

BRIT
ARCHITECTS AND ENGINEERS PROFESSIONAL LIABILITY INSURANCE POLICY

This is a claims made and reported Policy. Unless stated otherwise, coverage afforded under this Insurance is limited to CLAIMS that:

- (a) are first made against the INSURED during the POLICY PERIOD and reported in writing to Underwriters at the earliest opportunity, during the POLICY PERIOD or within thirty (30) days after the expiration of the POLICY PERIOD and;
- (b) arise from negligent acts, errors or omissions committed or alleged to have been committed in rendering PROFESSIONAL SERVICES on or after the Retroactive Dates stated in Item 6 of the Declarations.

The Limit of Liability available to pay DAMAGES shall be reduced and may be completely exhausted by the payment of CLAIMS EXPENSES. DAMAGES and CLAIMS EXPENSES shall be applied against the Self-Insured Retention.

Please review this Policy carefully with your insurance agent, broker or representative.

INSURING AGREEMENTS

Underwriters, in consideration of the payment of the premium, and the INSURED undertaking to promptly pay the Self-Insured Retention as described in Item 4 of the Declarations, and in reliance upon the statements and representations in the Application which is made a part hereof and attached hereto, and any supplemental materials submitted therewith which are to be considered as incorporated herewith as part of this Policy, and subject to all the terms and conditions of this Policy, agree with the INSURED as follows:

I. COVERAGE - PROFESSIONAL LIABILITY

To pay on behalf of the INSURED those sums which the INSURED shall become legally obligated to pay as DAMAGES by reason of a CLAIM first made against the INSURED during the POLICY PERIOD and reported in writing to Underwriters either during the POLICY PERIOD, or within thirty (30) days after the expiration of the POLICY PERIOD arising out of any negligent act, error or omission in rendering or failure to render PROFESSIONAL SERVICES by the INSURED or by any person for whose negligent act, error or omission the INSURED is legally responsible except as excluded or limited by the terms, conditions and exclusions of the Policy.

II. DEFENCE AND SETTLEMENT

- (a) Underwriters shall have the right and duty to defend, subject to the Limit of Liability, a CLAIM against the INSURED seeking DAMAGES which are payable under the terms of this Policy, even if any of the allegations of the CLAIM are groundless, false or fraudulent.
- (b) It is agreed that the Limit of Liability available to pay DAMAGES shall be reduced and may be completely exhausted by payment of CLAIMS EXPENSES. DAMAGES and CLAIMS EXPENSES shall be applied against the Self-Insured Retention.

- (c) Underwriters shall have the right to make any investigation they deem necessary with respect to coverage, including, without limitation, any investigation with respect to the Application, statements made in the Application and any supplemental materials submitted therewith. The INSURED shall submit for examination by a representative of Underwriters, under oath if requested, in connection with all matters relating to this Policy.
- (d) If the NAMED INSURED shall refuse to consent to any settlement or compromise recommended by Underwriters and acceptable to the claimant and elects to contest the CLAIM, Underwriters' liability for any DAMAGES and CLAIMS EXPENSES shall not exceed the amount for which the CLAIM could have been settled including the CLAIMS EXPENSES incurred up to the time of such refusal, or the applicable Limit of Liability, whichever is less and Underwriters shall have the right to withdraw from the further defence thereof by tendering control of said defence to the NAMED INSURED.
- (e) It is further provided that Underwriters shall not be obligated to pay any DAMAGES or CLAIMS EXPENSES or to undertake or continue the defence of a CLAIM after the applicable Limit of Liability has been exhausted by payment of DAMAGES or CLAIMS EXPENSES, or after deposit of any remaining Policy Limit in a court of competent jurisdiction and that upon such payment, Underwriters shall have the right to withdraw from the further defence thereof by tendering the control of said defence to the NAMED INSURED.

