damages or **Covered Pollution Cost of Expense** arising out of an **Occurrence** will reduce or exhaust the amount of our applicable aggregate Limit of Insurance available for payment of damages or **Covered Pollution Cost or Expense** arising out of any other **Occurrence**.

3. **AGGREGATE LIMIT** - The Limit of Insurance shown in our Declarations as "aggregate" is the most we will pay under Coverage B, and applies separately for each of the following:
 - a. **GENERAL AGGREGATE** - Our aggregate limit is the most we will pay for the sum of damages except for damages under subsections b. and c. below.
 - b. **PRODUCTS AND COMPLETED OPERATIONS AGGREGATE** - Our aggregate limit is the most we will pay for damages included in the **Products-Completed Operations Hazard**.
 - c. **OCCUPATIONAL DISEASE AGGREGATE** - Our aggregate limit is the most we will pay for damages arising out of injury by disease to your officers or **Employees**.
4. **POLICY PERIOD EXTENSIONS** - The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, starting with the beginning of the Policy Period shown in the Declarations. However, if we extend our Policy Period after this policy is issued, we will consider the additional period as part of the last preceding period for purposes of determining the Limits of Insurance.
5. **SAME BASIS DEFENSE EXPENSES** - If the limits of Insurance of any **Primary Insurance** or **Other Insurance** are reduced by defense expenses by the terms of that policy then any defense expense payments we make to defend any **Insured** will reduce our applicable Limits of Insurance in the same manner.

SECTION III. SUPPLEMENTARY PAYMENTS

When we have the duty under this policy to defend any **Insured** against any **Suit**, we will pay the following expenses in addition to our Limit of Insurance to the extent that they are not covered by **Primary Insurance** or **Other Insurance** by the terms of that insurance:

1. Costs taxed against any **Insured** in the **Suit**.
2. Up to \$2000 for cost of bail bonds required. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within our applicable Limit of Insurance. We do not have to furnish these bonds.
4. Reasonable expenses incurred by any **Insured** when we request the **Insured** to assist us in the investigation of the claim or defense of the **Suit**. This includes actual loss of earnings up to \$500 a day, because of time off from work.
5. Prejudgment interest awarded against any **Insured** on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within our applicable Limit of Insurance.

SECTION IV. CONDITIONS

- A. APPEALS** - If any **Primary Insurer** elects not to appeal a judgment in excess of the amount of the **Primary Insurance** or **Other Insurance**, we may elect to appeal. If we appeal, we will pay the expenses of such appeal. Such payments will not reduce our Limits of Insurance.
- B. BANKRUPTCY**
 1. Bankruptcy or insolvency of any **Insured** or **Insured's** estate does not relieve us of our obligations under this policy.
 2. If any **Primary Insurer** becomes bankrupt or insolvent, this policy:
 - a. Does not replace such **Primary Insurance**; and

- b. Applies as though such **Primary Insurance** were available and collectible.

C. CANCELLATION

1. The **First Named Insured** may cancel this policy by mailing or delivering advance written notice to us, or the agent or broker of record. The Policy Period will end on the effective date requested.
2. We may cancel this policy by mailing by first class or certified mail to the **First Named Insured** and to the agent or broker of record, at their last addresses known to us, written notice of cancellation stating the reason for cancellation, at least:
 - a. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. Ninety (90) days before the effective date of cancellation if we cancel for any other reason.
3. Notice of cancellation will state the effective date of cancellation. The Policy Period will end on the date of cancellation.
4. If this policy is cancelled, we will send the **First Named Insured** any premium refund due.
 - a. If we cancel, the refund will be pro rata unearned premium.
 - b. If the **First Named Insured** cancels, the refund may be less than pro rata.

The cancellation will be effective even if we have not made or offered a refund.

5. A post office certificate of mailing or a certified mail receipt will be sufficient proof of mailing of notice.

D. CHANGES - The **First Named Insured** is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by a written endorsement issued by us and made a part of this policy.

E. CONFORMITY WITH LAWS - Any terms of this policy which are in conflict with the laws of the state or Canadian province where this policy is issued are amended to conform to such laws.

F. DUTIES OF INSUREDS IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

You must see to it that:

1. We are notified as soon as practicable:
 - a. Of any **Occurrence** which may result in a claim under this policy, when the **Occurrence** is known to:
 - (1) You, if you are an individual;
 - (2) Your partner, if you are a partnership;
 - (3) Your member, if you are a joint venture;
 - (4) Your member or manager, if you are a limited liability company; or
 - (5) Your officer or insurance manager, if you are an organization other than a partnership or joint venture; and
 - b. If a claim is made or **Suit** is brought against any **Insured**.
2. **Insureds**:
 - a. Cooperate with us in the investigation or settlement of any claim, or defense of any **Insured** against any **Suit**;
 - b. Enforce any right, upon our request, against any person or organization which may be liable to any **Insured** because of injury or damage to which this policy applies; and
 - c. Make no admission of liability, incur no expense other than first aid, and assume no obligation, without our consent.
3. In jurisdictions in which we are prevented from investigating, defending or settling a claim, or defending any **Insured** against any **Suit**, you must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However, settlement requires our prior written authorization. Also, you must see to it that **Insureds** continue to comply with their duty to cooperate in the defense.

G. MAINTENANCE OF PRIMARY INSURANCE

While this policy is in effect you agree:

1. To maintain **Primary Insurance** in full force, except for the reduction of limits of insurance due to the payment of judgments or settlements;
2. The terms and conditions of **Primary Insurance** will not materially change; and
3. Renewals or replacements of **Primary Insurance** will not materially change from the expiring **Primary Insurance**.

If you fail to comply with the above this policy shall apply as if **Primary Insurance** had been so maintained.

H. PAYMENT OF LOSS UNDER THIS POLICY - This policy will not apply until the **Insured** or the **Primary Insurer** is obligated to pay the full amount of the **Primary Insurance** limits of insurance. When the amount of judgment or settlement has finally been determined, we will promptly pay on behalf of the **Insured** the amount of damages which falls within the terms of this policy.

I. PREMIUM

1. The **First Named Insured**:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums.
2. The Advance Premium for this policy is shown in the Declarations. It is not subject to adjustment unless the Basis of Premium shown in the Declarations is other than: "flat charge".
3. If the Advance Premium is subject to adjustment, the earned premium will be determined at the end of our Policy Period. If the earned premium is:
 - a. More than the Advance Premium, the **First Named Insured** will pay the excess to us; or
 - b. Less than the Advance Premium, we will return to the **First Named Insured** the unearned portion. However, the earned premium is subject to the Annual Minimum Premium shown in our Declarations for each twelve (12) months of our Policy Period.

J. TITLES OR CAPTIONS - The titles or captions used in this policy are solely for convenience or reference. They do not affect the provisions to which they relate.

K. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY - Your rights and duties under this policy may not be transferred without our written consent. If you die, your rights and duties are transferred to your legal representative but only while they are acting within the scope of their duties as such. Until one is appointed, anyone having proper temporary custody of your property will have your rights and duties with respect to that property.

L. SUBROGATION

1. If any **Insured** has rights to recover all or part of any payment we make under this policy, those rights are transferred to us. The **Insured** must do nothing after loss to impair them. At our request, the **Insured** will bring **Suit** or transfer those rights to us and help us enforce them.
2. Any recoveries shall be distributed as follows:
 - a. First, we shall be entitled to recover to the extent of our payment; and
 - b. Next, any remaining amounts shall be paid to the **Primary Insurers** or any other party to the extent of their payment.
 - c. The expenses of the recovery will be distributed in proportion to the share of each party's recovery. But, if we conduct the recovery proceedings by ourselves:
 - (1) We will pay all expenses; and
 - (2) If we make a recovery, we will be reimbursed in full from the recovery for our expenses before the recovery is distributed.

M. OTHER INSURANCE - If there is any **Other Insurance** available to any **Insured**, this policy applies excess of and does not contribute with such **Other Insurance**. However:

1. At your option, our policy will apply before **Other Insurance** applies when you agree in a written **Insured Contract** prior to the time of an **Occurrence** that such insurance as is afforded by this policy will apply in that manner.
2. This does not apply if the **Other Insurance** is specifically written to be excess over this policy.

N. SEPARATION OF INSUREDS - Except with respect to the Limits of Insurance and any rights or duties specifically assigned to the **First Named Insured**, this insurance applies:

1. As if each **Named Insured** were the only **Named Insured**; and
2. Separately to each **Insured** against whom claim is made or **Suit** is brought.

O. INSPECTION AND AUDIT

1. We have the right but not the duty to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not:
 - a. Make safety inspections;
 - b. Undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public; or
 - c. Warrant that conditions are:
 - (1) Safe or healthful; or
 - (2) Comply with laws, regulations, codes or standards.
3. This condition applies:
 - a. To us; and
 - b. To any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations.
4. We may examine and audit your books and records as they relate to this policy:
 - a. At any time during our Policy Period; and
 - b. Up to one hundred eighty (180) days afterward.

P. UNINTENTIONAL FAILURE TO DISCLOSE - If you unintentionally fail to disclose to us all of:

1. **Your Products**;
2. **Your Work**; or
3. Property owned or used by you;

which exist at the inception date of this policy, we will not deny coverage under this policy because of such failure.

