

COMMERCIAL GENERAL LIABILITY (CLAIMS MADE COVERAGE FORM)

THIS POLICY PROVIDES CLAIMS MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.

VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE **YOUR** AND **OUR** RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED. EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED WHILE THE POLICY IS IN FORCE. YOU MAY WISH TO DISCUSS THE COVERAGE PROVIDED BY THIS POLICY WITH YOUR INSURANCE AGENT OR BROKER.

THIS IS A CLAIMS MADE POLICY. THE COSTS OF DEFENSE AND **EXPENSES** ARE INCLUDED WITHIN, AND ARE NOT IN ADDITION TO, THE LIMITS OF COVERAGE SHOWN IN THE DECLARATIONS. THE APPLICABLE AGGREGATE LIMIT, EITHER GENERAL AGGREGATE LIMIT OR THE COMPLETED OPERATIONS AGGREGATE LIMIT, IS THE MOST WE WILL PAY FOR THE SUM OF ALL **DAMAGES** THAT FALL WITHIN COVERAGES A, B AND C AS SHOWN IN THE DECLARATIONS.

Throughout this policy the words **you** and **your** refer to the Named Insured shown in the Declarations, and any **Additional Insured** 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 terms **additional insured** or **additional insureds** mean any person or organization qualifying as such under **WHO IS AN ADDITIONAL INSURED** (SECTION III).

Words and phrases in boldface type used in this policy have special meaning and are set forth in SECTION VI -DEFINITIONS or in the foregoing recitals.

If more than one insured is involved in a claim **we** may withhold approval of separate counsel from one or more of such insureds unless there is a material actual or potential conflict of interests among such insureds.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. INSURING AGREEMENT

We will pay those sums that **you** become legally obligated to pay in excess of the self-insured retention as **damages** for **bodily injury** or **property damage** to which this insurance applies. We will have the right and duty to defend any **suit** seeking those **damages** to which this insurance applies. However, **we** will have no duty to defend **you** or pay those sums that **you** become legally obligated to pay as **damages** for **bodily injury** or **property damage** to which this insurance does not apply.

a. We have no duty to pay any award against **you** for attorneys' fees pursuant to any law, statute, ordinance, rule or regulation of any state, federal or municipal governmental agency, or pursuant to any contract entered into by **you**. We may at **our** discretion investigate any **occurrence** and settle any **claim** or **suit** that may result. However:

- (1) The amount **we** will pay for **damages** is limited as described in LIMITS OF INSURANCE (SECTION IV).
- (2) Subject to (1) above, **our** right and duty to defend end when we have used up the applicable limit of insurance by payment of any judgments, costs of defense, **expenses** or settlements under Coverages A, B or 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 first takes place in the **coverage territory**; and
- (2) The **onset** of the **bodily injury** or **property damage** does not first take place before the Retroactive Date, if any, shown in the Declarations. All **property damage** or **bodily injury** caused by or related to an **occurrence** is deemed to first take place when the **property damage** or **bodily injury** first becomes known to anyone, regardless of whether the **damage** or **injury** is continuous, progressive, repeated, changing or results from exposure to substantially the same general harm; and
- (3) The **claim** for **damages** is first made against **you** during the policy period. All **claims** for **damages** arising out of an **occurrence** will be deemed to have been made at the time the first of these **claims** is made against **you**; and
- (4) A **claim** is reported to **us** by **you** in writing during the policy period or any Extended Reporting Period **we** provide under **EXTENDED REPORTING PERIODS** (Section VII).

c. A **claim** by a person or organization seeking **damages** will be deemed to have been made at the earliest of the following:

- (1) When notice of such **claim** is received by **you**; or
- (2) When notice of such **claim** is received by **us**.

d. This insurance does not apply to and **we** shall have no obligation or duty to defend **you** for **damages** in respect to any **claim** or **onset** alleging **bodily injury** or **property damage**:

- (1) which results from any work or operations performed by or on behalf of **you** prior to the retroactive date of the policy; and/or
- (2) which results from any work or operations performed by or on behalf of **you** which work or operations has commenced or is pending prior to the retroactive date of this policy, and/or
- (3) for future **damages**, loss, cost or expense arising out of pending or prior litigation that was filed prior to the retroactive date of this policy; and/or
- (4) or any other injury or damage of which **you** had knowledge or could have reasonably foreseen would arise prior to the retroactive date of this policy.

This applies whether or not:

- (a) **Damages** continue or progress during the policy period; or
- (b) Ultimate liability has been established; or
- (c) The final amount of **damages**, loss, cost or expense has been established.

EXCLUSIONS: COVERAGE A

This insurance does not apply to:

a. Expected or Intended Injury

Bodily injury or **property damage** expected or intended from **your** standpoint.

b. Contractual Liability

Bodily injury or **property damage** for which **you** are 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) Assumed by **you** in a written contract or written agreement that is an **Insured contract**, provided the **bodily injury** or **property damage** occurs subsequent to the execution of the written contract or written agreement and provided the **property damage** or **bodily injury** results from **your** negligence, fault or comparative fault and is not otherwise excluded by the terms of this policy; or
- (2) That **you** would have in the absence of a contract or agreement.

c. Liquor Liability

Bodily injury or **property damage** for which **you** 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, regulation or law relating to the sale, gift, distribution or use of alcoholic beverages.

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

d. Workers' Compensation and Similar Laws

Any obligation of **yours** 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 **yours** arising out of and in the course of employment by **you** or performing duties relating to **your** business, regardless of who may be liable; or
- (2) The spouse, child, parent, brother or sister of that **employee**, as a consequence of (1) above.

This exclusion applies:

- (1) Whether **you** may be liable as an employer or in any other capacity; and/or
- (2) To any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury, including an **insured contract**.
- (3) To liability assumed by **you** in an **insured contract**.