III. LIMIT OF LIABILITY

- (a) The Limit of Liability stated in Item 3(a) of the Declarations is the limit of Underwriters' liability for all DAMAGES and CLAIMS EXPENSES arising out of the same, related or continuing PROFESSIONAL SERVICES without regard to the number of INSUREDS, CLAIMS or claimants.
- (b) The Limit of Liability stated in Item 3(b) of the Declarations as "aggregate" is the total limit of Underwriters' liability for all DAMAGES and CLAIMS EXPENSES arising out of all CLAIMS, and circumstances which might lead to CLAIMS, first made and reported to Underwriters under this Policy.
- (c) The Limit of Liability for the EXTENDED REPORTING PERIOD shall be part of, and not in addition to, the Limit of Liability of Underwriters for the POLICY PERIOD.

IV. SELF-INSURED RETENTION

The Self-Insured Retention amount stated in Item 4 of the Declarations shall apply separately to each and every CLAIM and shall apply to DAMAGES and CLAIMS EXPENSES, separately or in combination. Subject to the Limit of Liability stated in Item 3 of the Declarations, the obligation of Underwriters to pay on behalf of the INSURED for DAMAGES and CLAIMS EXPENSES, separately or in combination, shall only be in excess of the Self-Insured Retention amount, and only after the INSURED has fully paid the Self-Insured Retention.

V. TERRITORY

The Insurance afforded herein applies worldwide.

EXCLUSIONS

This Policy shall not apply to CLAIMS or CLAIMS EXPENSES arising out of:

- I. Any CLAIM or circumstance that might lead to a CLAIM in respect of which any INSURED, prior to the commencement of this Policy, has given notice to an insurer of any other policy;
- II. Any facts or circumstances known to the INSURED prior to commencement of this Policy which a reasonably prudent person, if aware of said facts or circumstances, might expect to give rise to a CLAIM against the INSURED;
- III. Any fraudulent, criminal, malicious or dishonest acts, errors or omissions of any INSURED. However, notwithstanding the foregoing, this exclusion does not apply to CLAIMS EXPENSES incurred in defending any such CLAIM where a final adjudication shall establish no fraudulent, criminal, malicious or dishonest conduct;
- IV. Any INSURED acting in his capacity as a principal, partner, director and/or officer of any entity other than the NAMED INSURED;
- V. Any liability, or alleged liability, of one or more INSUREDS under this Policy to any other one or more INSUREDS under this Policy;
- VI. Any joint ventures. This exclusion does not apply to legal liability that arises out of a negligent act, error or omission in the performance of the INSURED'S PROFESSIONAL SERVICES in a joint venture if endorsed as an additional INSURED on the Policy;
- VII. Any projects where project specific professional liability insurance has been purchased and is in force, unless specifically endorsed hereon;
- VIII. The advising or requiring of, or failure to advise or require, or failure to maintain appropriate insurance, suretyship or bond, either with respect to the INSURED or any other person;
- IX. Personal injury, bodily injury, sickness, disease or death to any employee of the INSURED arising out of and in the course of employment by the INSURED; or any obligation which the INSURED or any carrier as insurer may be liable under any worker's compensation, unemployment compensation, employers liability, disability benefits law or under any similar law;
- X. Express warranties, guarantees, hold harmless agreements or contracts except to the extent the INSURED would have been liable in the absence of such;
- XI. The design or manufacture of any goods or products which are sold or supplied by the INSURED or by others under license from the INSURED;
- XII. Infringement of a copyright, trademark or patent;
- XIII. PROFESSIONAL SERVICES performed for any entity which:
 - (a) is operated, managed or controlled by the INSURED or any individual INSURED; or

- (b) the INSURED or any individual INSURED has an ownership interest in excess of 15%; or
- (c) the INSURED or individual INSURED is an officer or director; or
- (d) wholly or partly owns, operates, controls or manages the INSURED.

This Exclusion does not apply to legal liability that arises out of a negligent act, error or omission in the performance of the INSURED'S PROFESSIONAL SERVICES in a joint venture if endorsed as an additional INSURED on the Policy;

XIV. Either in whole or in part, directly or indirectly, based upon, relating to:

- (a) (i) the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; or
- (ii) any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;
- (b) any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins;

Underwriters will have no duty or obligation to defend any INSURED with respect to any CLAIM or governmental or regulatory order, requirement, directive, mandate or decree which arises out of, either in whole or in part, directly or indirectly, based upon or relates to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;

XV. Either in whole or in part, directly or indirectly, based upon, relating to or in consequence of or in any way attributable to asbestos in any form or quantity;