Q. WAIVER OF SUBROGATION SAME AS PRIMARY - If you and the **Primary Insurer**, prior to the time of an Occurrence, waive any right of recovery against a specific person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

SECTION V. NUCLEAR ENERGY LIABILITY EXCLUSION

A. The policy does not apply:

1. Under any coverage, to injury, sickness, disease, death or destruction:
 - a. With respect to which any **Insured** under this policy is also an insured under a nuclear energy liability policy issued by:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada;
 or would be insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "Hazardous Properties" of "Nuclear Material" and with respect to which:
 - (1) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (2) Any **Insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any liability coverage, to injury, sickness, disease, death or destruction resulting from the "Hazardous Properties" of "Nuclear Material", if:
 - a. The "Nuclear Material":
 - (1) Is at any "Nuclear Facility" owned by, or operated by or on behalf of, any **Insured**, or
 - (2) Has been discharged or dispersed therefrom;
 - b. The "Nuclear Material" is contained in "Spent Fuel" or "Waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of any **Insured**; or
 - c. The injury, sickness, disease, death or destruction arises out of the furnishing by any **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "Nuclear Facility". But if such facility is located within the United States of America, its territories or possessions or Canada, subsection c. applies only to injury to or destruction of property at such "Nuclear Facility".

B. As used in this exclusion:

1. "Hazardous Properties" includes radioactive, toxic or explosive properties.
2. "Nuclear Material" means "Source Material", "Special Nuclear Material" or "By-Product Material".
3. "Source Material", "Special Nuclear Material", and "By-Product Material" have the meaning given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
4. "Spent Fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "Nuclear Reactor".
5. "Waste" means any material which:
 - a. Contains "By-Product Material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium, from any ore processed primarily for its Source Material content; and
 - b. Results from the operation by any person or organization of any "Nuclear Facility" included under a. and b. of the definition of "Nuclear Facility".
6. "Nuclear Facility" means:

- a. Any "Nuclear Reactor";
 - b. Any equipment or device designed or used for:
 - (1) Separating the isotopes of uranium or plutonium;
 - (2) Processing or utilizing "Spent Fuel"; or
 - (3) Handling, processing or packaging "Waste";
 - c. Any equipment or device used for processing, fabricating or alloying of "Special Nuclear Material" if, at any time, the total amount of such material in the custody of any **Insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of:
 - (1) Plutonium; or
 - (2) Uranium 233; or
 any combination thereof, or more than 250 grams of uranium 235;
 - d. Any structure, basin, excavation, premises or place, prepared or used for the storage or disposal of "Waste";
- and includes:
- a. The site on which any of the foregoing is located;
 - b. All operations conducted on such site; and
 - c. All premises used for such operations.
7. "Nuclear Reactor" means any apparatus designed or used to:
- a. Sustain nuclear fission in a self-supporting chain reaction; or
 - b. Contain a critical mass of fissionable material.
8. With respect to injury to or destruction of property, the words "injury" or "destruction" include all forms of radioactive contamination of property.

SECTION VI. DEFINITIONS

- A. ADVERTISEMENT** under Coverage B, means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers and supporters. For the purposes of this definition:
- 1. Notices that are broadcast or published include material placed on the Internet or on similar electronic means of communication; and
 - 2. Regarding web-sites, only that part of a web-site that relates to your goods, products or services for the purposes of attracting customers or supporters is considered an **Advertisement**.
- B. ASBESTOS** under Coverages A and B, includes but is not limited to: asbestos, asbestos products, asbestos fibers, asbestos dust, and asbestos contained in products or materials.
- C. AUTO** under Coverage B, means a land motor vehicle, trailer, or semitrailer designed for travel on public roads, including any attached machinery or equipment. But **Auto** does not include **Mobile Equipment**.
- D. BODILY INJURY** under Coverage B, means bodily injury, sickness or disease sustained by a person including death or mental anguish resulting from any of these at any time. Mental anguish means any type of mental or emotional illness or disease.
- E. COVERED POLLUTION COST OR EXPENSE** under Coverage A, means any cost or expense arising out of any:
- 1. Request, demand, order or statutory or regulatory requirement; or
 - 2. Claim or **Suit** by or on behalf of a governmental authority;

demanding that the **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Pollutants**.

Covered Pollution Cost or Expense does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **Pollutants**:

1. That are, or that are contained in any property that is:
 - a. Being transported or towed by, handled, or handled for movement into, onto or from, any **Auto** covered by this policy;
 - b. Otherwise in the course of transit by or on behalf of any **Insured**;
 - c. Being stored, disposed of, treated or processed in or upon any **Auto** covered by this policy;
2. Before the **Pollutants**, or any property in which the **Pollutants** are contained, are moved from the place where they are accepted by any **Insured** for movement into or onto any **Auto** covered by this policy; or
3. After the **Pollutants**, or any property in which the **Pollutants** are contained, are moved from any **Auto** covered by this policy to the place where they are finally delivered, disposed of or abandoned by any **Insured**.

Subsection 1. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar **Pollutants**, that are needed for or result from the normal electrical, hydraulic or mechanical functioning of any **Auto** covered by this policy, or its parts, if:

- a. The **Pollutants** escape, seep, migrate, or are discharged, dispersed or released directly from an **Auto** part designed by its manufacturer to hold, store, receive or dispose of such **Pollutants**; and
- b. The **Bodily Injury, Property Damage** or **Covered Pollution Cost or Expense** does not arise out of the operation of any equipment listed in subsections 6.b. or c. of the definition of **Mobile Equipment**.

Subsections 2. and 3. above do not apply to **Occurrences** that occur away from premises owned by or rented to any **Insured** with respect to **Pollutants** not in or upon any **Auto** covered by this policy if:

- a. The **Pollutants** or any property in which the **Pollutants** are contained are upset, overturned or damaged as a result of the maintenance or use of any **Auto** covered by this policy; and
- b. The discharge, dispersal, seepage, migration, release or escape of the **Pollutants** is caused directly by such upset, overturn or damage.

F. FIRST NAMED INSURED under Coverages A and B, means the person or organization shown first in the Named Insured section of our Declarations.

G. HOSTILE FIRE under Coverages A and B, means one which becomes uncontrollable or breaks out from where it was intended to be.

H. IMPAIRED PROPERTY under Coverage B, means tangible property, other than **Your Product** or **Your Work**, that cannot be used or is less useful because:

1. It incorporates **Your Product** or **Your Work** that is known or thought to be defective, deficient, inadequate or dangerous; or
2. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

1. The repair, replacement, adjustment or removal of **Your Product** or **Your Work**; or
2. Your fulfilling the terms of the contract or agreement.

I. INSURED CONTRACT under Coverage B, means:

1. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an **Insured Contract**;
2. A sidetrack agreement;

3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. An elevator maintenance agreement;
6. That part of any contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for **Bodily Injury, Personal and Advertising Injury or Property Damage** to a third person or organization. "Tort liability" means a liability that would be imposed by law in the absence of any contract or agreement.

This subsection 6. does not include that part of any contract or agreement:

- a. That indemnifies a railroad for liability arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports surveys, field orders, change orders or drawings and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- c. Under which the **Insured**, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the **Insured's** rendering or failure to render professional services, including those listed in b. above and supervisory, inspection, architectural or engineering activities.

J. MOBILE EQUIPMENT under Coverages A and B, means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted;
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in subsections 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in subsections 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not **Mobile Equipment** but will be considered **Autos**:
 - a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.

K. NAMED INSURED under Coverages A and B, means any person or organization shown in the Named Insured section of our Declarations.

L. OCCURRENCE:

- 1. Under Coverage A, has the same meaning as has the term "occurrence" contained in **Primary Insurance**. But with respect to personal and advertising injury as defined in **Primary Policies**, the term means a personal and advertising injury offense.
- 2. Under Coverage B, means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. With respect to **Personal and Advertising Injury**, the term means an offense which causes such injury.

M. OTHER INSURANCE under Coverages A and B, means insurance that is available to any **Insured** and covers damage to which this policy applies, other than:

- 1. **Primary Insurance**; or
- 2. Insurance that is specifically purchased by you to be excess of the insurance afforded by this policy.

N. PERSONAL AND ADVERTISING INJURY under Coverage B, means injury, including consequential **Bodily Injury**, arising out of one or more of the following offenses:

- 1. False arrest, detention or imprisonment;
- 2. Malicious prosecution or abuse of process;
- 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that the person occupies by or on behalf of its owner, landlord or lessor;
- 4. Oral or written publication, in any manner, of material that:
 - a. Slanders or libels a person or organization;
 - b. Disparages a person's or organization's goods, products or services; or
 - c. Violates a person's right of privacy;
- 5. The use of another's advertising idea in your **Advertisement**;
- 6. Infringing upon another's copyright, trade dress or slogan in your **Advertisement**; or
- 7. "Discrimination" when based solely on either disparate impact or vicarious liability (unless insurance thereof is prohibited by law). As used in this definition N, the term "discrimination" means the unlawful treatment of individuals based on race, color, religion, gender, age, or national origin.

O. POLLUTANTS under Coverages A and B, means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

P. PRIMARY INSURER under Coverages A and B, means the insurer of the **Primary Insurance** or **Other Insurance** policies.

Q. PRIMARY POLICY, PRIMARY POLICIES or **PRIMARY INSURANCE** under Coverage A and B, means the policy or policies of insurance shown in our Schedule of Primary Insurance.

R. PRODUCTS-COMPLETED OPERATIONS HAZARD under Coverage B, includes all **Bodily Injury** and **Property Damage** occurring away from premises you own or rent and arising out of **Your Product** or **Your Work** except:

- 1. Products that are still in your physical possession; or
- 2. Work that has not yet been completed or abandoned.

Your Work will be deemed completed at the earliest of the following times:

- 1. When all of the work called for in your contract has been completed;

2. When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

S. PROPERTY DAMAGE under Coverage B, means:

1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **Occurrence** that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

As used in this definition, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

T. SUIT under Coverages A and B, means a civil proceeding in which damages insured by this policy are alleged. The term includes:

1. An arbitration proceeding in which such damages are claimed and to which any **Insured** must submit or does submit with our consent; or
2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which any **Insured** submits with our consent.