For the purpose of this exclusion only, the term **employee** or **employees** includes loaned, rented, leased or temporary **employees**, as well as persons who qualify as borrowed servants or **employees** or persons who are or may be deemed **employees** of **yours** under the doctrines of borrowed servant, borrowed **employee**, respondeat superior or any similar doctrine, or persons performing the duties of an employee, regardless of their legal status, or for whom **you** may be held liable as an employer.

f. Absolute Pollution

This exclusion applies to **bodily injury** or **property damage** which, in whole or in part, is caused by, results from, is attributable to, contributes to, acts in conjunction with, or is aggravated by:

- (1) The actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape of or exposure to **pollutants**, regardless of the source of the **pollutants**; or
- (2) Any other cause acting in conjunction with said **pollutants**. This includes but is not limited to **pollutants** such as carbon monoxide, smoke, mold soot, vapors, acids, alkalis, chemicals, gasoline, hydrogen sulfide, soot, dust, hydrocarbons, lead,

insecticides, paint, exhaust from any **auto**, vehicle or aircraft, or any contamination from any combination of the aforementioned **pollutants**; or

- (3) Whether any **pollutant** is in the form of gas, liquid or particle, and whether or not the injury is commonly thought of as arising from pollution; or
- (4) Whether the injury or damage caused by the **pollutants** was sudden or accidental, or whether the injury or damage was progressive, continuing, chronic, acute or resulted from repeated exposure to substantially the same general harm; or
- (5) Any loss, cost or **expense** arising out of any:
 - (a) Request, demand or order that **you** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way responding to, or assessing the effects of, **pollutants**; or
 - (b) **Claim** or **suit** by or on behalf of any 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**.

This exclusion applies whether the **property damage** or **bodily injury** is caused by, arises from, results from or is attributable to any other cause acting in conjunction with said **pollutants**.

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, operated by, rented or loaned to **you**. Use includes operation, **loading and unloading**.

This exclusion applies even if the **claim** against **you** alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by **you**, 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, rented or loaned to **you**.

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 owned or rented by **you**, provided the **auto** is not owned by, rented or loaned to **you**; or

- (4) Liability assumed under an **insured contract** for the ownership, maintenance or use of aircraft or watercraft; or
- (5) **Bodily injury** or **property damage** arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of **mobile equipment** (Section VI).

h. **Mobile Equipment**

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

- (1) The transportation of **mobile equipment** by an **auto** owned, operated by, rented or loaned to **you**; or
- (2) The use of **mobile equipment** in, or while in practice or preparation for, a racing, speed or demolition contest, or in any stunting activity.
- (3) Any obligation of **yours** under any uninsured or underinsured motorist statute or law which may arise from the transportation, operation or use of **mobile equipment**.

i. War

Bodily injury or **property damage** due to war, whether or not declared, or any act or condition incident to war. War includes civil war, acts of terrorism, insurrection, rebellion or revolution.

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; or
- (2) Premises **you** sell, give away or abandon, if the **property damage** arises out of any part of those premises; or
- (3) Property loaned to **you**; or
- (4) Personal property in the care, custody or control of **you**; or
- (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.

This exclusion applies to liability assumed under an **insured contract** except that paragraphs (3), (4), (5), and (6) of this exclusion do not apply to liability assumed under an **insured contract** that is 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, or the work of any insured, in whole or in part, 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 not physically injured arising out of:

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

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**; or
- (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. Fines or Penalties

Claims based upon or arising out of a fine, sanction or penalty imposed by or under any law, statute, and ordinance of any federal, state or municipal government agency, including but not limited to any attorneys' fees awarded as a fine, sanction or penalty.

p. Punitive or Exemplary Damages

Claims for PUNITIVE or EXEMPLARY DAMAGES.

q. Aircraft

Bodily injury or property damage arising out of the products hazard relating to aircraft, including missiles or spacecraft, any ground support or control equipment used therewith, or any article furnished by **you** and installed in aircraft, or used in connection with aircraft, or for spare parts for aircraft, or tooling used for the manufacture thereof, including ground handling tools and equipment, training aids, instruction manuals, blueprints, engineering or other data, advice, services, or labor relating to such aircraft or articles, or to any liability arising out of the **grounding** of any aircraft.

Grounding shall mean the withdrawal of one or more aircraft from flight operations or the imposition of speed, passenger or load restrictions on such aircraft, or any part thereof sold, handled or distributed by **you**, or manufactured, assembled or processed by any other person or organization according to specifications, plans, suggestions, orders or drawings of **you**, or with tools, machinery or other equipment furnished to such persons or organizations by **you**, whether such aircraft so withdrawn is owned or operated by the same or different persons or organizations.

The word aircraft includes missiles, spacecraft, or any ground support or control equipment used therewith.

r. Absolute Earth Movement

Bodily injury or property damage arising from, related to or resulting from:

- (1) Earth movement, regardless of the cause of the earth movement. Earth movement includes landslide, earthquake, subsidence, mudflow, sinkhole, shrinking, expansion, erosion, loss of lateral or subjacent support and the expanding, rising, falling, shifting, settling or contracting of earth, whether or not there is any other concurrent causation of the **bodily injury or property damage**; or
- (2) Whether or not the earth movement or settling is attributable to, or on the part of, **you**.

This exclusion only applies to **bodily injury and property damage** that is included in the **products-completed operations hazard**.

s. Nuclear Energy

Any **claim** for **bodily injury or property damage**:

- (1) (a) With respect to which **you** under the policy are 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** that:
 - (i) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any amended laws or statutes; or

- (ii) That entitles **you** 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 medical payments coverage, or under any supplementary payments provision relating to first aid, 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.
- (3) Resulting from the **hazardous properties of nuclear material** if:
 - (a) The **nuclear material**:
 - (i) Is located at any nuclear facility owned by, or operated by or on behalf of **you** or
 - (ii) Is discharged or dispersed from any nuclear facility owned by, or operated by or on behalf of **you**;
 - (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 **you**; or
 - (c) The **bodily injury** or **property damage** arises out of the furnishing by **you** 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 applies only to **property damage** to such **nuclear facility** and any property thereat.
 - (d) For the purposes of this exclusion only, **property damage** includes all forms of radioactive contamination of property.

t. Lead

Bodily injury or **property damage** arising out of the ingestion, inhalation or absorption of lead in any form. Any loss, cost or **expense** arising out of any request, demand or order that **you** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or any loss, cost or **expense** arising out of any **claim** or **suit** by or on behalf of a governmental authority for **damages** because of testing, monitoring, cleaning, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

u. Employment Practices

Bodily injury to an **employee** of **yours**, or any person performing **your work** arising out of any:

- (1) Refusal to employ; or
- (2) Termination of employment; or

- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, slander, harassment, humiliation, discrimination, preference, false imprisonment, or other employment-related practices, policies, acts or omissions; or
- (4) Emotional, mental, or psychological distress, injury, trauma, anguish, shock, or other similar conditions to any employee, or to any other person as a result of (1) through (3) above.