XVI. Either in whole or in part, directly or indirectly, based upon, relating to or in consequence of or in any way attributable to

- (a) The actual or alleged generation, transportation, storage or disposal of POLLUTANTS by the INSURED, or the arranging of transportation, storage or disposal of POLLUTANTS by the INSURED; or
- (b) POLLUTION arising out of negligent acts, errors or omissions that occurred before the date specified in ITEM 6b of the Declarations; or
- (c) POLLUTION occurring outside the United States, its territories or possessions, or Canada; or
- (d) POLLUTION at, onto or from property or facilities which are or were at any time owned or rented by the INSURED;

- XVII. Sanctions, fines, penalties, taxes, multiple damages, exemplary damages, punitive damages and any matters uninsurable under the law under which this Policy shall be construed;
- XVIII. Demands for the return or reimbursement or payment of fees paid to or owed to the INSURED;
- XIX. Any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced And Corrupt Organizations Act or RICO), as amended, or any regulation promulgated thereunder or any similar federal, state or local law similar to the foregoing, whether such law is statutory, regulatory or common law;
- XX. The insolvency or bankruptcy of any INSURED or of any other entity including but not limited to the failure, inability, or unwillingness to pay CLAIMS, losses, or benefits due to the insolvency, liquidation or bankruptcy of any such individual or entity;
- XXI. Resulting from actual or alleged discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy;
- XXII. Any INSURED'S activities and/or capacity as a Fiduciary under the Employee Retirement Income Security Act of 1974 and its amendment or any regulation or order issued pursuant thereto;
- XXIII. Either in whole or in part, directly or indirectly caused by, resulting from or in connection with or in consequence of any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - (b) any act of terrorism.

For the purpose of this Exclusion, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This Exclusion also excludes DAMAGES or CLAIMS EXPENSES directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

If Underwriters allege that by reason of this Exclusion, any DAMAGES or CLAIMS EXPENSES are not covered by this Policy, the burden of proving the contrary shall be upon the INSURED.

In the event any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

DEFINITIONS

As used throughout this Policy, whether expressed in singular or plural:

- I. CLAIM shall mean a demand received by any INSURED for money or services, including the service of suit or institution of arbitration proceedings, which is covered under the terms of the Policy.

Two or more CLAIMS arising out of a single or related series of negligent acts, errors or omissions shall be considered as a single CLAIM. For the purposes of this Policy, irrespective of the number of claimants and /or negligent acts, errors or omissions, all CLAIMS shall be deemed to have been made at the time of the first CLAIM.

- II. CLAIMS EXPENSES shall mean those fees, costs and expenses incurred by an attorney designated by the Underwriters to represent the INSURED in the defence and investigation of any CLAIM, and such expenses or charges shall apply to the INSURED'S responsibility to pay the Self-Insured Retention.

CLAIMS EXPENSES do not include salaries, overhead or other internal expenses, including travel charges, incurred by the INSURED for time spent cooperating in the defence and investigation of any CLAIM, and no such expenses or charges shall apply to the INSURED'S responsibility to pay the Self-Insured Retention.

- III. DAMAGES shall mean a judgment, award or settlement, including any interest thereon.

- IV. EXTENDED REPORTING PERIOD shall mean the 12 month period of time after the end of the POLICY PERIOD for reporting CLAIMS as provided in CONDITIONS II of this Policy.

- V. INSURED shall mean:

- (a) the NAMED INSURED designated in Item 1 of the Declarations;
- (b) a present principal, partner, director or officer of the NAMED INSURED but only while acting in his capacity as such on behalf of the NAMED INSURED;
- (c) a present employee of the NAMED INSURED but only while acting in his capacity as such on behalf of the NAMED INSURED;
- (d) a former principal, partner, director, officer or employee (and estate of any such former principal, partner, director, officer or employee) of the NAMED INSURED, but only while acting in his capacity as such on behalf of the NAMED INSURED during the period of such service with the NAMED INSURED, provided always that any such INSURED must have been performing those PROFESSIONAL SERVICES;
- (e) the legal heir, executor, administrator or legal representative of the INSURED in the event of the INSURED'S death, incapacity or bankruptcy, but only with respect to the performance of PROFESSIONAL SERVICES.