U. YOUR PRODUCT under Coverage B, means:

1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. You;
 - b. Others trading under your name; or
 - c. A person or organization whose business or assets you have acquired; and
2. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Your Product includes:

1. Warranties or representations made at any time as respects the fitness, quality, durability, performance or use of **Your Product**; and
2. The providing of or failure to provide warnings or instructions.

Your Product does not include vending machines or any other property rented to or located for the use of others but not sold.

V. YOUR WORK under Coverage B means:

1. Work or operations performed by you or on your behalf; and
2. Materials, parts or equipment furnished in connection with such work or operations.

Your Work includes:

1. Warranties or representations made at any time as respects the fitness, quality, durability, performance or use of **Your Work**; and
2. The providing of or failure to provide warnings or instructions.

W. EMPLOYEE under Coverage B, includes a **Leased Worker**. **Employee** does not include a **Temporary Worker**.

- X. EXECUTIVE OFFICER** under Coverage B, means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- Y. LEASED WORKER** under Coverage B, means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. **Leased Worker** does not include a **Temporary Worker**.
- Z. TEMPORARY WORKER** under Coverage B, means a person who is furnished to you to substitute for a permanent **Employee** on leave or to meet seasonal or short-term workload conditions.
- AA. VOLUNTEER WORKER** under Coverage B, means a person who is not your **Employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

Economic or Trade Sanctions Compliance - 145985 06 14

Policy Amendment

The following is added to the Policy and replaces any other provision in the Policy addressing economic or trade sanctions:

This insurance does not apply to the extent that economic or trade sanctions or other laws or regulations prohibit us (the Company) from providing insurance.

All other terms and conditions of the policy remain unchanged.

Silica Particles Exclusion

178575 05 04 NY

Policy Amendment - Umbrella Policy - Excess Liability Policy

- A. The policy does not apply to any liability, loss, cost or expense arising, in whole or in part, directly or indirectly out of, or which is in any way related to, the "Silica hazard".
- B. As used in this exclusion:
 - 1. "Silica hazard" means exposure to, inhalation of or contact with, or threat of exposure to, inhalation of or contact with "silica" or "silica-related dust" which results in, or are alleged to cause, harmful health effects;
 - 2. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds; and
 - 3. "Silica-related dust" means a mixture or combination of "silica" and other dust or particles.

All other terms and conditions of the policy remain unchanged.

Sublimited Primary Coverage Exclusion 178578 06 04

Policy Amendment - Umbrella Policy - Excess Liability Policy

- A. This policy does not apply to any claims or **Suits** covered by **Primary Insurance** when the applicable **Primary Policy's** limits of insurance that apply to such claims or **Suits** is a "sublimit".

However, this exclusion does not apply when the available "sublimit" is less than the Limit of Insurance, as shown in our Schedule of Primary Insurance, for the applicable **Primary Policy** if solely due to a reduction in limits by payments of judgments, settlements or defense expenses.

- B. As used in this endorsement, "sublimit" means the limits of insurance which apply to any coverage provided by **Primary Insurance** that are less than the Limit of Insurance, as shown in our Schedule of Primary Insurance, for the applicable **Primary Policy**. This includes any "sublimit" whether it is subject to, or in addition to, the **Primary Policy** limits shown in our Schedule of Primary Insurance.

All other terms and conditions of the policy remain unchanged.

Disclosure of Premium for Certified Acts of Terrorism Coverage; Cap on Insurer Participation in Payment of Terrorism Losses (Pursuant to Terrorism Risk Insurance Act)

178587 01 15 NY

Policy Amendment - Umbrella Policy - Excess Liability Policy

This Endorsement is attached to and made part of your policy in response to the disclosure requirements of the Terrorism Risk Insurance Act.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act, as amended ("certified acts of terrorism"). The portion of your premium attributable to such coverage is shown in the policy Declarations. This premium is based on the rates in effect at the time of policy issuance or policy anniversary and was calculated for the full term of the current policy period.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceed \$100 billion.

C. Cap on Insurer Participation in Payment of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All other terms and conditions of the policy remain unchanged.

Lead Exclusion

178771 03 98

Policy Amendment - Umbrella Policy - Excess Liability Policy

The policy does not apply to any liability arising in whole or in part, out of or in any way related to "Lead".

As used in this exclusion, the term "Lead" includes but is not limited to, lead, lead products, lead contained in paint, and lead contained in any products or materials.

All other terms and conditions of the policy remain unchanged.

Pollution - Absolute Exclusion - Coverage B 178789 10 01

Policy Amendment - Umbrella Policy

A. SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS, subsection 12. POLLUTION is replaced by the following:

12. POLLUTION

- a. To any liability arising:
 - (1) Directly;
 - (2) Indirectly; or
 - (3) In concurrence, or in any sequence, with a cause for which coverage may be afforded by this policy; out of the actual, alleged or threatened existence, discharge, dispersal, seepage, migration, release or escape of **Pollutants**.
- b. To any loss, cost, or expense arising out of any:
 - (1) Request, demand, order, or statutory or regulatory requirement that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of **Pollutants**; or
 - (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, **Pollutants**.
- c. It is the intent and effect of this exclusion to exclude any or all coverage afforded by Coverage B of this policy for any claim, action, judgment, liability, settlement, defense, or expense in any way arising out of the existence, discharge, dispersal, seepage, migration, release or escape of **Pollutants**. It applies whether such results from any **Insured's** activities or the activities of others. It applies whether such is sudden, gradual, accidental, intended, foreseeable, expected, fortuitous, or inevitable. And it applies wherever or however such occurs.

All other terms and conditions of the policy remain unchanged.

Products-Completed Operations Hazard Exclusion - Coverage B

178792 03 98

Policy Amendment - Umbrella Policy

COVERAGE B of the policy does not apply to any liability arising out of the **Products-Completed Operations Hazard**; nor to any liability assumed under that part of an **Insured Contract** that indemnifies a person or organization for any liability arising out of the **Products-Completed Operations Hazard**.

All other terms and conditions of the policy remain unchanged.

Professional Services Exclusion

178794 04 13

Policy Amendment - Umbrella Policy - Excess Liability Policy

The policy does not apply to any liability arising out of the rendering of or failure to render any "professional" services.

This exclusion applies even if the claims against any **Insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **Insured**, if the offense which caused the damages involved the rendering of or failure to render any professional service.

As used in this endorsement, a "professional" service is one arising out of a vocation, calling, occupation, or employment involving specialized knowledge, labor, or skill. It also means relating to or characteristic of a learned profession that often requires special licensing by an agency or society with such authority.

All other terms and conditions of the policy remain unchanged.

New York Amendatory 178859 10 03 NY

Policy Amendment - Umbrella Policy

- A. SECTION I. EXCESS LIABILITY - COVERAGE A, C. COVERAGE A EXCLUSIONS, the following exclusion is added:
- EXPECTED OR INTENDED - Bodily injury or property damage expected or intended from the standpoint of any **Insured**. But this does not apply to bodily injury or property damage which results from the use of reasonable force to protect persons or property.
- B. SECTION II. UMBRELLA LIABILITY - COVERAGE B, A. COVERAGE B - INSURING AGREEMENT, subsection 1.c. is added as follows:
1. c. This insurance shall apply in excess of the greater of either:
 - (1) The applicable limit or limits of insurance of any valid and collectible **Other Insurance** available to any **Insured**; or
 - (2) \$10,000, hereinafter referred to as the "Insured's Retained Limit."

It shall be the obligation of any **Insured** to pay the amount of the "Insured's Retained Limit" with respect to all damages to which this policy applies and for which there is no **Primary Insurance** or **Other Insurance**.
- C. Whenever the "Insured's Retained Limit" applies, the policy is subject to these additional conditions:
1. The "Insured's Retained Limit" shall be deducted from the total amount of all sums for damages which we are obligated to pay for each **Occurrence**;
 2. The terms of the policy, including those pertaining to our rights and duties with respect to the defense of **Suits** and to any **Insured's** duties in the event of an **Occurrence**, apply irrespective of the application of the "Insured's Retained Limit";
 3. We will settle any claim or **Suit** only with the written consent of any **Insured**. If any **Insured** refuses to consent to our making any settlement recommended by us, based upon a judgment or a bona fide offer of settlement, the excess of the amount for which such settlement could have been made, as so recommended by us, will not be recoverable under the policy; and
 4. With the written consent of any **Insured**, we may pay any part or all of the "Insured's Retained Limit" amount to effect settlement of any claim or **Suit**. Upon notification of the action taken, any **Insured** shall promptly reimburse us for such part of the "Insured's Retained Limit" as has been paid by us.
- D. SECTION I. EXCESS LIABILITY - COVERAGE A, B. COVERAGE A - WHEN WE WILL HAVE A DUTY TO DEFEND, subsection 1., the first sentence is replaced by the following:
1. We will have the right and duty to defend any **Insured** against any **Suit** seeking damages or a **Covered Pollution Cost or Expense** to which Coverage A applies even if the allegations are groundless, false or fraudulent, but only:
- Subsections a., b. and the last sentence of subsection 1. remain unchanged.
- E. SECTION II. UMBRELLA LIABILITY - COVERAGE B, B. COVERAGE B - WHEN WE WILL HAVE A DUTY TO DEFEND, subsection 1., the first sentence is replaced by the following:
1. We will have the right and duty to defend any **Insured** against any **Suit**, seeking damages to which Coverage B applies even if the allegations are groundless, false or fraudulent, but only:
- Subsections a., b. and the last sentence of subsection 1. remain unchanged.
- F. The policy does not apply to any punitive or exemplary damages or any fines or penalties, in whatever form assessed.
- G. With respect to any **Insured's** employees subject to the New York State Workers' Compensation Law:

1. This policy does not apply to any liability arising out of any injury to:
 - a. Any employee of any **Insured** arising out of and in the course of:
 - (1) Employment by any **Insured**; or
 - (2) Performing duties related to the conduct of any **Insured's** business; or
 - b. The spouse, child, parent, brother, or sister of that employee as a consequence of subsection a. above.