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

v. Formaldehyde Exclusion

Any liability for **bodily injury** or **property damage** arising out of any product containing any form of formaldehyde or chemically related compounds or substances.

w. Electromagnetic Radiation

Bodily injury or **property damage** arising out of any actual, alleged or threatened exposure to any electromagnetic fields.

x. Repair Work

Claims for **property damage** or **bodily injury** arising from or related to, in whole or in part, repair work to correct deficiencies in work originally performed by **you**.

y. No Separate Coverage for Any Insured

In the event that more than one insured is named in a **claim** and/or **suit**, this policy is only provided jointly and not separately to each insured. **You** waive any potential conflict to allow for a joint representation by a single attorney firm to defend each and every insured. If any insured demands separate representation, this policy does not provide coverage for that separate representation. **We** have the sole right to select one counsel to defend each, all and/or any insured against any **claim**, **suit**, **occurrence** or offense that is covered by this policy.

z. Cross Suits

Bodily injury or **property damage** for any liability caused by any insured to any other insured. This policy does not apply to any claim or suit for injury or **damage** by any insured against any other insured.

COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY

1. INSURING AGREEMENT

- a. **We** will pay those sums that **you** become legally obligated to pay as **damages** for **personal injury** or **advertising injury** to which this insurance applies. **We** will have the right and duty to defend any **suit** seeking those **damages** to which this insurance applies. However, **we** will have no duty to defend **you** or pay those sums

that **you** become legally obligated to pay as **damages** for **personal injury** and **advertising injury** to which this insurance does not apply. **We** have no duty to pay an award against **you** for attorneys' fees pursuant to any statute, law or ordinance of the federal, state or municipal governmental agency; or pursuant to any contract entered into by **you**. **We** may at **our** discretion investigate any offense or **occurrence** and settle any **claim** or **suit** that may result. However:

- (1) The amount **we** will pay for **damages** is limited as described in LIMITS OF INSURANCE (SECTION IV).
- (2) Subject to (1) above, our right and duty to defend end when **we** have used up the applicable limit of insurance by payment of any judgments, costs of defense, **expenses** or settlements under Coverage A., B or 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 injury and/or **advertising injury** only if:

- (1) The **personal injury** or **advertising injury** is caused by an **occurrence** that first takes place in the **coverage territory**; and
- (2) The **onset** of the **personal injury** or **advertising injury** does not first take place before the Retroactive Date, if any, shown in the Declarations. All **personal injury** or **advertising injury** caused by or related to an offense or **occurrence** is deemed to first take place when the **personal injury** or **advertising injury** first becomes known to anyone, regardless of whether the **damage** or injury is continuous, progressive, repeated, changing or results from exposure to substantially the same general harm; and
- (3) The **claim** for **damages** is first made against **you** during the policy period; and
- (4) A **claim** is reported to **us** by **you** in writing during the policy period or any Extended Reporting Period **we** provide under **EXTENDED REPORTING PERIODS** (Section VII).

c. A **claim** by a person or organization seeking **damages** will be deemed to have been made at the earlier of the following:

- (1) When notice of such **claim** is received by **you**; or
- (2) When notice of such **claim** is received by **us**.

d. This insurance does not apply to and we shall have no obligation or duty to defend **you** for **damages** in respect to any **claim** or **onset** alleging "**personal injury** or **advertising injury**

- (1) which results from any work or operations performed by or on behalf of **you** prior to the retroactive date of the policy; and/or

- (2) which results from any work or operations by or on behalf of **you** which work or operations has commenced or is pending prior to the retroactive date of this policy, and/or
- (3) for future **damages**, loss, cost or expense arising out of pending or prior litigation that was filed prior to the retroactive date of this policy; and/or
- (4) or any other injury or **damages** of which **you** have knowledge or could have reasonably foreseen would arise prior to the retroactive date of this policy.

This applies whether or not:

- (a) **Damages** continue or progress during the policy period; or
- (b) Ultimate liability has been established; or
- (c) The final amount of **damages**, loss, cost or expense has been established.

EXCLUSIONS: COVERAGE B

This insurance does not apply to:

- a. Expected or Intended Injury
Personal Injury or **advertising injury** expected or intended from **your** standpoint.
- b. Workers' Compensation and similar laws
Any obligation of **yours** under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
- c. Employer's Liability

Personal Injury or **Advertising Injury** to:

- (1) An **employee** of **yours** arising out of and in the course of employment by **you** or performing duties relating to **your** business, regardless of who may be liable, or
- (2) The spouse, child, parent, brother or sister of that **employee** as a consequence of (1) above.

This exclusion applies:

- (1) Whether **you** may be liable as an employer or in any other capacity; and/or
- (2) To any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury, including an **insured contract**; and/or
- (3) To liability assumed by **you** in an **insured contract**.