- VI. NAMED INSURED shall mean only those persons, partnerships, corporations or entities specified in Item 1 of the Declarations. The term NAMED INSURED shall not include any partnerships, corporations or entities formed or acquired by the NAMED INSURED subsequent to the inception date of this Policy except as provided in CONDITIONS XII.
- VII. POLICY PERIOD shall mean the period of time between the inception date shown in Item 2 of the Declarations and the effective date of termination, expiration or cancellation of this Policy and specifically excludes any EXTENDED REPORTING PERIOD hereunder.
- VIII. POLLUTANTS shall include (but are not limited to) any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapour, soot, fumes, acids, alkalies, chemicals and waste. Waste includes (but is not limited to) material to be recycled, reconditioned or reclaimed.
- IX. POLLUTION shall mean any actual, alleged, suspected or threatened discharge, disposal, emissions, escape, leakage, release, spillage or the like of any POLLUTANTS.
- X. PROFESSIONAL SERVICES shall mean only those services provided by the INSURED acting in the capacity of an architect, engineer, landscape architect, land surveyor, or as specifically endorsed hereon.

CONDITIONS

I. (a) NOTICE OF CLAIMS

If any CLAIM is made against the INSURED, whether or not the alleged DAMAGES fall within or in excess of the Self-Insured Retention, the INSURED shall have the duty to immediately give written notice to Underwriters' representatives.

Such written notice must contain details of the CLAIM, the exact date the CLAIM was first made, the location, the circumstances giving rise to such CLAIM, the identity of all claimants and a full description of the nature and scope of the alleged DAMAGES. The INSURED must immediately forward every demand, notice, summons or other process received by it or its representative, upon receipt thereof, to Underwriters' representatives, as per Item 9 of the Declarations.

(b) NOTICE OF CIRCUMSTANCES

If the INSURED becomes aware of any specific negligent act, error or omission which may reasonably be expected to give rise to a CLAIM, the INSURED shall, at the earliest opportunity and during the POLICY PERIOD, give written notice to Underwriters of:

- (i) the specific act, error or omission;
- (ii) the injury or damage which has or may result from such act, error or omission; and
- (iii) the circumstance by which the INSURED first became aware of such act, error or omission.

If the INSURED complies with the foregoing notice requirements (i), (ii) and (iii), any CLAIM subsequently made against the INSURED arising out of such negligent act, error or omission shall be treated as a CLAIM first made on the date on which such written notice was received by Underwriters.

For purposes of providing notice to Underwriters under CONDITIONS I(b), such notice shall be given to Underwriters' representatives, as per Item 9 of the Declarations.

II. PURCHASE OF EXTENDED REPORTING PERIOD

- (a) In the event of Underwriters cancelling or refusing to renew this Policy, the First NAMED INSURED designated in Item 1 of the Declarations shall have the right, upon payment in full and not proportionally or otherwise in part of one hundred and twenty five percent (125%) of the Premium set forth in Item 5 of the Declarations, to have issued an endorsement providing a twelve (12) month EXTENDED REPORTING PERIOD for CLAIMS first made against any INSURED and reported to Underwriters during the EXTENDED REPORTING PERIOD, and arising out of any negligent act, error or omission committed on or after the Retroactive Dates set forth in Item 6 of the Declarations and before the end of the POLICY PERIOD, subject to the conditions set forth herein. In order for the NAMED INSURED to invoke the EXTENDED REPORTING PERIOD option:
- (i) notice of the intent to purchase the EXTENDED REPORTING PERIOD must be received by Underwriters within 7 days of the non-renewal or cancellation and
 - (ii) the payment of the additional premium for the EXTENDED REPORTING PERIOD must be received by Underwriters within 30 days of non-renewal or cancellation.
- (b) The Limit of Liability for the EXTENDED REPORTING PERIOD shall be part of, and not in addition to, the Limit of Liability of Underwriters for the POLICY PERIOD.
- (c) The quotation by Underwriters of a different premium or Self-Insured Retention or Limit of Liability or changes in policy language for the purpose of renewal shall not constitute a refusal to renew by Underwriters.
- (d) The right to the EXTENDED REPORTING PERIOD shall not be available to the NAMED INSURED where cancellation or non-renewal by Underwriters is due to non-payment of premium or failure of an INSURED to pay such amounts in excess of the applicable Limit of Liability or within the amount of the applicable Self-Insured Retention.
- (e) All notices and premium payments with respect to the EXTENDED REPORTING PERIOD shall be directed to Underwriters through the entity named in Item 8 of the Declarations.
- (f) At the commencement of the EXTENDED REPORTING PERIOD the entire premium shall be deemed earned, and in the event the NAMED INSURED terminates the EXTENDED REPORTING PERIOD for any reason prior to its natural expiration, Underwriters will not be liable to return any premium paid for the EXTENDED REPORTING PERIOD.