This exclusion applies:

- a. Whether any **Insured** may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by an **Insured** under an **Insured Contract**.

2. SECTION II. UMBRELLA LIABILITY - COVERAGE B, E. COVERAGE B - LIMITS OF INSURANCE, subsection 3.c. OCCUPATIONAL DISEASE AGGREGATE does not apply.

- H. With respect to SECTION I. EXCESS LIABILITY - COVERAGE A, B. COVERAGE A - WHEN WE WILL HAVE A DUTY TO DEFEND, and SECTION II. UMBRELLA LIABILITY - COVERAGE B, B. COVERAGE B - WHEN WE WILL HAVE A DUTY TO DEFEND, the following is added:

If we have assumed control of the settlement of any claim or defense of any **Suit**:

1. If we think that our Limit of Insurance stated in our Declarations as "each occurrence" or "aggregate" limit is likely to be exhausted by payment of judgments or settlements, we will notify the **First Named Insured** in writing to that effect;
2. After the applicable Limit of Insurance of this policy has been exhausted by payment of judgments or settlements:
 - a. We will notify the **First Named Insured** in writing as soon as practicable, that:
 - (1) Such a limit has actually been exhausted; and
 - (2) We have no duty to defend any **Insured** against any **Suit** after the applicable Limit of Insurance of this policy has been exhausted by payment of judgments or settlements;
 - b. We will initiate and cooperate in the transfer of control, to any appropriate **Insured** of the settlement of all claims or defense of all **Suits** seeking damages which are subject to that limit and which are reported to us before that limit is exhausted. That **Insured** must cooperate in the transfer of control of said claims and **Suits**.

We agree to take such steps as we deem appropriate, to avoid a default in, or continue the defense of, such **Suits** until such transfer is completed, providing the appropriate **Insured** is cooperating in completing such transfer.

We have no duty to take any action whatsoever with respect to any claim or **Suit** seeking damages that would have been subject to that limit, had it not been exhausted, if the claim or **Suit** is reported to us after that Limit of Insurance has been exhausted; and

- c. The **First Named Insured**, and any other **Insured** involved in a **Suit** seeking damages subject to that limit, must arrange for the defense of such **Suit** within such time period as agreed to between the appropriate **Insured** and us. Absent any such agreement, arrangements for the defense of such **Suit** must be made by the appropriate **Insured** as soon as practicable;
3. The **First Named Insured** will reimburse us for expenses we incur in taking those steps we deem appropriate in accordance with paragraph 2.b. above.

The duty of the **First Named Insured** to reimburse us will begin on:

- a. The date on which the applicable Limit of Insurance is exhausted, if we sent notice in accordance with paragraph 1. above; or

b. The date on which we sent notice in accordance with paragraph 2.a. above, if we did not send notice in accordance with paragraph 1. above; and

4. The exhaustion of any Limit of Insurance of this policy by the payment of judgments or settlements, and the resulting end of our duty to defend, will not be affected by our failure to comply with any of the provisions contained above.

I. SECTION IV. CONDITIONS, F. DUTIES OF INSURED IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT, the following is added:

Notice given by or on behalf of any **Insured**, or written notice by or on behalf of the injured person or any other claimant, to any agent of ours in New York State with particulars sufficient to identify any **Insured**, shall be considered notice to us.

Failure of any **Insured** to notify us within the time prescribed in this condition will not invalidate a claim made by any **Insured** or by any other claimant, if it is shown that notice was given as soon as was practicable.

J. SECTION IV. CONDITIONS, the following is added:

NEW YORK CONFORMITY WITH REGULATIONS - COVERAGE A - With respect to operations in the State of New York, Coverage A of the policy shall conform to the applicable insurance laws of the State of New York or the applicable regulations of the New York Insurance Department in effect at the time the policy is issued; provided however, that our Limits of Insurance shall be excess of an amount of damages equal to the amount of the Limits of Insurance stated in our Schedule of Primary Insurance.

K. SECTION VI. DEFINITIONS, P. PRIMARY INSURER is replaced by the following:

P. **Primary Insurer** under Coverages A and B, means the insurer of the **Primary Insurance**.

L. SECTION VI. DEFINITIONS, the following is added:

Other Insurer under Coverages A and B, means the insurer of the **Other Insurance**.

M. In the following subsections of the policy, wherever used, the words "Primary Insurer" are replaced by the words "Primary Insurer or Other Insurer":

1. SECTION I. EXCESS LIABILITY - COVERAGE A, B. COVERAGE A - WHEN WE WILL HAVE A DUTY TO DEFEND, subsection 2.;
2. SECTION IV. CONDITIONS, A. APPEALS; and
3. SECTION IV. CONDITIONS, L. SUBROGATION, subsection 2.b.

All other terms and conditions of the policy remain unchanged.

Cancellation, Nonrenewal or Conditional Renewal 178860 10 02 NY

Policy Amendment - Umbrella Policy - Excess Liability Policy

A. The policy CONDITIONS, CANCELLATION, subsection 2.a. is replaced by the following:

a. Fifteen (15) days before the effective date of cancellation if we cancel for nonpayment of premium; or

B. The following is added to the policy CONDITIONS, CANCELLATION, subsection 2.:

If this policy has been in effect for sixty (60) days or more, or if this policy is a renewal or continuation of a policy we issued, we may cancel this policy only for the following reasons:

- a. Nonpayment of premium;
- b. Conviction of a crime arising out of acts increasing the hazard insured against;
- c. Discovery of fraud or material misrepresentation in obtaining this policy or in the presentation of a claim thereunder;
- d. After issuance of this policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current Policy Period;
- e. Material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of this policy which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time this policy was issued or last renewed;
- f. Required pursuant to determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency, or be hazardous to the interest of our policyholders, our creditors or the public; or
- g. A determination by the Superintendent that the continuation of this policy would violate, or would place us in violation of, any provision of the Insurance Code.

C. The following is added to the policy CONDITIONS, CANCELLATION, subsection 4.:

- c. If premium is advanced under a premium finance agreement, the cancellation refund will be pro rata, and we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater.

D. The following is added to the policy CONDITIONS:

NONRENEWAL BY US

1. If we elect not to renew this policy, we will mail by first class or certified mail to the **First Named Insured** and to the agent or broker of record, at their last addresses known to us, written notice stating the reason for nonrenewal, at least thirty (30) days but not more than one hundred and twenty (120) days before the effective date of nonrenewal.
2. Notice of nonrenewal will state the effective date of nonrenewal. The Policy Period will end on the date of nonrenewal.
3. A post office certificate of mailing or a certified mail receipt will be sufficient proof of mailing of notice.
4. If we violate any of the provisions of items 1. through 3. above, by sending the **First Named Insured** a notice:
 - a. That is incomplete, or later than 30 days prior to this policy's expiration date but prior to the policy's expiration date, coverage will remain in effect at the same terms and conditions of this policy and at the lower of the current rates or the prior period's rates, until 60 days after proper nonrenewal notice is mailed unless the **First Named Insured**, during this 60 day period, has replaced the coverage or elects to cancel; or

- b. At the same terms and conditions of this policy for another annual policy period, at the lower of the current rates or the prior period's rates unless the **First Named Insured**, during this additional policy period, has replaced the coverage or elects to cancel.

The Aggregate Limit of Insurance shown in the Declarations will be increased in proportion to any Policy extension as provided in 4.a. or 4.b. above.

- 5. We will not send you notice of nonrenewal if your authorized agent or broker or another insurer of yours mails or delivers notice to us that this policy has been replaced or is no longer desired.

E. The following is added to the policy CONDITIONS:

CONDITIONAL RENEWAL

- 1. If we condition renewal of this policy upon:

- a. Change of limits;
- b. Change in type of coverage;
- c. Reduction of coverage;
- d. Increased deductible or Retained Amount;
- e. Addition of exclusion;
- f. Requirements relating to **Primary Insurance**; or
- g. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units or as a result of experience rating, loss rating, retrospective rating or audit;

We will mail, to the **First Named Insured** and the agent or broker of record, at their last addresses known to us, written notice stating the specific reasons for conditional renewal, the amount of any premium increase, and a description of any other changes, at least thirty (30) days but not more than one hundred and twenty (120) days before this policy's:

- (1) Expiration date; or
- (2) Annual anniversary date.

- 2. Proof of mailing will be sufficient proof of notice.
- 3. If we violate any of the above provisions of this condition by sending the **First Named Insured** a conditional renewal notice:
 - a. That is incomplete or later than 30 days prior to this policy's expiration date but prior to the policy's expiration date, coverage will remain in effect at the same terms and conditions of this policy, at the lower of the current rates or the prior period's rates, until 60 days after proper conditional renewal notice is mailed or delivered unless the First Named Insured, during this 60 day period, has replaced the coverage or elects to cancel; or
 - b. That is later than the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another annual policy period, at the lower of the current rates or the prior period's rates unless the First Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.
- 4. The Aggregate Limit of Insurance shown in the Declarations will be increased in proportion to any policy extension as provided in 3.a. or 3.b. above.
- 5. We will not send you notice of conditional renewal if your authorized agent or broker or another insurer of yours mails or delivers notice to us that this policy has been replaced or is no longer desired.

All other terms and conditions of the policy remain unchanged.