For the purpose of this exclusion only, the term **employee** as used in this policy includes loaned, rented, leased or temporary employees, as well as persons who qualify as borrowed servants or employees or persons who are or may be deemed **employees of yours** under the doctrines of borrowed servant, borrowed **employee**, respondeat superior or any similar doctrine, or persons performing

the duties of an employee, regardless of their legal status, or for whom **you** may be held liable as an employer.

d. Absolute Pollution

This exclusion applies to **personal injury** or **advertising injury** which, in whole or in part, is caused by, results from, is attributable to, contributes to, acts in conjunction with, or is aggravated by:

- (1) The actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape of or exposure to **pollutants**, regardless of the source of the **pollutants**; or
- (2) Any other cause acting in conjunction with said **pollutants**. This includes but is not limited to **pollutants** such as carbon monoxide, smoke, mold soot, vapors, acids, alkalis, chemicals, gasoline, hydrogen sulfide, soot, dust, hydrocarbons, lead, insecticides, paint, exhaust from any **auto**, vehicle or aircraft, or any contamination from any combination of the aforementioned **pollutants**; or
- (3) Whether any **pollutant** is in the form of gas, liquid or particle, and whether or not the injury is commonly thought of as arising from pollution; or
- (4) Whether the injury or damage caused by the **pollutants** was sudden or accidental, or whether the injury or damage was progressive, continuing, chronic, acute or resulted from repeated exposure to substantially the same general harm; or
- (5) Any loss, cost or **expense** arising out of any:
 - (a) Request, demand or order that **you** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way responding to, or assessing 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**.

This exclusion applies whether the **property damage** or **bodily injury** is caused by, arises from, results from or is attributable to any other cause acting in conjunction with said **pollutants**.

e. War

Personal injury or **advertising injury** due to war, whether or not declared, or any act or condition incident to war. War includes civil war, acts of terrorism, insurrection, rebellion or revolution.

f. Fines or Penalties

Claims based upon or arising out of a fine or penalty imposed by or under any law, statute, ordinance or any federal, state or municipal government agency, including but not limited to any attorneys' fees awarded as a fine, sanction or penalty.

g. Punitive or Exemplary Damages

Claims for PUNITIVE or EXEMPLARY DAMAGES.

h. Personal Injury and Advertising Injury

- (1) Arising out of oral or written publication of material, if done by or at **your** direction with knowledge of its falsity; or
- (2) Arising out of oral or written publication of material, the first publication of which took place before the Retroactive Date, if any; or
- (3) Arising out of the willful violation of a penal statute or ordinance committed by or with **your** consent; or
- (4) Arising out of any assumption of liability in a contract or agreement. This exclusion does not apply to liability for **damages** that **you** would have in the absence of a contract or agreement; or
- (5) Arising out of any failure of goods, products or services to conform with advertised quality or performance; or
- (6) Arising out of the wrong description of the price of goods, products or services; or
- (7) Arising out of any offense committed by **you** whose business is advertising, broadcasting, publishing or telecasting; or
- (8) Arising out of misappropriation of advertising ideas or style of doing business; or
- (9) Arising out of infringement of copyright, title, patent, slogan or other intellectual property rights; or
- (10) Arising out of oral or written publication of material that disparages a person's or organization's goods, products or services; or
- (11) Arising out of designing or determining content or websites for others; or
- (12) Arising out of an internet search, access, content or service provider; or
- (13) arising out of an electronic chatroom or bulletin board which **you** host, own or over which **you** exercise control.
- (14) arising out of the unauthorized use of another's name or product in **your** e-mail address, domain name, metalag, or any other similar tactics to mislead another's potential customers.
- (15) 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 injury** or **advertising injury**; or
- (16) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your advertisement; or

(17) 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) Any statute or 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.

i. Trade Secrets

Claims of infringement, misappropriation or violation of any trade secrets rights, laws or statutes.

j. Employment Practices

Personal injury or advertising injury arising out of any:

- (1) Refusal to employ; or
- (2) Termination of employment; or
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, slander, harassment, humiliation, discrimination, preference, false imprisonment, or other employment-related practices, policies, acts or omissions; or
- (4) Shock, or emotional, mental or psychological distress, injury, trauma or anguish or other similar conditions to any employee or to any other person as a result of (1) through (3) above.

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

k. Lead

Personal injury arising out of the ingestion, inhalation or absorption of lead in any form. Any loss, cost or **expense** arising out of any request, demand or order that **you** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or any loss, cost or **expense** arising out of any **claim** or **suit** by or on behalf of a governmental authority for **damages** because of testing, monitoring, cleaning, removing, containing, treating, detoxifying, neutralizing, or in any way responding to, or assessing, the effects of lead.

l. Formaldehyde Exclusion

Any liability for **personal injury** arising out of any product containing any form of formaldehyde or chemically related compounds or substances.

m. Absolute Earth Movement

Personal injury or advertising injury arising out of, related to, or resulting from:

- (1) Earth movement, regardless of the cause of the earth movement. Earth movement includes landslide, earthquake, subsidence, mudflow, sinkhole, shrinking, expansion, erosion, loss of lateral or subjacent support and the expanding, rising, falling, shifting, settling or contracting of earth, whether or not there is any other concurrent causation of the **personal injury or advertising injury**; or
- (2) Whether or not the earth movement or settling is attributable to, or on the part of, **you**.

This exclusion only applies to **personal injury or advertising injury** that is included in the **products-completed operations hazard**.

n. No Separate Coverage for Any Insured

In the event that more than one insured is named in a **claim** and/or **suit**, this policy is only provided jointly and not separately to each insured. **You** waive any potential conflict to allow for a joint representation by a single attorney firm to defend each and every insured. If any insured demands separate representation, this policy does not provide coverage for that separate representation. **We** have the sole right to select one counsel to defend each, all and/or any insured against any **claim, suit, occurrence** or offense that is covered by this policy.

o. Cross Suits

Personal injury or advertising injury for any **damages** caused by any insured to any other insured. This policy does not apply to any claim or suit for injury or **damage** by any insured against any other insured.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

We will pay, with respect to any **claim** or **suit** **we** defend:

- 1. All **expenses we** incur.
- 2. 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.
- 3. 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.
- 4. 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 that part of the judgment that is within the coverage of this policy and the applicable limit of insurance.

THESE PAYMENTS WILL REDUCE THE APPLICABLE LIMITS OF INSURANCE SHOWN IN THE DECLARATIONS.

