

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

**Surplus Lines Agent:**

Brent Tredway  
CRC Insurance Services, LLC  
10375 Richmond Ave. Ste 500  
Houston, TX 77042  
License #: 73050

**DO NOT SEND PAYMENTS TO THIS ADDRESS**

Premium:

Policy Fee:

Surplus Lines Tax:

SLAS Transaction Fee:

Total Premium:

Producing Agent:

**SURPLUS LINES POLICYHOLDER NOTICE**

This contract is registered and delivered as a surplus line coverage under the Alabama Surplus Line Insurance Law.

Date:

  
\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES DISCLOSURE STATEMENT

|               |              |
|---------------|--------------|
| Policy Number | Insured Name |
|---------------|--------------|

|                                                                                                                                                                    |                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Surplus Lines Agent:<br>CRC Insurance Services, LLC<br>CRC Insurance Services, LLC<br>One Metroplex Drive, Suite 400<br>Birmingham, AL 35209<br>License #: 0778135 | Premium:<br>Policy Fee:<br>Surplus Lines Tax:<br>Surplus Lines Stamping Fee: |
| <div>Do not mail payments to this address</div>                                                                                                                    |                                                                              |
| Total Premium:                                                                                                                                                     |                                                                              |

|                  |
|------------------|
| Producing Agent: |
|------------------|

## “NOTICE:

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-**

## **SURPLUS LINES DISCLOSURE STATEMENT**

**UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER 1-800-927-4357. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC’S INTERNET WEBSITE AT [WWW.NAIC.ORG](http://WWW.NAIC.ORG).**

**5. FOREIGN INSURER SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATES DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**

**6. FOR NON-UNITED STATES (ALIEN) INSURERS. THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC’S INTERNATIONAL INSURERS DEPARTMENT (IID) LISTING OF APPROVED NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR AGENT, BROKER OR “SURPLUS LINE” BROKER TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**

**7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF THE CALIFORNIA DEPARTMENT OF INSURANCE: [WWW.INSURANCE.CA.GOV](http://WWW.INSURANCE.CA.GOV).**

**8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BY BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE THE**

# **SURPLUS LINES DISCLOSURE STATEMENT**

**PREMIUM WILL BE PRORATED AND ANY BROKER'S FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.**

Date:



\_\_\_\_\_  
Surplus Lines Agent

SAMPLE

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

**Surplus Lines Agent:**

Brent Tredway  
CRC Insurance Services, LLC  
10375 Richmond Ave. Ste 500  
Houston, TX 77042  
License #: 74376

**DO NOT SEND PAYMENTS TO THIS ADDRESS**

Premium:

Policy Fee:

Surplus Lines Tax:

SLAS Transaction Fee:

Total Premium:

Producing Agent:

**SURPLUS LINES POLICYHOLDER NOTICE**

This contract is delivered as surplus line coverage under the Nonadmitted Insurance Act. The insurer issuing this contract is not licensed in Colorado but is an eligible nonadmitted insurer. There is no protection under the provisions of the Colorado Insurance Guaranty Association Act

Date:

  
\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

Surplus Lines Agent:

Brent Tredway  
10375 Richmond Ave. Ste 500  
Houston, TX 77042  
License #: A267930

Base Premium:

Policy Fee:

SLSO Tax:

SLSO Fee:

Do not mail payments to this address

Total: \$ 4

Producing Agent:

This insurance is issued pursuant to the Florida Surplus Lines Law. Persons insured by surplus lines carriers do not have the protection of the Florida Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent unlicensed insurer.

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

Date:



\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

**Surplus Lines Agent:**

Brent Tredway  
CRC Insurance Services, LLC  
10375 Richmond Ave. Ste 500  
Houston, TX 77042  
License #: 527942

**DO NOT SEND PAYMENTS TO THIS ADDRESS**

Premium:

Policy Fee:

Surplus Lines Tax:

Total Premium:

Producing Agent:

**SURPLUS LINES POLICYHOLDER NOTICE**

Brent Tredway

This contract is registered and delivered as a surplus line coverage under the Surplus Line Insurance Law, O.C.G.A. Chapter 33-5.

Date:

  
\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

Surplus Lines Agent:

Brent Tredway  
10375 Richmond Ave. Ste 500  
Houston, TX 77042  
License #: 787666

Base Premium:

Policy Fee:

SLSO Tax:

SLSO Fee:

Do not mail payments to this address

Total:

Producing Agent:

Lic#

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as a surplus line coverage pursuant to the Tennessee insurance statutes.