Coverage Amendments

178874 04 13

Policy Amendment - Umbrella Policy

- A. The following replaces SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS, 5. DAMAGE TO INSURED'S PROPERTY:

5. DAMAGE TO PROPERTY- To **Property Damage** to real or personal property in the care, custody or control of any **Insured**, including any costs or expenses incurred by you, or any other person, or organization, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

- B. The following are added to SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS:

AUTO

To any liability arising out of the ownership, maintenance, operation, use, entrustment to others, loading or unloading of any **Auto**. This exclusion applies even if the claims against any **Insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that **Insured**.

EMPLOYEE INJURY

To any liability arising out of any injury to:

1. Any **Employee** of any **Insured** arising out of and in the course of:
 - a. Employment by any **Insured**; or
 - b. Performing duties related to the conduct of any **Insured's** business; or
2. The spouse, child, parent, brother or sister of that **Employee** as a consequence of section 1. above.

This exclusion applies:

1. Whether any **Insured** may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

LIQUOR LIABILITY

To any liability arising out of:

1. Causing or contributing to the intoxication of any person;
2. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;
3. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages; or
4. Owning or leasing premises used for selling or serving alcoholic beverages.

This exclusion applies even if the claims against any **Insured** allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that **Insured**; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol.

WATERCRAFT

To any liability arising out of any watercraft except one you do not own:

1. That is less than 50 feet long; and
2. That is not being used for public transportation or as a common carrier.

This exclusion applies even if the claims against any **Insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **Insured**.

EMPLOYEE BENEFIT PROGRAM EXCLUSION

To any liability arising out of the "Administration" of any "Employee Benefit Program."

As used in this endorsement, the following terms have the following meanings:

1. "Employee Benefit Program" includes but is not limited to group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans, unemployment insurance, social security benefits, workers' compensation and disability benefits insurance.
2. "Administration" includes but is not limited to performing or failure to perform any of the following functions with respect to an "Employee Benefit Program":
 - a. Application of rules determining eligibility for or participation in benefits;
 - b. Calculation of service and compensation credit for benefits;
 - c. Preparation of **Employee** communications material;
 - d. Maintenance of participants' service and employment records;
 - e. Preparation of reports required by government agencies;
 - f. Calculation of benefits;
 - g. Orientation of new participants and advising participants of their rights and options under the plan;
 - h. Collection of contributions and application of contributions as provided in the plan;
 - i. Preparation of reports concerning participants' benefits;
 - j. Processing of claims; or
 - k. Rendering or providing advice, other than legal advice.

All other terms and conditions of the policy remain unchanged.

Discrimination Liability Limitation - Coverage B

178905 10 01

Policy Amendment - Umbrella Policy

- A. SECTION VI. DEFINITIONS, N. PERSONAL AND ADVERTISING INJURY, subsection 7. is deleted.
- B. Coverage B of the policy does not apply to any liability arising out of or alleging "discrimination" against any person or organization.

"Discrimination" includes, but is not limited to, discrimination because of race, color, ethnic or national origin, religion, age, gender, marital status, physical disability or impairment, or any employment practices related to the foregoing.

All other terms and conditions of the policy remain unchanged.

Personal and Advertising Injury Exclusion - Coverage B
178909 09 98

Policy Amendment - Umbrella Policy

COVERAGE B of the policy does not apply to any liability arising out of **Personal and Advertising Injury**.

All other terms and conditions of the policy remain unchanged.

Abuse, Assault and Molestation Exclusion - Coverage B

178913 10 01

Policy Amendment - Umbrella Policy

Coverage B of the policy does not apply to any:

- A. Liability arising directly or indirectly out of any actual, alleged or threatened:
 - 1. Sexual abuse, sexual assault, sexual molestation, sexual harassment or sexual misconduct;
 - 2. Physical abuse, physical assault, physical battery;
 - 3. Mental abuse; or
 - 4. Child molestation;
- B. Injury to any person who is so abused, assaulted, battered, molested or harassed; or
- C. Liability for:
 - 1. Failing to prevent or deter any of the above; or
 - 2. Negligently hiring or supervising any persons who cause or contribute to any of the above.

All other terms and conditions of the policy remain unchanged.

Intellectual Property Exclusion

178944 10 01

Policy Amendment - Umbrella Policy - Excess Liability Policy

The policy does not apply to any liability arising out of any actual or alleged infringement, disparagement, defamation, violation, misappropriation, or unfair usage of any form of intellectual property, including but not limited to:

- A. Copyright, slogan or title;
- B. Patent;
- C. Trademark, service mark, collective mark, or certification mark, including without limitation any word, name, symbol, device or any combination thereof used to identify or distinguish the origin of a good, product or service;
- D. Trade secret;
- E. Trade dress including without limitation, any shape, color, design or appearance used to distinguish the origin of a good, product or service;
- F. False designation of the origin of a good, product or service;
- G. Advertising ideas, concepts, campaigns, or style of doing business; or
- H. Any other intellectual property rights recognized or implied by law.

All other terms and conditions of the policy remain unchanged.

Designated Operations Exclusion

178947 10 01

Policy Amendment - Umbrella Policy - Excess Liability Policy

The policy does not apply to any liability arising out of any operations performed by or on behalf of any **Insured**, nor to any liability assumed under that part of any contract or agreement that indemnifies a person or organization for liability arising out of operations listed below:

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

All other terms and conditions of the policy remain unchanged.

Primary Insurance Restriction Endorsement Amendment Coverage B 178962 10 01

Policy Amendment - Umbrella Policy

SECTION II. UMBRELLA LIABILITY - COVERAGE B, A. COVERAGE B - INSURING AGREEMENT, subsection 2, the following is added:

- c. Which would have been covered by **Primary Insurance** except for the attachment of an endorsement to **Primary Insurance**, either at policy inception or during the policy term, which restricts or excludes coverage.

All other terms and conditions of the policy remain unchanged.

Coverage for Certified Acts of Terrorism

178993 01 15

Policy Amendment - Umbrella Policy

- A. Coverage A of this policy will apply with respect to a "certified act of terrorism".
- B. Coverage B of this policy does not apply to any liability arising, directly or indirectly, out of any "certified act of terrorism".
- C. As used in this endorsement, "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, as amended, to be an act of terrorism pursuant to such Act, as amended. The criteria contained in the Terrorism Risk Insurance Act, as amended, for a "certified act of terrorism" include the following:
 - 1. The act resulted in insured losses in excess of \$5 million in the aggregate attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended; and
 - 2. The act resulted in damage:
 - a. Within the United States (including its territories and possessions and Puerto Rico); or
 - b. Outside the United States in the case of:
 - (1) An air carrier (as defined in Section 40102 of title 49, United States code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States) regardless of where the loss occurs; or
 - (2) The premises of any United States mission; and
 - 3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- D. If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, as amended, then we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All other terms and conditions of the policy remain unchanged.

Additional Policy Provisions

179020 04 13

Policy Amendment - Umbrella Policy

Unless otherwise amended by any other endorsement to this policy issued on or after the date this endorsement is added, this policy is amended as follows:

- A. SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS, 2. PERSONAL AND ADVERTISING INJURY, subsection b., c. and h. are replaced by the following:
 - b. Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the **Insured** with knowledge of its falsity.
 - c. Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the Policy Period.
 - h. Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your **Advertisement**. However, this exclusion does not apply to infringement, in your **Advertisement**, of copyright, trade dress or slogan.
- B. SECTION I. EXCESS LIABILITY - COVERAGE A, C. COVERAGE A - EXCLUSIONS, 4. POLLUTION, subsection (6) is replaced by the following:
 - (6) BUILDING HEATING EQUIPMENT- Subsection a.(1) above does not apply to bodily injury if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.
- C. SECTION I. EXCESS LIABILITY - COVERAGE A, C. COVERAGE A - EXCLUSIONS 5. EMPLOYMENT PRACTICES and SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS, 7. EMPLOYMENT PRACTICES, are replaced by the following:

EMPLOYMENT PRACTICES

 - a. To any liability arising out of any employment-related or personnel practices, policies, acts or omissions. This includes, but is not limited to:
 - (1) Refusal to employ;
 - (2) Termination of employment;
 - (3) Coercion, criticism, demotion, failure to promote, evaluation, reassignment, discipline, defamation, self-defamation, harassment, humiliation, discrimination, libel, slander, false arrest or imprisonment, violation of a person's right of privacy, or malicious prosecution; or
 - (4) Any consequential injury or damages as a result of (1), (2) or (3) above.
 - b. This exclusion applies:
 - (1) To all claims, demands, charges, complaints or **Suits** by any person(s) or organization(s) for damages because of such injury or liability, including damages for care and loss of services, whether such injury-causing event occurs before employment, during employment or after employment;
 - (2) Whether any **Insured** may be held liable as an employer or in any other capacity either directly or indirectly related to employment; and
 - (3) To any obligation to share damages with or repay someone else who must pay damages because of such injury or liability.
- D. The following is added to SECTION II. UMBRELLA LIABILITY - COVERAGE B, C. COVERAGE B - EXCLUSIONS:

ELECTRONIC DATA - To damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

E. SECTION III. SUPPLEMENTARY PAYMENTS, subsection 1. is replaced by the following:

1. Costs taxed against any **Insured** in the **Suit**. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the **Insured**.

F. SECTION VI. DEFINITIONS, C. AUTO is replaced by the following:

C. AUTO under Coverage B, means:

1. A land motor vehicle, trailer, or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, **Auto** does not include **Mobile Equipment**.

G. SECTION VI. DEFINITIONS, I. INSURED CONTRACT, subsection 6. is replaced by the following:

6. That part of any contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for **Bodily Injury, Personal and Advertising Injury or Property Damage** to a third person or organization, provided injury or damage is caused, in whole or in part, by you or by those acting on your behalf. "Tort liability" means a liability that would be imposed by law in the absence of any contract or agreement.