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; or
 - (2) On ways next to premises **you** own or rent;
- b. This insurance under this coverage part applies only if:
 - (1) The accident takes place in the **coverage territory** and during the policy period; and
 - (2) The **expenses** are incurred and reported to us within one year of the date of the accident; and
 - (3) The injured person submits to examination, at our **expense**, by physicians of our choice, as often as **we** reasonably require.
- c. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable **expenses** as a result of the accident for:
 - (1) First aid administered at the time of an accident; and
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.
- d. If you recover **expenses** or **damages** covered under this part from any other person or entity, then these **expenses** or **damages** shall be reimbursed to **us** and shall not be treated as a collateral source payment to **you**.

2. EXCLUSIONS

We will not pay **expenses** for **bodily injury**:

- a. To **you**.
- b. To a person hired to do work for or on behalf of **you** or a tenant of **yours**.
- c. To a person injured on that part of premises **you** own or rent that the person normally occupies.
- d. To a person, whether or not an employee of **yours**, if benefits for the **bodily injury** are payable or may be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in, or training for, athletics.
- f. Excluded under Coverage A.
- g. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, acts of terrorism, insurrection, rebellion or revolution.

SECTION II - WHO IS AN INSURED

1. If **you** are designated in the Declarations as:
 - a. An individual, **you** and **your** spouse qualify as Named Insureds, but only with respect to the conduct of a business of which **you** are the sole owner and which is set forth in the Declarations.
 - b. A partnership or joint venture, **you** qualify as a Named Insured. However, **your** members, **your** partners, and their spouses are not insureds.
 - c. An organization other than a partnership, limited liability company or joint venture, **you** are a Named 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.
 - d. A limited liability company, you are a Named Insured. However, **your** members or managers are not an insured.
2. Each of the following also qualifies as a Named Insured:
 - a. **Your** employees, other than **your** executive officers, but only for acts within the scope of their employment by **you**. However, no employee is an insured for:
 - (1) **Bodily injury** or **personal injury** to **you** or to a co-employee while in the course of his or her employment, or the spouse, child, parent, brother or sister of that co-employee as a consequence of such **bodily injury** or **personal injury**, or for any obligation to share **damages** with or repay someone else who must pay **damages** because of the injury; or
 - (2) **Bodily injury** or **personal injury** arising out of his or her providing or failing to provide professional health care services, or
 - (3) **Property damage** to property owned, occupied, rented, or loaned to that employee, or any of **your** other employees.
 - b. 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.
 - c. **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.
 - d. With respect to **mobile equipment** registered in **your** name under any motor vehicle registration law, any person qualifies as a Named Insured while driving such equipment along a public highway with **your** permission. Any other person or organization responsible for the conduct of such person also qualifies as a Named Insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or

organization for this liability. However, no person or organization is an insured with respect to:

- (1) **Bodily injury** to a co-employee of the person driving the equipment; or
- (2) **Property damage** to property owned by, rented to, in the charge of or occupied by **you** or the employer of any person who is an insured under this provision.
- (3) Any organization **you** newly acquire or form, other than a partnership or joint venture, 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 injury** or **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 or joint venture that is not shown as a Named Insured in the Declarations.

SECTION III – ADDITIONAL INSURED

1. The following provisions apply to **Additional Insureds**:
 - a. The term **additional insured** or **additional insureds** shall include any person or organization only if:
 - (1) The person, organization or entity is specifically designated as an **additional insured** on a Certificate of Insurance approved by **us**. However, the members, spouses, partners, employees, officers, directors and/or managers of the organizations, entities or persons are not **additional insureds**.
 - (2) The approved Certificate of Insurance must be on file with **us**; and
 - (3) An additional premium has been charged and received by **us** for the **additional insured** appearing on the approved Certificate of Insurance; and
 - b. **Our** failure to accept or reject any Certificate of Insurance or **additional insured** endorsement, including additional premium charges, does not extend **additional insured** status beyond that which is granted in this policy.
 - c. The applicable limit of **our** liability shall not be increased by the inclusion of any number of **additional insureds**.

- d. Coverage provided for any **additional insured** is only to the extent the **additional insured** is being held liable for **your** acts or omissions.
- e. A Certificate of Insurance will not be evidence of coverage unless **we** have given prior approval for it and it is on file with **us**. An agent or broker has no authority to issue a Certificate of Insurance without obtaining **our** prior approval. **We** are not bound by any Certificate of Insurance **we** are not aware of, did not authorize, or is not in **our** file.
- f. The terms of this policy shall always control the coverage provisions, if any, contained in a Certificate of Insurance.
- g. Other than as expressly modified herein, any coverage provided to an **additional insured** under this policy shall be primary insurance only if:
 - (1) Such claim, loss or liability is determined to be solely the negligence or responsibility of the Named Insured; and
 - (2) No other person or entity is comparatively or contributorily at fault; and
 - (3) The **Additional Insured** does not have any other valid and collectible insurance that is primary insurance; and
 - (4) An additional premium has been charged and received by **us** for the primary wording appearing on the approved Certificate of Insurance. If an additional premium has been charged and received by **us** and the **Additional Insured** has other primary insurance, then we will share with that other insurance in the method set forth in Section V, paragraph 8 c.

2. Any person or entity that is not specifically shown as an **additional insured** on a Certificate of Insurance approved by **us**, and/or who has not paid an additional premium prior to notice of the claim, is not entitled to any benefits or coverage under this policy.

SECTION IV - 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; or
 - 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 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 injury** and **advertising injury** sustained by any one person or organization.
5. Subject to 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 occurrence.
 - c. The Fire Damage Limit is the most **we** will pay under Coverage A for **damages** because of **property damage** to premises rented to **you** arising out of any fire.
 - d. The Medical **Expense** Limit is the most **we** will pay under Coverage C for all medical **expenses** because of **bodily injury** sustained by any person.
6. The most **we** will pay for the sum of all **damages** under **bodily injury** or **property damage** under all issued policies for any **claim** or **suit** is a single aggregate limit of insurance, less **expenses**, costs and attorneys' fees as provided for in the policy.