III. COOPERATION AND ASSISTANCE OF THE INSURED

The INSURED shall have the duty to cooperate fully with and assist Underwriters and their representatives with respect to the investigation, settlement or defence of any CLAIM or potential CLAIM.

It is expressly understood however that in no event shall the INSURED be reimbursed for loss of earnings or fees, or for internal expenses or costs incurred in cooperating with or assisting Underwriters in investigating or settling any CLAIM at the direction of Underwriters or in the INSURED'S defence of any CLAIM, nor shall any such loss of earnings or fees or costs or expenses apply to the INSURED'S responsibility to pay the Self-Insured Retention.

However, the above condition does not apply to reasonable costs incurred, with the express consent of Underwriters, in securing the co-operation of former principals, officers or employees of the NAMED INSURED in the defence of a CLAIM otherwise covered herein.

IV. ADMISSION OF LIABILITY

The INSURED shall not, without the prior written consent of Underwriters, incur any expenses, including but not limited to forgoing or reducing any compensation due or alleged to be due, or make any other payment, assume any obligation, make any settlement, attempt any remedial measure or in any way admit or acknowledge liability in connection with any CLAIM or potential CLAIM. If this condition is breached, coverage is null and void for any such CLAIM or potential CLAIM.

V. NO ACTION AGAINST UNDERWRITERS

No action shall lie against Underwriters or their representatives unless, as a condition precedent thereto, the INSURED shall have fully complied with all the terms and conditions of this Policy, or until the amount of any DAMAGES has been finally determined either by operation of law or by written agreement of the INSURED, the claimant and Underwriters.

Nothing contained in this Policy shall give any person or organisation any right to join Underwriters as a defendant or co-defendant or other party in any action against the INSURED to determine the INSURED'S liability.

VI. OTHER INSURANCE

The coverage afforded by this Policy shall be excess of all other applicable insurance, whether or not valid or collectible, including any Self-Insured Retention portion thereof.

VII. CHANGES

None of the Insuring Agreements, Exclusions, Definitions or Conditions or other terms of this Policy shall be amended, waived or otherwise changed except by endorsement hereto signed by Underwriters.

VIII. NAMED INSURED AS AGENT

The First NAMED INSURED specified in Item 1 of the Declarations shall be considered the agent of all INSUREDS with respect to the giving of or receipt of all notices pertaining to this Policy and shall be responsible for the payment to Underwriters of all premiums and for payment of the Self-Insured Retention.

IX. PREMIUM

The premium for this Policy shall be the amount specified in Item 5 of the Declarations.

X. SUBROGATION

In the event of any CLAIM under this Policy, Underwriters shall be subrogated to all of the INSURED'S rights of recovery against any person or entity, and the INSURED shall execute and deliver to Underwriters any and all necessary documentation, instruments and records and do whatever else is necessary to secure and enforce such rights. The INSURED shall take no action after such CLAIM is made against it which prejudices such rights of Underwriters.

XI. ASSIGNMENT

No assignment or transfer of any INSURED'S rights under this Policy shall bind Underwriters.