This subsection 6. does not include that part of any contract or agreement:

- a. That indemnifies a railroad for liability arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports surveys, field orders, change orders or drawings and specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- c. Under which the **Insured**, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the **Insured's** rendering or failure to render professional services, including those listed in b. above and supervisory, inspection, architectural or engineering activities.

H. The following is added to SECTION VI. DEFINITIONS, J. MOBILE EQUIPMENT:

However, **Mobile Equipment** does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered **Autos**.

All other terms and conditions of the policy remain unchanged.

Directors and Officers Exclusion - Coverage B

179032 04 13

Policy Amendment - Umbrella Policy

Coverage B of the policy does not apply to any liability arising out of any "wrongful act."

As used in this endorsement, "wrongful act" means any actual or alleged error or misstatement or misleading statement or act or omission or neglect or breach of duty by any director, officer, trustee, governor, regent, commissioner, committee member, managing member or member of any board of managers or any board of directors, or any similar governing body, of any organization of any **Insured** in the discharge of their duties, individually or collectively, or any matter claimed against them solely by reason of being directors or officers.

This exclusion applies even if the claims against any **Insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that **Insured**.

All other terms and conditions of the policy remain unchanged.

Violation of Statutes Exclusion (E-Mails, Fax, Phone Calls or Other Methods of Recording or Distribution of Material or Information)

179033 05 09

Policy Amendment - Umbrella Policy - Excess Liability Policy

The policy does not apply to any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- A. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- B. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- C. The Fair Credit Reporting Act (FCRA), and any amendment of our addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- D. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of the policy remain unchanged.

Communicable Diseases and Viruses - Absolute Exclusion

179054 09 07

Policy Amendment - Umbrella Policy - Excess Liability Policy

This policy does not apply to any claim or liability arising, in whole or in part, directly or indirectly out of, or which is in any way related to any communicable disease, virus or any variant, strain, adaptation or mutation thereof.

Without limiting the foregoing, this exclusion applies to every injury, damage, loss, cost or expense otherwise covered by this policy, if any.

All other terms and conditions of the policy remain unchanged.

New York Changes - 2008 N.Y. Laws (Former SB 8610) Provisions 179059 01 09 NY

Policy Amendment(s) Liability

- A. The following provision is hereby added to the policy and shall replace any other provision addressing the ability to bring a legal action against the insurer providing coverage under this policy:

Legal Action Against Us

1. Except as provided in Paragraph 2., no person or organization has a right under this Coverage Form or Part:
 - a. To join us as a party or otherwise bring us into a **Suit** asking for damages from an **Insured**; or
 - b. To sue us on this Coverage Form or Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an **Insured**; but we will not be liable for damages that are not payable under the terms of this Coverage Form or Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and a release of liability signed by us, the **Insured** and the claimant or the claimant's legal representative.

2. With respect to **Bodily Injury** claims, if we deny coverage or do not admit liability because an **Insured** or the injured person, someone acting for the injured person or other claimant fails to give us written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against us, provided the sole question is whether the denial of coverage or non admission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within 60 days after we deny coverage or do not admit liability, we or an **Insured**:

- a. Brings an action to declare the rights of the parties under the policy; and
- b. Names the injured person, someone acting for the injured person or other claimant as a party to the action.

The addition of these provisions is not intended to broaden coverage otherwise provided by the policy in the absence of such language.

- B. The following provision is added and supersedes any provision to the contrary:

Failure to give notice to us as soon as practicable, as required under this Coverage Form or Part shall not invalidate any claim made by the **Insured**, injured person or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by the **Insured**, injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

All other terms and conditions of this policy remain unchanged.

**Crisis Management Response Costs and Crisis Management Loss Coverage
Extension Endorsement
179061 06 19 NY**

Schedule A - Crisis Management Limits of Insurance

Crisis Management Response Costs Sublimit of Insurance: \$250,000

Crisis Management Loss Limit of Insurance: \$50,000

Schedule B - Approved Crisis Management Firms

**Hill & Knowlton Strategies
24-hour North America crisis help line: +1 (212) 885-0306**

or

**Allianz Global Corporate & Specialty
1 Progress Point Parkway
O'Fallon, MO 63368
Phone number: 888-347-3428
or email the loss to Newloss@agcs.allianz.com**

Schedule C - Additional Key Executives

None, unless Schedule C – Additional Key Executives is shown in the Declarations.

I. Insuring Agreement - Crisis Management Response Costs and Crisis Management Loss

A. Crisis Management Response Costs

We will pay **Crisis Management Response Costs** on behalf of the **Named Insured**, regardless of fault, arising from a **Crisis Management Event** which first commences during our Policy Period, up to the amount of the **Crisis Management Response Costs Sublimit of Insurance**.

B. Crisis Management Loss

We will pay **Crisis Management Loss** on behalf of the **Named Insured** arising from a **Crisis Management Event** which first commences during our Policy Period, up to the amount of the **Crisis Management Loss Limit of Insurance**.

C. A **Crisis Management Event** will be deemed to commence at the time when a **Key Executive** first becomes aware of a **Crisis Management Event** and will end when we determine that a crisis no longer exists or when the **Crisis Management Response Costs Sublimit of Insurance** has been exhausted, whichever occurs first.

D. There will be no **Retained Limit** applicable to **Crisis Management Response Costs** or **Crisis Management Loss**.

E. Any payment of **Crisis Management Response Costs** or **Crisis Management Loss** that we make under the coverage provided by this endorsement will not be an acknowledgement of coverage under the policy, nor does it create any duty to defend any **Suit** under any other part of this policy.

II. Limits of Insurance

A. The **Crisis Management Response Costs Sublimit of Insurance** is the most we will pay for all **Crisis Management Response Costs** under this policy, regardless of the number of **Crisis Management Events** first commencing during our Policy Period. This **Crisis Management Response Costs Sublimit of Insurance** will be in addition to the applicable Limits of Insurance shown in the Declarations of this policy.

B. The **Crisis Management Loss Limit of Insurance** is the most we will pay for all **Crisis Management Loss** under this policy, regardless of the number of **Crisis Management Events** first commencing during our Policy Period. This **Crisis Management Loss Limit of Insurance** will be in addition to the applicable Limits of Insurance shown in the Declarations of this policy.

C. We will have no obligation to pay **Crisis Management Response Costs** when we determine that a **Crisis Management Event** has ended or when the **Crisis Management Response Costs Sublimit of Insurance** has been exhausted, whichever occurs first.

D. The Crisis Management Limits of Insurance in Schedule A of this endorsement apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months, beginning with the inception date of our Policy Period shown in the Declarations, unless our Policy Period is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Crisis Management Limits of Insurance of this endorsement.

III. As used in this endorsement, the following terms have the following meanings:

A. **Crisis Management Event** means an **Occurrence** that triggers significant adverse regional or national media coverage that in the good faith opinion of a **Key Executive** of the **Named Insured** has or may result in damages covered by this policy that are in excess of the total applicable limits of **Primary Insurance**, **Other Insurance**, or **Self-Insured Retention**.

Crisis Management Event includes man-made disasters such as explosions, major crashes, multiple deaths, burns, dismemberment, traumatic brain injury, permanent paralysis, or contamination of food, drink, or pharmaceuticals, provided that they result from an **Occurrence**.

B. **Crisis Management Firm** means any firm approved by us and shown in Schedule B, Approved Crisis Management Firms, of this endorsement, which is hired by you to perform **Crisis Management Services** in connection with a **Crisis Management Event**. An approved **Crisis Management Firm** will be in business

three or more years, be available to respond to an insured twenty four hours a day seven days a week, have a specialty in **Crisis Management Services** practices, and have no conflict of interest with the **Named Insured**.

- C. **Crisis Management Loss** means the following amounts incurred during a **Crisis Management Event**:
 - 1. Amounts for the reasonable and necessary fees and expenses incurred by a **Crisis Management Firm** in the performance of **Crisis Management Services** for the **Named Insured** solely arising from a covered **Crisis Management Event**; and
 - 2. Amounts for reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the **Named Insured** or a **Crisis Management Firm** incurred at the direction of a **Crisis Management Firm**, solely arising from a covered **Crisis Management Event**.
- D. **Crisis Management Services** means those services performed by a **Crisis Management Firm** in assisting the **Named Insured** in minimizing potential harm to the **Named Insured** from a covered **Crisis Management Event** by maintaining and restoring public confidence in the **Named Insured**.
- E. **Crisis Management Response Costs** means the following reasonable and necessary expenses incurred during a **Crisis Management Event** directly caused by a **Crisis Management Event**, provided that such expenses have been pre-approved by us and are associated with damages that would be covered by this policy:
 - 1. Medical expenses;
 - 2. Funeral expenses;
 - 3. Psychological counseling;
 - 4. Travel expenses;
 - 5. Temporary living expenses;
 - 6. Expenses to secure the scene of a **Crisis Management Event**.

Crisis Management Response Costs does not include defense costs or **Crisis Management Loss**.
- F. **Crisis Management Response Costs Sublimit of Insurance** means the Crisis Management Response Costs Sublimit of Insurance shown in Schedule A of this endorsement.
- G. **Crisis Management Loss Limit of Insurance** means the Crisis Management Loss Limit of Insurance shown in Schedule A of this endorsement.
- H. **Key Executive** means the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if the **Named Insured** is a partnership) of the **Named Insured** or sole proprietor (if the **Named Insured** is a sole proprietorship). A **Key Executive** also means any other person holding a title designated by you and approved by us, which title is shown in Schedule C - Additional Key Executives of this endorsement.
- I. **Retained Limit** means:
 - 1. The total applicable limits of **Primary Insurance** and any applicable **Other Insurance** providing coverage to the **Insured**; or
 - 2. The **Self-Insured Retention** applicable to each **Occurrence** that results in damages not covered by **Primary Insurance** nor any applicable **Other Insurance** providing coverage to the **Insured**.
- J. **Self-Insured Retention** means the amount of Self-Insured Retention, if any, that may be scheduled on the policy.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Access or Disclosure of Confidential or Personal Information and Data-Related Exclusion

179087 05 14

Policy Amendment – Umbrella Policy – Excess Liability Policy

This policy does not apply to any liability arising out of:

- A. Access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- B. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described above.