The limits 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 V - COMMERCIAL GENERAL LIABILITY CONDITIONS

We have no duty to pay or defend **you** under this policy unless **you** have fully complied with the conditions contained in this insurance.

1. SELF-INSURED RETENTION

The Self-Insured Retention amount stated in Item 4. of the Declarations shall be satisfied by payments by **you** of **Damages** and/or **Claims Expenses** resulting from each **Claim** first made and reported to the **us** during the **Policy Period** and/or any applicable **Extended Reporting Period** as a condition precedent to the payment by **us** of any amounts hereunder. **We** shall be liable only for the amounts in excess of such Self-Insured Retention subject to **our** Limit of Liability in Item 3 of the Declarations. **You** shall make direct payments within the Self-Insured Retention to appropriate parties designated by **us**. The Self-Insured Retention is to be uninsured, unless otherwise agreed to by **us**. Under no circumstances shall **we** be called upon to pay the Self-Insured Retention, but **we** may do so at **our** sole discretion. Such

payment shall in no way affect **our** ability to collect the Self-Insured Retention from **you**. The existence of "other insurance" shall not affect **your** obligation to pay the Self-Insured Retention as required.

2. SEVERABILITY

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

3. BANKRUPTCY

Your bankruptcy or the insolvency of **your** estate will not relieve **us** of our obligations under this Coverage Part.

4. CANCELLATION

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 non-payment 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 address shown in this policy.

d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

e. If this policy is cancelled, **we** will send the first Named Insured any premium refund due as follows:

- (1) if **we** cancel, the refund will be pro rata; or
- (2) if the first Named Insured cancels, the refund may be less than pro rata and will be computed by the Company's customary short-rate procedure.

The cancellation will be effective even if **we** have not made or offered a refund.

f. If **we** elect to audit the policy rate basis under the provisions of Section V, the first Named Insured agrees to pay the higher of:

- (1) the earned premium as computed by such audit; or
- (2) the earned premium as computed by such customary short-rate procedure of the minimum and deposit premium if the first Named Insured cancels, or as computed pro rata if the company cancels the policy.

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

5. CHANGES

This policy contains all the agreements concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy only with our written consent. This policy's terms can

be amended or waived only by endorsement issued by **us** and made a part of this policy.

6. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit **your** books and records as they relate to this policy at any time during the policy period and up to three years afterward.

7. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

- a. Make inspections and surveys at any time; or
- b. Give **you** reports on the conditions **we** find; or
- c. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. **We** do not make safety inspections. **We** do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. **We** do not warrant that conditions:

- (1) Are safe or healthful; or
- (2) Comply with laws, regulations, codes or standards.

These conditions apply not only to **us**, but also to any rating, advisory rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

8. DUTIES IN THE EVENT OF AN OCCURRENCE, OFFENSE, CLAIM OR SUIT

- a. **You** must see to it that **we** are notified immediately of an **occurrence** or offense which may result in a **claim**. 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 brought against **you**, **you** must:

- (1) Immediately record the specifics of the **claim** or **suit** and the date received, and
- (2) Notify **us** as soon as practicable, but not more than ten (10) days following initial notice of the **claim**.

You must see to it that **we** receive written notice of the **claim** or **suit** as soon as practicable, but no greater than ten (10) days following initial notice of an **occurrence** or offense. Failure to comply with this notice provision may result in the elimination of coverage under this policy.

- c. **You** and any other involved insured must:

- (1) Immediately send **us** copies of any demands, notices, summons or legal papers received in connection with the **claim** or **suit**; and

- (2) Authorize **us** to obtain records and other information; and

- (3) Cooperate with **us** in the investigation, settlement or defense of the **claim** or **suit**; and

- (4) Assist **us**, upon our request, in the enforcement of any right against any person or organization which may be liable to **you** because of injury or damage to which this insurance may also apply.

- d. **We** shall not be liable for any cost, payment, **expense** or obligation assumed or incurred by **you** without **our** express consent. Nothing in this subparagraph d. shall be construed to expand upon coverage nor lengthen or expand the periods in which **claims** or **suits** are to be reported as set forth in paragraphs a. through c. of this Section.

9. 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 **you**; or
- b. To sue **us** on this Coverage Part without first fully complying with all of the terms of this policy of insurance.

A person or organization may sue **us** to recover on an agreed settlement or on a final judgment against **you** obtained after an actual trial; 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**, **you** and the claimant or the claimant's legal representative.

10. OTHER INSURANCE

If other insurance is available to **you** for a damage **we** cover under Coverages A, B or C of this policy, our obligations are limited as follows:

- a. Primary Insurance

This insurance is primary except where paragraph b. below applies. When other insurance applicable to the loss, injury or **damage** on **your** behalf is also excess, as set forth in paragraph b. below, then **we** will share with other excess insurance by the method described in c. below.

- b. Excess Insurance

Where permitted by law, this insurance is excess over any other insurance naming **you**, whether such insurance is primary, excess, contingent or contributing. This insurance may not be used to satisfy any deductible or self-insured retention amounts **you** may owe as a result of loss, damage or injury.

When this insurance is excess, **we** will have no duty under Coverage A, B or C to defend any **claim** or **suit** that any other insurer has a duty to defend.

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:

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

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

Where paragraph b. is applicable, and this insurance must share with other excess insurance, the following method of sharing shall be followed:

If all of the other contributing excess 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 upon the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers providing excess coverage.

The above methods of sharing will also apply where no primary insurance, as set forth in b. above, is applicable to the loss. In such instance, all applicable deductibles and/or self-insured amounts must first be exhausted before this insurance will apply.