Date:



\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

**Surplus Lines Agent:**

CRC Insurance Services, LLC  
CRC Insurance Services, LLC  
One Metroplex Drive, Suite 400  
Birmingham, AL 35209  
License #: 18530

**DO NOT SEND PAYMENTS TO THIS ADDRESS**

Premium:

Policy Fee:

Surplus Lines Tax:

Surplus Lines Stamping Fee:

Total Premium:

Producing Agent:

**SURPLUS LINES POLICYHOLDER NOTICE**

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as surplus line coverage under the Texas insurance statutes. The Texas Department of Insurance does not audit the finances or review the solvency of the surplus lines insurer providing this coverage, and the insurer is not a member of the property and casualty insurance guaranty association created under Chapter 462, Insurance Code. Chapter 225, Insurance Code, requires payment of a 4.85 percent tax on gross premium

Date:

  
\_\_\_\_\_  
Surplus Lines Agent

# SURPLUS LINES STATEMENT

Policy Number

Insured Name

**Surplus Lines Agent:**

CRC Insurance Services, LLC  
CRC Insurance Services, LLC  
One Metroplex Drive, Suite 400  
Birmingham, AL 35209  
License #: 114351

**DO NOT SEND PAYMENTS TO THIS ADDRESS**

Premium:

Policy Fee:

Surplus Lines Tax:

Assessment Fee:

Total Premium:

Producing Agent:

**SURPLUS LINES POLICYHOLDER NOTICE**

THE INSURANCE POLICY THAT YOU HAVE APPLIED FOR HAS BEEN PLACED WITH OR IS BEING OBTAINED FROM AN ELIGIBLE NONADMITTED INSURER APPROVED BY THE STATE CORPORATION COMMISSION FOR ISSUANCE OF SURPLUS LINES INSURANCE IN THE COMMONWEALTH. THEREFORE, YOU, THE POLICYHOLDER, AND PERSONS FILING A CLAIM AGAINST YOU ARE NOT PROTECTED UNDER THE VIRGINIA PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION ACT (§§ 38.2-1600 et seq.) OF THE CODE OF VIRGINIA AGAINST DEFAULT OF THE COMPANY DUE TO INSOLVENCY. IN THE EVENT OF INSURANCE COMPANY INSOLVENCY YOU MAY BE UNABLE TO COLLECT ANY



Date:

\_\_\_\_\_  
Surplus Lines Agent



# Lloyd's Certificate

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**This Insurance** is effected with certain Underwriters at Lloyd's, London.

**This Certificate** is issued in accordance with the limited authorization granted to the Correspondent by certain Underwriters at Lloyd's, London whose syndicate numbers and the proportions underwritten by them can be ascertained from the office of the said Correspondent (such Underwriters being hereinafter called "Underwriters") and in consideration of the premium specified herein, Underwriters hereby bind themselves severally and not jointly, each for his own part and not one for another, their Executors and Administrators.

**The Assured** is requested to read this Certificate, and if it is not correct, return it immediately to the Correspondent for appropriate alteration.

All inquiries regarding this Certificate should be addressed to the following Correspondent:

## CERTIFICATE PROVISIONS

1. **Signature Required.** This Certificate shall not be valid unless signed by the Correspondent on the attached Declaration Page.
2. **Correspondent Not Insurer.** The Correspondent is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever. The Insurers hereunder are those Underwriters at Lloyd's, London whose syndicate numbers can be ascertained as hereinbefore set forth. As used in this Certificate "Underwriters" shall be deemed to include incorporated as well as unincorporated persons or entities that are Underwriters at Lloyd's, London.
3. **Cancellation.** If this Certificate provides for cancellation and this Certificate is cancelled after the inception date, earned premium must be paid for the time the insurance has been in force.
4. **Service of Suit.** It is agreed that in the event of the failure of Underwriters to pay any amount claimed to be due hereunder, Underwriters, at the request of the Assured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any 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 in the United States. It is further agreed that service of process in such suit may be made upon the firm or person named in item 6 of the attached Declaration Page, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.  
The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon request of the Assured to give a written undertaking to the Assured 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 therefor, Underwriters 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 proceeding instituted by or on behalf of the Assured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-mentioned as the person to whom the said officer is authorized to mail such process or a true copy thereof.
5. **Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of the Correspondent endorsed hereon.
6. **Attached Conditions Incorporated.** This Certificate is made and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered as incorporated herein.
7. **Short Rate Cancellation.** If the attached provisions provide for cancellation, the table below will be used to calculate the short rate proportion of the premium when applicable under the terms of cancellation.