As used in this exclusion, **electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

All other terms and conditions of the policy remain unchanged.

NEW YORK AMENDATORY AGRL IL NY01 08 19

Wherever used in this endorsement: (1) "we", "us", "our" and "insurer" mean the insurance company which issued this policy; and (2) "you", "your", "named insured" and "insured" mean the named corporation, named organization, named sponsor, named insured or insured stated in the declarations page; and (3) "other insured(s)" means all other persons or entities afforded coverage under this policy.

This policy is amended to include the following provisions and shall replace any provision within this policy which would otherwise apply:

A. DUTY TO DEFEND

When we have a duty to defend, we will defend the insured against any suit seeking those damages even if the allegations of the suit are groundless, false or fraudulent.

B. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.
2. If this policy has been in effect for sixty (60) days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. Thirty (30) days before the effective date of cancellation if we cancel for any reason not included in Paragraph 3. below; or
 - b. Fifteen (15) days before the effective date of cancellation if we cancel for any of the reasons included in Paragraph 3. below.
3. If this Policy has been in effect for sixty (60) days or more, or if this is a renewal or continuation of a Policy we issued, we may cancel only for any of the reasons listed below, provided we mail the first Named Insured written notice at least fifteen (15) days before the effective date of cancellation:
 - a. Nonpayment of premium provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;
 - b. Conviction of a crime arising out of acts increasing the hazard insured against;
 - c. Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;
 - d. After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy;
 - e. Material physical change in the property insured, occurring after change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;
 - f. Cancellation is required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;
 - g. A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code;

- h. Suspension or revocation during the required policy period of the driver's license of any person who continues to operate a covered auto, other than a suspension issued pursuant to Subdivision (1) of Section 510(b) of the Vehicle and Traffic Law or one or more administrative suspensions arising from the same incident which has or have been terminated prior to the effective date or cancellation;
 - i. Cancellation of one or more of the underlying policies providing primary or intermediate coverage where:
 - (1) Such cancellation is based upon Paragraphs a. through h. above; and
 - (2) Such policies are not replaced without lapse; or
 - j. Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Department of Financial Services, within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Department of Financial Services.
4. The notice of cancellation will be mailed or delivered to the first named insured at the address shown in the policy and to the authorized agent or broker.
 5. Notice of cancellation will state the effective date of cancellation, and if cancellation is for nonpayment of premium, the amount due. The Policy Period will end on the date of cancellation.
 6. If this policy is cancelled, we will send the first named insured any premium refund due.
 - a. If we cancel this policy, the refund will be pro-rata.
 - b. If the first named insured cancels, the refund may be less than pro rata.
 - c. However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.
 7. Regardless of the number of days this policy has been in effect, if:
 - a. This policy covers auto subject to the provision of Section 370(a) and (b) of the New York Vehicle and Traffic Law; and
 - b. The Commissioner of the Department of Motor Vehicles deems this policy to be insufficient for any reason;

we may cancel this policy by giving you notice of such insufficiency forty-five (45) days before the effective date of cancellation to permit you to replace this policy. Notice will include the reason for our cancellation. We will mail or deliver our notice to the first Named Insured at the address shown in the policy and to the authorized agent or broker. However, we may deliver any notice instead of mailing it. Proof of mailing will be sufficient proof of notice.

C. NON-RENEWAL

1. Nonrenewal

If we decide not to renew this policy we will send notice as provided in Paragraph 3. below.

2. Conditional Renewal

If we conditionally renew this policy subject to:

- a. A change of limits;
- b. A change in type of coverage;
- c. A reduction of coverage;
- d. An increased deductible;
- e. An addition of exclusion; or

- f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph 3. below.

We may conditionally renew this policy subject to any requirements to maintain underlying insurance. In the event of failure to comply with such conditions as of the expiration date of the policy, or sixty (60) days after mailing or delivering the notice of conditional renewal, the conditional renewal shall be deemed to be an effective notice of nonrenewal.

3. Notices Of Nonrenewal And Conditional Renewal

- a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs 1. and 2. above, we will mail or deliver written notice to the first Named Insured shown in the Declarations and the agent or broker or record, at least 60 but not more than 120 days before:
 - (1) The expiration date; or
 - (2) The anniversary date if this is a continuous policy.
- b. Notice will be mailed or delivered to the first Named Insured at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.
- c. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.
- d. If we violate any of the provisions of Paragraph 3.a., b. or c. above by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:
 - (1) And if notice is provided prior to the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60-day period, has replaced the coverage or elects to cancel;
 - (2) And if the notice is provided on or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.
- e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:
 - (1) Upon expiration of the 60-day period, unless Subparagraph (2) below applies; or
 - (2) Notwithstanding the provisions in Paragraphs d.(1) and d.(2), as of the renewal date of the policy if the conditional renewal notice was sent at least 30 days prior to the expiration or anniversary date of the policy.
- f. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.

D LEGAL ACTION AGAINST US

- 1. Except as provided in Paragraph 2., no person or organization has a right under this policy to:
 - a. Join us as a party or otherwise bring us into a suit asking for damages from an insured; or
 - b. sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreement settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and a release of liability signed by us, the insured and the claimant or the claimant's legal representative.

2. With respect to bodily injury claims, if we deny coverage or do not admit liability because an insured or the injured person, someone acting for the injured person or other claimant fails to give us written notice as soon as practicable, then the injured person, someone acting for the injured person or other claimant may bring an action against us, provided the sole question is whether the denial of coverage or non-admission of liability is based on the failure to provide timely notice.

However, the injured person, someone acting for the injured person or other claimant may not bring an action if within sixty (60) days after we deny coverage or do not admit liability, we or an insured:

- a. Brings an action to declare the rights of the parties under the policy; and
- b. Names the injured person, someone acting for the injured person or other claimant as a party to the action.

The addition of these provisions is not intended to broaden coverage otherwise provided by this policy in the absence of such language.

E. SAME BASIS DEFENSE EXPENSES

We will not recognize the reduction or exhaustion of the underlying limits by defense costs. Any defense expense payments we make will be in addition to the applicable Limits of Insurance.

F. FAILURE TO GIVE NOTICE

Failure to give notice to us as soon as practicable, as required under this policy, shall not invalidate any claim made by the insured, injured person or any other claimant, unless the failure to provide such timely notice has prejudiced us. However, no claim made by the insured, injured person or other claimant will be invalidated if it shall be shown not to have been reasonably possible to give such timely notice and that notice was given as soon as was reasonably possible thereafter.

G. FRAUD STATEMENT

Any person who knowingly and with intent to defraud any insurance company or other person files an application for commercial insurance or a statement of claim for any commercial or personal insurance benefits containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, and any person who, in connection with such application or claim, knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.

H. NEW YORK CONFORMITY WITH REGULATIONS

With respect to operations in the State of New York, this policy shall conform to the applicable insurance laws of the State of New York or the applicable regulations of the New York Insurance Department in effect at the time the policy is issued; provided however, that if applicable, our Limit of Insurance shall be excess of an amount of damages equal to the amount of the Limits of Insurance stated in the any schedule of primary or underlying insurance.

THE PROVISIONS OF THIS ENDORSEMENT APPLY NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS POLICY AND SUPERSEDE ANY OTHER TERMS, CONDITIONS AND PROVISIONS CONTAINED IN THIS POLICY OR ITS ENDORSEMENTS.

All other terms, conditions, and exclusions will remain the same.

Amendment - Limits of Insurance - 100001

DECLARATIONS PAGE and CLAIMS-MADE COVERAGE AMENDMENT AND EXCLUSION - FORM#100007

- Limits of insurance for those entities or group of related entities designated as member of the risk purchasing group will either be:

\$10,000,000 EACH OCCURRENCE

\$10,000,000 AGGREGATE

or

\$5,000,000 EACH OCCURRENCE

\$5,000,000 AGGREGATE

or

\$3,000,000 EACH OCCURRENCE

\$3,000,000 AGGREGATE

or

\$2,000,000 EACH OCCURRENCE

\$2,000,000 AGGREGATE

or

\$1,000,000 EACH OCCURRENCE

\$1,000,000 AGGREGATE

as shown on the Individual Certificate of Coverage.

Policy Term Endorsement - 100002

The master policy term will be 08/01/2020 to 08/01/2022 (24 months).

Those Participants who are a Lead Named Insured will be provided twelve months coverage from their respective effective date, unless otherwise approved, not to exceed beyond the 08/01/2022 expiration date of the master policy.

All additions and deletions made by an existing Participant will be subject to the expiration date designated for the Lead Named Insured.

For the purpose of this endorsement, Lead Named Insured shall be defined as the First Named Insured for each Participant covered under HARP Inc.

Non-Cumulation of Limits Endorsement - 100003

If an occurrence, claim, or suit covered under this policy is also covered under another Commercial Excess and Umbrella Insurance policy or Commercial Excess Insurance policy or other similar policy issued by us or any other member insurer of the Fireman's Fund Insurance Companies, the combined maximum amount paid for such occurrence, claim or suit under all applicable policies will not exceed the amount stated in the Declarations of the policy with the highest Each Occurrence Limit Of Insurance.

Payments made for such occurrence, claim or suit will be treated as paid under each of the applicable policies for purposes to determine the Limits Of Insurance available under the aggregate limits as respects any subsequent occurrence, claim or suit.

Risk Purchasing Group - Program Manager - 100004

It is hereby agreed that those entities or group of related entities designated as members of the risk purchasing group that is the first named insured in this policy on the individual member's Certificate of Coverage are included as named insured's under this policy.