XII. MERGERS AND ACQUISITIONS

If during the POLICY PERIOD, the INSURED or any Subsidiary:

- (i) purchases another entity or Subsidiary in an amount greater than ten percent (10%) of the NAMED INSURED'S assets as listed in its most recent financial statement or;
- (ii) acquires another entity or creates a Subsidiary whose annual revenues are more than ten percent (10%) of the NAMED INSURED'S total annual revenues as set forth in the most recent Application for insurance;

then no INSURED shall have coverage under this Policy for any CLAIM that arises out of any negligent act, error or omission, whether committed or alleged to have been committed either before or after such purchase or acquisition unless the INSURED gives Underwriters written notice prior to the purchase or acquisition, obtains the written consent of Underwriters to extend coverage to such additional entities, assets or exposures, and agrees to any additional premium and amended terms as required by Underwriters.

- (a) No coverage shall be provided under this Policy for any CLAIM that arises out of any negligent act, error or omission committed or alleged to have been committed at any time when any entity or Subsidiary was not owned and controlled by the INSURED, without the prior written consent of Underwriters and agreement of the NAMED INSURED to such additional premium and amended terms as required by Underwriters.

- (b) If during the POLICY PERIOD the INSURED consolidates or merges with or is acquired by another entity, then all coverage under this Policy shall terminate at the date of the consolidation, merger or acquisition unless Underwriters have issued an endorsement extending coverage under this Policy, and the INSURED has agreed to such additional premium and terms as required by Underwriters.
- (c) All notices and premium payments made under this section shall be directed to Underwriters through the entity named in Item 8 of the Declarations.

The term "Subsidiary" as used herein shall mean any entity where the INSURED holds more than 50% of the outstanding securities representing the right to vote for the election of such entity's directors.

XIII. WARRANTY BY THE INSURED

By acceptance of this Policy, all INSUREDS agree that the statements contained in the Application, any Application for insurance of which this Policy is a renewal, and any supplemental materials submitted therewith are their agreements and representations, that they shall be deemed material to the risk assumed by Underwriters, and that this Policy is issued in reliance upon the truth thereof.

The misrepresentation or non-disclosure of any matter by the INSURED or its agent in the Application, any Application for insurance of which this Policy is a renewal, or any supplemental materials submitted therewith, will render the Policy null and void and relieve Underwriters from all liability under the Policy.

The Application and any Application for insurance of which this Policy is a renewal, and any supplemental materials submitted therewith are deemed incorporated into and made a part of this Policy.

XIV. CANCELLATION

- (a) This Policy may be cancelled by the NAMED INSURED by surrender thereof to Underwriters or by mailing to Underwriters through the entity named in Item 8 of the Declarations written notice stating when thereafter the cancellation shall be effective. The Underwriters may cancel this Policy by mailing to the NAMED INSURED at the address shown in the Declarations written notice stating when not less than 60 days thereafter such cancellation shall be effective. However, if Underwriters cancel this Policy because the INSURED has failed to pay a premium when due, this Policy may be cancelled by Underwriters by mailing a written notice of cancellation to the NAMED INSURED at the address shown in the Declarations stating when not less than 10 days thereafter such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the POLICY PERIOD. Delivery of such written notice either by the NAMED INSURED or by Underwriters shall be equivalent to mailing.
- (b) If the NAMED INSURED cancels this Policy, earned premium shall be computed in accordance with the attached short rate table and procedure.
- (c) If the Underwriters cancel this Policy, earned premium shall be computed pro rata.

- (d) The premium shall be deemed fully earned if any CLAIM or circumstance that might lead to a CLAIM is reported to Underwriters under this Policy.
- (e) Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

XV. FORFEITURE

Any (a) action or failure to act by the INSURED with the intent to defraud Underwriters or (b) material misrepresentation or non-disclosure of any material fact by the INSURED in the Application or in any supplemental materials submitted therewith, shall render this Policy null and void, and all coverage hereunder shall be forfeited.

XVI. SERVICE OF SUIT

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due under this Policy, Underwriters hereon, at the request of the INSURED, will submit to the jurisdiction of a court of competent jurisdiction within the United States. This Condition does not constitute and should not be understood to constitute an agreement by Underwriters that an action is properly maintained in a specific forum, nor may it be construed as a waiver of Underwriters' rights to commence an action in a court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State of the United States, all of which rights Underwriters expressly reserve. It is further agreed that service of process in such suit may be made upon the Underwriters' representatives specified for that purpose in Item 7 of the Declarations.