**Short Rate Cancellation Table For Term of One Year.**

| Days<br>Insurance in<br>Force | Per Cent<br>of one year<br>Premium | Days<br>Insurance in<br>Force | Per Cent<br>of one year<br>Premium | Days<br>Insurance in<br>Force | Per Cent<br>of one year<br>Premium | Days<br>Insurance in<br>Force | Per Cent<br>of one year<br>Premium |
|-------------------------------|------------------------------------|-------------------------------|------------------------------------|-------------------------------|------------------------------------|-------------------------------|------------------------------------|
| 1.....                        | 5%                                 | 66 - 69.....                  | 29%                                | 154 - 156.....                | 53%                                | 256 - 260.....                | 77%                                |
| 2.....                        | 6                                  | 70 - 73.....                  | 30                                 | 157 - 160.....                | 54                                 | 261 - 264.....                | 78                                 |
| 3 - 4.....                    | 7                                  | 74 - 76.....                  | 31                                 | 161 - 164.....                | 55                                 | 265 - 269.....                | 79                                 |
| 5 - 6.....                    | 8                                  | 77 - 80.....                  | 32                                 | 165 - 167.....                | 56                                 | 270 - 273 ( 9 mos ).....      | 80                                 |
| 7 - 8.....                    | 9                                  | 81 - 83.....                  | 33                                 | 168 - 171.....                | 57                                 | 274 - 278.....                | 81                                 |
| 9 - 10.....                   | 10                                 | 84 - 87.....                  | 34                                 | 172 - 175.....                | 58                                 | 279 - 282.....                | 82                                 |
| 11 - 12.....                  | 11                                 | 88 - 91 ( 3 mos ).....        | 35                                 | 176 - 178.....                | 59                                 | 283 - 287.....                | 83                                 |
| 13 - 14.....                  | 12                                 | 92 - 94.....                  | 36                                 | 179 - 182 ( 6 mos ).....      | 60                                 | 288 - 291.....                | 84                                 |
| 15 - 16.....                  | 13                                 | 95 - 98.....                  | 37                                 | 183 - 187.....                | 61                                 | 292 - 296.....                | 85                                 |
| 17 - 18.....                  | 14                                 | 99 - 102.....                 | 38                                 | 188 - 191.....                | 62                                 | 297 - 301.....                | 86                                 |
| 19 - 20.....                  | 15                                 | 103 - 105.....                | 39                                 | 192 - 196.....                | 63                                 | 302 - 305 ( 10 mos ).....     | 87                                 |
| 21 - 22.....                  | 16                                 | 106 - 109.....                | 40                                 | 197 - 200.....                | 64                                 | 306 - 310.....                | 88                                 |
| 23 - 25.....                  | 17                                 | 110 - 113.....                | 41                                 | 201 - 205.....                | 65                                 | 311 - 314.....                | 89                                 |
| 26 - 29.....                  | 18                                 | 114 - 116.....                | 42                                 | 206 - 209.....                | 66                                 | 315 - 319.....                | 90                                 |
| 30 - 32 ( 1 mos ).....        | 19                                 | 117 - 120.....                | 43                                 | 210 - 214 ( 7 mos ).....      | 67                                 | 320 - 323.....                | 91                                 |
| 33 - 36.....                  | 20                                 | 121 - 124 ( 4 mos ).....      | 44                                 | 215 - 218.....                | 68                                 | 324 - 328.....                | 92                                 |
| 37 - 40.....                  | 21                                 | 125 - 127.....                | 45                                 | 219 - 223.....                | 69                                 | 329 - 332.....                | 93                                 |
| 41 - 43.....                  | 22                                 | 128 - 131.....                | 46                                 | 224 - 228.....                | 70                                 | 333 - 337 ( 11 mos ).....     | 94                                 |
| 44 - 47.....                  | 23                                 | 132 - 135.....                | 47                                 | 229 - 232.....                | 71                                 | 338 - 342.....                | 95                                 |
| 48 - 51.....                  | 24                                 | 136 - 138.....                | 48                                 | 233 - 237.....                | 72                                 | 343 - 346.....                | 96                                 |
| 52 - 54.....                  | 25                                 | 139 - 142.....                | 49                                 | 238 - 241.....                | 73                                 | 347 - 351.....                | 97                                 |
| 55 - 58.....                  | 26                                 | 143 - 146.....                | 50                                 | 242 - 246 ( 8 mos ).....      | 74                                 | 352 - 355.....                | 98                                 |
| 59 - 62 ( 2 mos ).....        | 27                                 | 147 - 149.....                | 51                                 | 247 - 250.....                | 75                                 | 356 - 360.....                | 99                                 |
| 63 - 65.....                  | 28                                 | 150 - 153 ( 5 mos ).....      | 52                                 | 251 - 255.....                | 76                                 | 361 - 365 ( 12 mos ).....     | 100                                |