11. PREMIUM AUDIT

- a. **We** will compute all premiums for this policy in accordance with our rules and rates.
- b. If the premium for this policy is designated as a MINIMUM AND DEPOSIT PREMIUM, then **we** shall be entitled to retain that premium in full, notwithstanding any subsequent audit showing an earned premium to be less than the amount designated as the MINIMUM AND DEPOSIT PREMIUM. In no event shall all or any part of a MINIMUM AND DEPOSIT PREMIUM be returnable to **you** predicated upon the results of any general audit or audit of payroll, receipts or sales. Notwithstanding the foregoing, a MINIMUM AND DEPOSIT PREMIUM is subject to an upward adjustment if an audit shows that the total earned premium exceeds the MINIMUM AND DEPOSIT PREMIUM. In that case, the amount by which the total earned premium exceeds the MINIMUM AND DEPOSIT PREMIUM shall be due and payable on notice to the first Named Insured.
- c. The first Named Insured must keep records of the information **we** need for the premium computation, and send **us** copies at such times as **we** may request.
- d. If the first Named Insured refuses to allow **us** access to its records sufficiently to conduct such audit of the policy

term, then **we** shall, at **our** sole discretion, have the option to pursue either one of the following:

- (1) To initiate all available legal and/or equitable remedies available in a court of proper jurisdiction to enforce and accomplish the subject audit; or
 - (2) To invoice the first Named Insured for an additional premium equal to THE GREATER OF twenty-five percent (25%) of the original minimum and deposit premium shown on the declarations page of this policy or five thousand dollars (\$5,000.)
- e. Additional premiums invoiced under option (2) of the above Section V, Paragraph 9.d. are due and payable on such invoicing to the first Named Insured. Interest allowed by **your** state laws, or if no such laws, then ten percent (10%) interest, shall begin to accrue thirty (30) days after such invoicing on all amounts due from the first Named Insured under said Section V, Paragraph 9.d. above. The first Named Insured further agrees to pay the Company, upon demand, all reasonable attorneys' fees, collection costs, and court costs required by the Company to enforce its rights and remedies under either option (1) or option (2) set forth in said Section V, Paragraph 9.d. above.
- f. If the first Named Insured fails to pay the amount determined to be due and owing following invoicing by the Company, the Company shall have the right to rescind the policy in its entirety. The first Named Insured will receive a return of the amount of premium owed less the total earned premium, if no **claim** has been made under the policy. If a **claim** has been made under the policy, no amount of premium will be returned, and the policy will be rescinded as of the date of receipt of the latest **claim**.

12. PREMIUMS

- a. The first Named Insured shown in the declarations:
 - (1) Is responsible for the payment of all premiums; and
 - (2) Will be the payee for any return premiums **we** pay.
- b. THIS POLICY SHALL NOT TAKE EFFECT UNLESS THE DESIGNATED PREMIUM HAS BEEN PAID. FAILURE TO PAY THE DESIGNATED PREMIUM ACTS AS A RESCISSION OF THE POLICY AND ANY BINDER THAT MAY HAVE BEEN ISSUED. PAYMENT OF THE DESIGNATED PREMIUM CONSTITUTES ACCEPTANCE OF THE POLICY AND ALL OF ITS TERMS AND CONDITIONS.

13. REPRESENTATIONS

By accepting this policy, **you** agree:

- a. The statements in the Declarations, application, any application for Insurance of which this Policy is a renewal and any supplemental materials submitted therewith are accurate and complete;
- b. Those statements are based upon **your** agreements and representations made to **us**; and

- c. **We** have issued this policy in reliance upon **your** representations.
- d. **Your** representations were express warranties.
- e. A determination that **your** representations were false or as a result of non-disclosure of any matter by **you** or **your** agent, will result in rescission of this agreement and relieve **us** from all liability under this Policy.
- f. 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.

14. 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.

15. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

16. 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 under this policy 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.

SECTION VI - DEFINITIONS

1. **Advertising injury** means injury other than **bodily injury** or **personal injury** arising out of one or more of the following offenses committed in the course of and through the means of **your** advertising activities:
 - a. Oral or written publication of material that slanders or libels a person or organization;
 - b. Oral or written publication of material that violates a person's right of privacy;
2. **Auto** or **Automobile** means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. **Auto** does not include **mobile equipment**.

3. **Bodily injury** means physical injury, physical sickness or physical disease sustained by any person, including death resulting therefrom. **Bodily injury** does not include shock or emotional, mental or psychological distress, injury, trauma or anguish, or other similar condition.
4. **Claim** or **Claims** means a request or a demand received by **you** or **us** for money or services, including the service of **suit** or institution of arbitration proceedings against **you**.
5. **Coverage territory** means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or **damage** does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or **damage** arises out of:
 - (a) Goods or products made or sold by **you** in the territory described in a. above; or
 - (b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on business; and
 - (2) **Your** responsibility to pay **damages** is determined in a **suit** on the merits, in the territory described in a. above or in a settlement to which **we** agree.
6. **Damage** or **damages** means the estimated money equivalent for loss or injury sustained. **Damage** or **damages** does not include attorney's fees and costs of **suit**.
7. **Employee** includes a leased worker. **Employee** does not include a temporary worker.
8. **Expense** or **expenses** means costs, incidental costs, consequential costs, postage, courier fees, deposition fees, reasonable travel expenses, photocopying expenses, facsimile charges, shipping charges and any other costs awarded by a court or tribunal.
9. **Hazardous properties** mean radioactive, toxic or explosive properties.
10. **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 fulfil the terms of a contract or agreement;
 if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of **your product** or **your work**; or
 - b. **Your** fulfilling the terms of the contract or agreement.

11. **Insured contract** means:

- a. A lease of premises;
- b. A sidetrack agreement;
- c. Any easement or real estate 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, but only if such **bodily injury** or **property damage** is not excluded by the terms of the policy, and arises from **your work** performed during the policy period.

An **insured contract** does not include that part of any contract or agreement:

- a. That indemnifies any person or organization 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;
 - b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving or failing to prepare or approve plans, including but not limited to demolition plans or methods, maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or **damage**;
 - c. Under which **you**, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of **your** rendering or failure to render professional services, including those listed in b. above and supervisory, inspection or engineering services; or
 - d. That indemnifies any person or organization for **damage** by fire to premises rented or loaned to **you**.
 - e. That indemnifies any person or organization for defense fees, **expenses** or costs resulting from litigation.
12. **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 temporary worker.
13. **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**.