The Underwriters' representatives are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the INSURED to give written undertaking to the INSURED that they will enter a general appearance upon Underwriters' 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 which makes provision thereof, Underwriters hereon hereby designate 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 proceedings instituted by or on behalf of the INSURED or any legal representative of the INSURED arising out of this contract of Insurance, and hereby designate the Underwriters' representatives as the persons to whom the said officer is authorized to mail such process or a true copy thereof.

XVII. SHORT RATE CANCELLATION TABLE

Notwithstanding anything to the contrary contained herein and in consideration of the premium for which this Insurance is written it is agreed that in the event of cancellation thereof by the INSURED the Earned Premium shall be computed as follows:

SHORT RATE CANCELLATION TABLE

A. For insurances written for one year:

Days Insurance in Force	Per cent. of One Year Premium	Days Insurance in Force	Per cent. of One Year Premium
1 - 73	30	206 - 209	66
74 - 76	31	210 - 214 (7 months)	67
77 - 80	32	215 - 218	68
81 - 83	33	219 - 223	69
84 - 87	34	224 - 228	70
88 - 91 (3 months)	35	229 - 232	71
92 - 94	36	233 - 237	72
95 - 98	37	238 - 241	73
99 - 102	38	242 - 246 (8 months)	74
103 - 105	39	247 - 250	75
106 - 109	40	251 - 255	76
110 - 113	41	256 - 260	77
114 - 116	42	261 - 264	78
117 - 120	43	265 - 269	79
121 - 124 (4 months)	44	270 - 273 (9 months)	80
125 - 127	45	274 - 278	81
128 - 131	46	279 - 282	82
132 - 135	47	283 - 287	83
136 - 138	48	288 - 291	84
139 - 142	49	292 - 296	85
143 - 146	50	297 - 301	86
147 - 149	51	302 - 305 (10 months)	87
150 - 153 (5 months)	52	306 - 310	88
154 - 156	53	311 - 314	89
157 - 160	54	315 - 319	90
161 - 164	55	320 - 323	91
165 - 167	56	324 - 328	92
168 - 171	57	329 - 332	93
172 - 175	58	333 - 337 (11 months)	94
176 - 178	59	338 - 342	95
179 - 182 (6 months)	60	343 - 346	96
183 - 187	61	347 - 351	97
188 - 191	62	352 - 355	98
192 - 196	63	356 - 360	99
197 - 200	64	361 - 365 (12 months)	100
201 - 205	65		

B. For Insurances written for more or less than one year:

1. If insurance has been in force for 12 months or less, apply the standard short rate table for annual insurances to the full annual premium determined as for an insurance written for a term of one year.
2. If insurance has been in force for more than 12 months:
 - (a) Determine full annual premium as for an insurance written for a term of one year.
 - (b) Deduct such premium from the full insurance premium, and on the remainder calculate the pro rata Earned Premium on the basis of the ratio of the length of time beyond one year the insurance has been in force to the length of time beyond one year for which the insurance was originally written.
 - (c) Add premium produced in accordance with items (a) and (b) to obtain Earned Premium during full period insurance has been in force.

Furthermore and notwithstanding the foregoing, Underwriters shall retain the total premium for this Policy, such total premium to be deemed earned upon inception of the Policy if any CLAIM or any circumstance that could reasonably be the basis for a CLAIM is reported to Underwriters under this Policy.

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NUCLEAR INCIDENT EXCLUSION CLAUSE-LIABILITY-DIRECT (BROAD) (U.S.A.)

For attachment to insurances of the following classifications in the U.S.A., its Territories and Possessions, Puerto Rico and the Canal Zone:

Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability),

not being insurances of the classifications to which the Nuclear Incident Exclusion Clause-Liability-Direct (Limited) applies.

This Policy* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - (a) 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 or Nuclear Insurance Association of Canada, or would be an 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) 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.
- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to bodily injury, sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. 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, an 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 an insured; or
 - (c) the injury, sickness, disease, death or destruction 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 (c) applies only to injury to or destruction of property at such nuclear facility.

IV. As used in this endorsement:

"hazardous properties" include 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 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 1. containing by-product material and 2. resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) thereof; "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. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

* NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

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RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE-LIABILITY-DIRECT (U.S.A.)

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause-Liability-Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

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