Rules applicable to insurance with terms less than or more than one year:

- A. If insurance has been in force for one year or less, apply the short rate table for annual insurance to the full annual premium determined as for insurance written for a term of one year.
- B. If insurance has been in force for more than one year:
  - 1. Determine full annual premium as for insurance written for a term of one year.
  - 2. 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 policy was originally written.
  - 3. Add premium produced in accordance with items (1) and (2) to obtain earned premium during full period insurance has been in force.

Figure: 28 TAC §1.601(a)(2)(B)

## **Have a complaint or need help?**

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

### **Certain Underwriters at Lloyd's led by Beazley Syndicates 2623 / 623**

To get information or file a complaint with your insurance company or HMO:

**Call: Coastal Insurance Underwriters at (904)285-7683**

Email: [plinfo@ciuiins.com](mailto:plinfo@ciuiins.com)

Mail: P O Box 3140, Ponte Vedra Beach, FL 32004

### **The Texas Department of Insurance**

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Email: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

## **¿Tiene una queja o necesita ayuda?**

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

### **Certain Underwriters at Lloyd's led by Beazley Syndicates 2623 / 623**

Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

**Llame a: Coastal Insurance Underwriter al (904)285-7683**

Correo electrónico: [plinfo@ciuins.com](mailto:plinfo@ciuins.com)

Dirección postal: P O Box 3140, Ponte Vedra Beach, FL 32004

**El Departamento de Seguros de Texas**

Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439

Presente una queja en: [www.tdi.texas.gov](http://www.tdi.texas.gov)

Correo electrónico: [ConsumerProtection@tdi.texas.gov](mailto:ConsumerProtection@tdi.texas.gov)

Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

SAMPLE

**Certain Underwriters At Lloyd's Led By Beazley Syndicate 2623 / 623**

Unique Market Reference Number: B0572YF24CU04

**SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE**  
**Declarations Page**

|                |                                                                        |            |                     |            |
|----------------|------------------------------------------------------------------------|------------|---------------------|------------|
| Policy Number: | Inception<br>Date:                                                     | 00/00/0000 | Expiration<br>Date: | 00/00/0000 |
|                | 12:01 AM Standard Time at the address of the insured as stated herein. |            |                     |            |

|                                   |                               |                                   |
|-----------------------------------|-------------------------------|-----------------------------------|
| Named Insured and Mailing Address | Location of Residence Address | Producing Agency Name and Address |
|                                   |                               |                                   |

*This policy consists of the following coverage parts for which a premium and limit of liability is indicated.*

|                                                       |                    |            |          |
|-------------------------------------------------------|--------------------|------------|----------|
| <b>PART I – HOMEOWNERSWRAP<sup>SM</sup></b>           |                    |            |          |
| Coverages                                             | Limit of Liability | Deductible | Premium  |
| <b>Section I- Property Coverages</b>                  |                    |            |          |
| <b>Section II- Liability Coverages</b>                |                    |            |          |
| <b>PART II – PERSONAL ARTICLES</b>                    |                    |            |          |
| <b>PART III - OTHER PERSONAL LIABILITY COVERAGES</b>  |                    |            |          |
|                                                       | Limit of Liability | Deductible | Premium  |
| <b>PART IV – OTHER COMMERCIAL LIABILITY COVERAGES</b> |                    |            |          |
|                                                       | Limit of Liability | Deductible | Premium  |
| <b>PART V- EXCESS PERSONAL LIABILITY COVERAGE</b>     |                    |            |          |
|                                                       | Limit of Liability | Deductible | Premium  |
| <b>PART VI – Limited Dock Owners Liability</b>        |                    |            |          |
|                                                       | Limit of Liability | Deductible | Premium  |
| Policy Premium:                                       |                    |            | \$XXX.XX |