14. **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 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 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;
 - (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.

15. **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 **your** custody 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.
16. **Nuclear Material** means **source material, special nuclear material or by product material**.
17. **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.
18. **Occurrence** means an accident, including continuous or repeated exposure to substantially the same general harm, that first takes place during the policy period.
19. **Onset** means the earliest of the following, whether the **damage** or injury is continuous, progressive, repeated, changing or results from exposure to substantially the same general harm:
- a. The filing date of the original complaint; or
 - b. The date of receipt by any person or entity of any pre-litigation notice, including but not limited to, notice required by any statute or law; or
 - c. The date of any other administrative proceeding; or
 - d. The date of any demand made for arbitration; or
 - e. The date of service of a civil **suit**, or;
 - f. The date any person or entity received a demand from a claimant or claimants for money or services; or
 - g. The **damages** or injury are first diagnosed or first discovered by any person or entity.
20. **Personal Injury** means injury, other than **bodily injury**, or **advertising injury** arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. Wrongful entry into, or physical eviction, of a person from, a room, dwelling or premises by a named insured;
 - d. Oral or written publication of material that slanders or libels a person or organization; or
 - e. Oral or written publication of material that violates a person's right of privacy.
21. **Pollutant or pollutants** means any solid, liquid, gaseous or thermal irritants or contaminants, including smoke, vapor, soot, fumes, acids, sulfates, sulfites, alkalis, chemicals, **waste**, biological material, mold, mildew and intangibles which negatively affect the health and welfare of people, disrupt ecological balance, or desecrate the environment and negatively impact plants and non-human species.
- Pollutant or pollutants** as used herein means any form of pollution as defined above which forms the basis for liability, whether the pollution is said to cause physical injury or not, which by volume or timing or any other factor is said to give rise to liability.
22. **Products-completed operations hazard** includes:
- a. **Bodily injury or 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.
 - b. **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.
 - (3) 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.
 - c. This hazard 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 created by the loading or unloading of it;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials;
 - (3) Products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.

23. **Property damage** means 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. For the purposes of this insurance, electronic data is not tangible property.
24. **Source material, special nuclear material and by-product material** have the meanings given them in the Atomic Energy Act of 1954 and any amendment thereto.
25. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.
26. **Suit** or **suits** means a civil proceeding in which **damage** because of **bodily injury, property damage, personal injury** or **advertising injury** to which this insurance applies are alleged. **Suit** or **Suits** includes:
- An arbitration proceeding in which such **damages** are claimed and to which **you** must submit or do submit with **our** consent; or
 - Any other alternative dispute resolution proceeding in which such **damages** are claimed and to which **you** submit with **our** consent.
27. **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.
28. **Waste** means any material:
- Containing **by-product material** other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any source or processed primarily for its **source material content**; and/or
 - 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**; and/or
 - Any material or substances to be recycled, reconditioned or reclaimed, and any substance or material produced as a by-product or side effect of any process.
29. **Your product** means:
- Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - You**;
 - Others trading under **your** name; or
 - A person or organization whose business or assets **you** have acquired; and
 - Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - Your product** includes:
 - 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.

- Your product** does not include vending machines or other property rented to or located for the use of others but not sold.

30. **Your work** means:

- Work or operations performed by **you** or on **your** behalf; and
- Materials, parts or equipment furnished in connection with such work or operations.
- Your work** includes:
 - Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of **your work**; and
 - The providing of or failure to provide warnings or instructions.

SECTION VII – EXTENDED REPORTING PERIODS

1. Basic Extended Reporting Period

- A Basic Extended Reported Period of thirty (30) days is automatically provided without additional charge unless:

(1) This policy is cancelled or not renewed by **us** due to either:

- Non-payment of premium; or
- Non-reimbursement of deductible amounts paid by **us**.

- Unless otherwise provided by endorsement to this policy, the Basic Extended Reporting Period does not extend the policy period or change the scope or amount of coverage provided. The Basic Extended Reporting Period applies only to **claims** that are reported in writing to **us** that were first made to **you** during the policy period for:

(1) **Bodily injury** or **property damage** that occurs before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations; or

(2) **Personal injury** or **advertising injury** caused by an offense committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Declarations.

- The Basic Extended Reporting Period does not apply to **claims** that are covered under any subsequent insurance **you** purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such **claims**.

- Once in effect, the Basic Extended Reporting Period may not be cancelled.

- The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.

2. Supplemental Extended Reporting Period

- a. A Supplemental Extended Reporting Period of limited duration (two years maximum) is available, but only by endorsement and for an additional premium charge.
- b. **You** must make a written request for the endorsement at least thirty (30) days before the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless **you** pay the additional premium by the date it is due according to the terms of the endorsement. This supplemental period starts when the policy period ends.
- c. **We** will determine the additional premium in accordance with our rules and rates. In doing so, **we** may take into account the following:
 - (1) **Your** exposure;
 - (2) Previous type and amounts of insurance;
 - (3) Limits of Insurance available under this Coverage Part for future payment of **damages**; and
 - (4) Other related factors.
- d. The additional premium will not exceed 200% of the annual premium that was charged for this policy, and will be for a period not to exceed two (2) years following the expiration date of the policy.
- e. The Supplemental Extended Reporting Period endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for **claims** first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting starts.
- f. A **claim** first made during the Supplemental Extended Reporting Period will be deemed to have been made on the last day of the policy period provided that the **claim** is for **damages** for **bodily injury** or **property damage** that occurred before the end of the policy period, but not before any applicable Retroactive Date.
- g. A **claim** first made during the Supplemental Extended Reporting Period will be deemed to have been made on the last day of the policy period provided that the **claim** is for **damages** for **personal injury** or **advertising injury** because of an offense that was committed before the end of the policy period, but not before any applicable Retroactive Date.
- h. The provisions of this section do not increase the Limits of Insurance as shown in the Declarations.