Coverage only applies to liability arising out of the operation(s) at the specified locations scheduled on the individual member's Certificate of Coverage, but only as respects:

- the specific named insured's listed in that Certificate of Coverage and designated as the owner(s), manager(s), or lessee(s) of those specified locations and
- the coverages shown on that Certificate of Coverage, subject to the terms and conditions of this insurance.

It is agreed that those named insureds listed in an individual Certificate of Coverage issued by the risk purchasing group during this policy period are provided coverage for the time period specified in such Certificate of Coverage, not to exceed twelve months.

All additions and deletions made for a named insured will be subject to the expiration date designated in the Individual Certificate of Coverage for that named insured.

Occupational or Environment Disease Exclusion - 100005

Regardless of whether or not such coverage is afforded by any underlying insurance", this insurance does not apply:
To any liability or injury resulting from any occupational or environmental disease arising out of the operations or products of any "insured" and affecting:

- a. Any employees of any "insured", or
- b. Any other person.

Employment Practices Exclusion - Coverage A - 100006

Section I. Excess Liability - Coverage A, C. Coverage A - Exclusions, 5. Employment Practices is deleted in its entirety and replaced by the following:

5. **EMPLOYMENT PRACTICES** - To any liability arising out of any employment-related or personnel practices, policies, acts or omissions. This includes, but is not limited to:

- a. Refusal to employ;
- b. Termination of employment;
- c. Coercion, criticism, demotion, failure to promote, evaluation, reassignment, discipline, defamation, self-defamation, harassment, humiliation, discrimination, libel, slander, false arrest and imprisonment, or violation of a person's right of privacy; or
- d. Any consequential injury or damages as a result of a., b. or c. above.

This exclusion applies:

- a. To all claims, demands, charges, complaints or Suits by any person(s) or organization(s) for damages because of such injury or liability, including damages for care and loss of services;
- b. Whether any Insured may be held liable as an employer or in any other capacity either directly or indirectly related to employment; and
- c. To any obligation to share damages with or repay someone else who must pay damages because of such injury or liability.

This exclusion applies:

-whether the insured may be liable as an employer or in any other capacity;

and

- to any obligation to share damages with or repay someone else who must pay damages because of any of the foregoing.

This exclusion does not apply to Excess Liability - Coverage A to the extent that insurance is provided under a Directors & Officers Liability policy shown in the Schedule of Underlying Insurance.

Claims Made Amendment and Exclusion - 100007

CLAIMS-MADE COVERAGE AMENDMENT AND EXCLUSION

COVERAGE PROVIDED BY THIS ENDORSEMENT APPLIES ON A CLAIMS-MADE BASIS.

PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.

A. 1. Claims-Made Coverage - Coverage A

Solely with respect to Coverage A of this policy in excess of Primary Insurance which applies on the basis of Claims-Made, we adopt the terms of Primary Insurance with respect to what must occur after the Primary Insurance Retroactive Date, if any, in order for coverage to apply.

However, we do not adopt terms of any:

- a. Primary Insurance Retroactive Date, if any; and
- b. Primary Insurance inception and termination dates.

2. All of the following apply with respect to the above:

- a. SECTION I. EXCESS LIABILITY - COVERAGE A, A. COVERAGE A - INSURING AGREEMENT, subsection 1.b. does not apply with respect to coverage in excess of Claims-Made basis Primary Insurance; and
- b. Our Coverage A Retroactive Date for Claims-Made coverage provided by this endorsement is: Various; and Per the Scheduled Underlying Insurance retroactive date (if any).
- c. For Coverage A to apply, the claim must be first made during our Policy Period as well as during the Primary Insurance policy period. As used in 2.b. above, the term "Retroactive Date" means the date that is the earliest date on which the wrongful act, error or omission may first take place for coverage to apply.

B. Limits of Insurance Amendment - Coverage A

Subject to our Limits of Insurance, the most we will pay under Coverage A of this policy for coverage under A. above is:

\$10,000,000 Each Claim or Wrongful Act of the term that is used to determine the exhaustion of the limit of insurance in Primary Insurance

\$10,000,000 Aggregate

These Limits of Insurance are included within, and are not in addition to, the Each Occurrence Limit of Insurance and the Aggregate Limit of Insurance shown in our Declarations.

C. Notice of Claim - Coverage A

Notwithstanding anything to the contrary contained in this policy, notice of an Occurrence is not notice of a claim under that part of Coverage A which provides coverage on the basis of Claims-Made pursuant to this endorsement. All conditions of such Primary Insurance that require you to provide

Primary Insurers with notice of claims or Suits also apply separately and distinctly to us with respect to any claim or Suit which may reasonably be expected to result in a claim against this policy. You must give such notice to us on the same basis that you are to give notice to such Primary Insurer.

D. Extended Reporting Period - Coverage A

If a Primary Policy provides coverage for claims made under an Extended Reporting Period then Coverage A of this policy will provide an Extended Reporting Period in the same manner, subject to all of the following:

- 1. Our Extended Reporting Period under Coverage A of this policy will not reinstate or increase the Limits of Insurance of this policy or extend our Policy Period.
- 2. Our Extended Reporting Period will not be longer than twelve (12) months unless we expressly agree in writing at the time the Extended Reporting Period becomes effective.
- 3. If the Primary Policy requires you to make a written request in order for its Extended Reporting Period to apply to their policy, then:
 - a. We must also receive a written request from you for an Extended Reporting Period for our policy no later than sixty (60) days after the termination date of this policy.
 - b. If our Extended Reporting Period is for a period of more than sixty (60) days, you must promptly pay us any additional premium we require. The premium for our Extended Reporting Period will not exceed 200% of the annual premium of this policy if the Extended Reporting Period is for no

more than a twelve (12) month period, and will be deemed fully earned at the inception of the Extended Reporting Period.

E. Wrongful Acts Policy Exclusion

This policy does not apply to any liability arising out of any criminal, malicious, fraudulent, intentional, knowingly wrongful, or dishonest, act or omission by any person or organization whether or not an Insured. This exclusion applies even if the claim or Suit alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by any Insured.

This exclusion does not apply to Excess Liability - Coverage A - to the extent that Primary Insurance is provided under a Directors and Officers liability policy shown in the Primary Schedule of Underlying Insurance.

F. Contractual Liability Limitation

This policy does not apply to any liability arising out of:

1. Any Insured's obligation to pay damages by reason of any Insured's assumption of the liability of another person or organization in any contract or agreement for the rendering of or failure to render any professional service; or
2. Any breach of any contract, agreement, warranty, guarantee or representation.

Fungi or Bacteria Exclusion - all states except New York - 100008

The policy does not apply to:

- A. Any claims or liability arising, in whole or in part, out of, resulting from, caused by, or in any way related to "fungi" or bacteria; or
- B. The cost to test for, monitor, abate, mitigate, remove, dispose of or remediate "fungi" or bacteria.

This exclusion applies regardless of any other cause, event, material, product or building component that contributed concurrently or in any sequence to such liability. However, this exclusion does not apply to bacteria that is, is on, or contained in, a good or product intended for human ingestion.

"Fungi" is defined to include but is not limited to fungus, mildew, mold or resulting spores and byproducts, including mycotoxins or allergens. However, "fungi" does not include "fungi" for human ingestion.

State Amendatory Endorsement - 100009

The following State Amendatory Endorsement are included as applicable:

178830 10-03 AK - Alaska Amendatory
178831 10-01 AR - Arkansas Amendatory
178858 01-12 CA - California Amendatory
178832 03-98R CO - Colorado Amendatory
178833 03-98R CT - Connecticut Amendatory
178834 03-98R DC - District of Columbia Amendatory
178835 03-98R FL - Florida Amendatory
178836 03-98R GA - Georgia Amendatory
178383 10-02 IL - Illinois Amendatory
178864 03-98R KS - Kansas Amendatory
178868 10-03 KY - Kentucky Amendatory
178533 10-02 LA - Louisiana Amendatory
178838 03-98R ME - Maine Amendatory
178839 10-01 MD - Maryland Amendatory
178840 03-98R MI - Michigan Amendatory
178841 10-03 MN - Minnesota Amendatory
178842 03-98R MO - Missouri Amendatory
178843 10-01 MT - Montana Amendatory
178844 03-98R NE - Nebraska Amendatory
178959 10-01 NV - Nevada Amendatory
178845 10-03 NH - New Hampshire Amendatory
178846 10-02 NJ - New Jersey Amendatory
178859 10-03 NY - New York Amendatory
178847 03-98R NC - North Carolina Amendatory
178849 08-98R OH - Ohio Amendatory
178850 03-98R OK - Oklahoma Amendatory
178851 03-98R PA - Pennsylvania Amendatory
178852 03-98R RI - Rhode Island Amendatory
178861 03-98R SD - South Dakota Amendatory
178543 10-02 TN - Tennessee Amendatory
178386 10-02 TX - Texas Amendatory
178973 10-01-UT - Utah Amendatory
178854 07-12 VA - Virginia Amendatory
178855 10-03R WA - Washington Amendatory
178378 10-02 WI - Wisconsin Amendatory
178857 03-98R WY - Wyoming Amendatory

About Allianz

Your insurance company is part of the Allianz Group – an organization with a 125-year history of partnering with clients and delivering exceptional insurance products around the world.

Allianz is the world's largest property & casualty insurance company by revenue and has one of the strongest financial ratings of the leading global property & casualty insurers. The strength of its financial ratings and quality of its people make Allianz the insurer of choice for thousands of mid-size businesses and the majority of Global Fortune 500® companies.

Allianz is also ranked "one of the world's most admired companies" by Fortune and "one of the top 100 global brands" by Interbrand.