**Certain Underwriters At Lloyd's Led By Beazley Syndicate 2623 / 623**

Unique Market Reference Number: B0572YF24CU04

**SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE**  
**Declarations Page**

| Tax/Fee | Description                    | Amount | Subtotal |
|---------|--------------------------------|--------|----------|
|         | Policy Fee:                    |        |          |
|         | Surplus Lines Tax:             |        |          |
|         | FLSO Service Fee:              |        |          |
|         | EMPA Fee:                      |        |          |
|         | CPIC Emergency Assessment Fee: |        |          |
|         | FHCF Fee:                      |        |          |
|         | <b>Total Fees:</b>             |        |          |

|  |                                                          |               |
|--|----------------------------------------------------------|---------------|
|  | <b>Total Policy Premium, Including Taxes &amp; Fees:</b> | <b>\$0.00</b> |
|--|----------------------------------------------------------|---------------|

In Return For The Payment Of The Premium, And Subject To All The Terms Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy. This Policy Supercedes Any Previous Policy Bearing The Same Number And Policy Period. The premium may be subject to audit by the company.

**“SURPLUS LINES INSURERS’ POLICY RATES AND FORMS ARE NOT APPROVED BY ANY STATE REGULATORY AGENCY.”**

**Payment Method: This is an agency bill policy.**

Premium payable at inception:

Authorized Representative:

Countersigned:

**Certain Underwriters At Lloyd's Led By Beazley Syndicate 2623 / 623**

Unique Market Reference Number: B0572YF24CU04

**SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE**  
**Declarations Page**

**POLICY LOCATION SCHEDULE**

Policy Number:

Policy Period:

To:

Named Insured:

**LOCATIONS OF ALL PREMISES YOU OWN, RENT, OR OCCUPY**

| Residence Type | Address | City | State | Zip |
|----------------|---------|------|-------|-----|
|                |         |      |       |     |
|                |         |      |       |     |
|                |         |      |       |     |

**POOL ENCLOSURES AND OTHER STRUCTURES**

| Item # | Item Description | Property Address | Limit |
|--------|------------------|------------------|-------|
|        |                  |                  |       |
|        |                  |                  |       |

# Certain Underwriters At Lloyd's Led By Brit Syndicate 2987

Unique Market Reference Number: B0572YF25CU02

## SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE Declarations Page

|                |                                                                        |            |                     |            |
|----------------|------------------------------------------------------------------------|------------|---------------------|------------|
| Policy Number: | Inception<br>Date:                                                     | 00/00/0000 | Expiration<br>Date: | 00/00/0000 |
|                | 12:01 AM Standard Time at the address of the insured as stated herein. |            |                     |            |

|                                   |                               |                                   |
|-----------------------------------|-------------------------------|-----------------------------------|
| Named Insured and Mailing Address | Location of Residence Address | Producing Agency Name and Address |
|                                   |                               |                                   |

*This policy consists of the following coverage parts for which a premium and limit of liability is indicated.*

| PART I – HOMEOWNERSWRAP <sup>SM</sup>          |                    |            |                          |
|------------------------------------------------|--------------------|------------|--------------------------|
| Coverages                                      | Limit of Liability | Deductible | Premium                  |
| Section I- Property Coverages                  |                    |            |                          |
| Section II- Liability Coverages                |                    |            |                          |
| PART III - OTHER PERSONAL LIABILITY COVERAGES  |                    |            |                          |
|                                                | Limit of Liability | Deductible | Premium                  |
| PART IV – OTHER COMMERCIAL LIABILITY COVERAGES |                    |            |                          |
|                                                | Limit of Liability | Deductible | Premium                  |
| PART V- EXCESS PERSONAL LIABILITY COVERAGE     |                    |            |                          |
|                                                | Limit of Liability | Deductible | Premium                  |
| PART VI – Limited Dock Owners Liability        |                    |            |                          |
|                                                | Limit of Liability | Deductible | Premium                  |
|                                                |                    |            | Policy Premium: \$XXX.XX |

**Certain Underwriters At Lloyd's Led By Brit Syndicate 2987**  
**Unique Market Reference Number: B0572YF25CU02**

**SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE**  
**Declarations Page**

| <b>Tax/Fee</b>     | <b>Description</b>             | <b>Amount</b> | <b>Subtotal</b> |
|--------------------|--------------------------------|---------------|-----------------|
|                    | Policy Fee:                    |               |                 |
|                    | Surplus Lines Tax:             |               |                 |
|                    | FLSO Service Fee:              |               |                 |
|                    | EMPA Fee:                      |               |                 |
|                    | CPIC Emergency Assessment Fee: |               |                 |
|                    | FHCF Fee:                      |               |                 |
| <b>Total Fees:</b> |                                |               |                 |

|  |                                                              |               |
|--|--------------------------------------------------------------|---------------|
|  | <b>Total Policy Premium, Including<br/>Taxes &amp; Fees:</b> | <b>\$0.00</b> |
|--|--------------------------------------------------------------|---------------|

In Return For The Payment Of The Premium, And Subject To All The Terms Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy. This Policy Supercedes Any Previous Policy Bearing The Same Number And Policy Period. The premium may be subject to audit by the company.

**“SURPLUS LINES INSURERS’ POLICY RATES AND FORMS ARE NOT APPROVED BY ANY STATE REGULATORY AGENCY.”**

**Payment Method: This is an agency bill policy.**

Premium payable at inception:

Authorized Representative:

Countersigned:

**Certain Underwriters At Lloyd's Led By Brit Syndicate 2987**

Unique Market Reference Number: B0572YF25CU02

**SPECIALTY à la CARTE HOMEOWNERS COVERAGES™ DECLARATIONS PAGE**  
**Declarations Page**

**POLICY LOCATION SCHEDULE**

Policy Number:

Policy Period:

To:

Named Insured:

**LOCATIONS OF ALL PREMISES YOU OWN, RENT, OR OCCUPY**

| Residence Type | Address | City | State | Zip |
|----------------|---------|------|-------|-----|
|                |         |      |       |     |
|                |         |      |       |     |
|                |         |      |       |     |

**POOL ENCLOSURES AND OTHER STRUCTURES**

| Item # | Item Description | Property Address | Limit |
|--------|------------------|------------------|-------|
|        |                  |                  |       |
|        |                  |                  |       |

POLICY LOCATION SCHEDULE OVERFLOW

Policy Number: Policy Period: To:  
Named Insured:

LOCATIONS OF ALL PREMISES YOU OWN, RENT, OR OCCUPY

| Bldg # | Address | Building Name | Building Desc. | City | State | Zip |
|--------|---------|---------------|----------------|------|-------|-----|
| 1      |         |               |                |      |       |     |
| 2      |         |               |                |      |       |     |
| 3      |         |               |                |      |       |     |
| 4      |         |               |                |      |       |     |
| 5      |         |               |                |      |       |     |
| 6      |         |               |                |      |       |     |
| 7      |         |               |                |      |       |     |
| 8      |         |               |                |      |       |     |
| 9      |         |               |                |      |       |     |
| 10     |         |               |                |      |       |     |
| 11     |         |               |                |      |       |     |
| 12     |         |               |                |      |       |     |
| 13     |         |               |                |      |       |     |
| 14     |         |               |                |      |       |     |
| 15     |         |               |                |      |       |     |
| 16     |         |               |                |      |       |     |
| 17     |         |               |                |      |       |     |
| 18     |         |               |                |      |       |     |
| 19     |         |               |                |      |       |     |
| 20     |         |               |                |      |       |     |

**This coverage form ONLY applies to PART I - HOMEOWNERSWRAP<sup>SM</sup>, PART II – PERSONAL ARTICLES, PART – III OTHER PERSONAL LIABILITY COVERAGES, PART IV – OTHER COMMERCIAL LIABILITY COVERAGES, PART V – EXCESS PERSONAL LIABILITY COVERAGE, AND PART VI – LIMITED DOCK OWNERS LIABILITY**

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

## **MINIMUM EARNED PREMIUM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**PART I - HOMEOWNERSWRAP<sup>SM</sup>  
PART II – PERSONAL ARTICLES  
PART III - OTHER PERSONAL LIABILITY COVERAGES  
PART IV – OTHER COMMERCIAL LIABILITY COVERAGES  
PART V – EXCESS PERSONAL LIABILITY COVERAGES  
PART VI – LIMITED DOCK OWNERS LIABILITY**

The minimum earned premium for this policy will be \$ \_\_\_\_\_, unless we cancel the policy.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

# HOMEOWNERSWRAP<sup>SM</sup>

## AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

## DEFINITIONS

**A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

**B.** In addition, certain words and phrases are defined as follows:

**1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

**a.** Liability for "bodily injury" or "property damage" arising out of the:

- (1)** Ownership of such vehicle or craft by an "insured";
- (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3)** Entrustment of such vehicle or craft by an "insured" to any person;
- (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

**b.** For the purpose of this definition:

- (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.

**2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

**3.** "Business" means:

**a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or

**b.** Any other activity engaged in for money or other compensation, except the following:

- (1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
- (2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
- (3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
- (4)** The rendering of home day care services to a relative of an "insured".

**4.** "Catastrophic Ground Cover Collapse" means geological activity that results in all of the following:

- a.** The abrupt collapse of the ground cover;
- b.** A depression in the ground cover clearly visible to the naked eye;
- c.** "Structural damage" to a structure insured under this policy, including the foundation; and
- d.** The dwelling on the "residence premises" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order.

**5.** "Declarations" means the Homeowner 'Wrap'<sup>SM</sup> Declarations Page accompanying this policy, which is incorporated by reference herein.

**6.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

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

8. "Insured" means:

a. You and residents of your household who are:

(1) Your relatives; or

(2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;

b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

(1) 24 and your relative; or

(2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

(1) With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in 5.a. or b. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or

(2) With respect to a "motor vehicle" to which this policy applies:

(a) Persons while engaged in your employ or that of any person described in 5.a. or b.; or

(b) Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word "an" immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

9. "Insured location" means:

a. The "residence premises";

b. The part of other premises, other structures and grounds used by you as a residence; and

(1) Which is shown in the Declarations; or

(2) Which is acquired by you during the policy period for your use as a residence;

c. Any premises used by you in connection with a premises described in a. and b. above;

d. Any part of a premises:

(1) Not owned by an "insured"; and

(2) Where an "insured" is temporarily residing;

e. Vacant land, other than farm land, owned by or rented to an "insured";

f. Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";

g. Individual or family cemetery plots or burial vaults of an "insured"; or

h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

10. "Motor vehicle" means:

a. A self-propelled land or amphibious vehicle; or

b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in a. above.

11. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

a. "Bodily injury"; or

b. "Property damage".

12. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

13. "Residence employee" means:

a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or

b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

14. "Residence premises" means:

a. The one-family dwelling where you reside;

- b. The two-, three- or four-family dwelling where you reside in at least one of the family units; or
- c. That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

15. "Underlying insurance" means any policy providing the "insured" with primary insurance covering one or more of the types of property or liability listed in the Declarations.

## SECTION I – PROPERTY COVERAGES

### A. [INTENTIONALLY OMITTED]

### B. Coverage B – Pool Enclosures & Other Structures

1. If a Coverage B Limit of Liability is set forth on the Declarations, we cover other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection. We also cover pool enclosures on the residence premises whether attached to the dwelling or not.
2. We do not cover:
  - a. Land, including land on which the other structures are located;
  - b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;
  - c. Other structures from which any "business" is conducted; or
  - d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.

### C. Coverage C – Personal Property

#### 1. Covered Property

If a Coverage C Limit of Liability is set forth on the Declarations for the applicable category of property in Section 2. below, we cover that category of personal property, owned or used by an "insured" while it is anywhere in the world and after a loss and at your request, we will cover that category of personal property owned by:

- a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or
- b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

## 2. Categories

- a. Loss by theft of jewelry, watches, furs, precious and semiprecious stones.
- b. Loss by theft of firearms and related equipment.
- c. Loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, holloware, tea sets, trays and trophies made of or including silver, gold or pewter.

### D. [INTENTIONALLY OMITTED]

### E. Additional Coverages

#### 1. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

- a. If an Additional Coverage E.1. Limit of Liability is set forth on the Declarations, we will pay up to that amount for:
  - (1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;
  - (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
  - (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
  - (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

#### b. We do not cover:

- (1) Use of a credit card, electronic fund transfer card or access device:
  - (a) By a resident of your household;

- (b) By a person who has been entrusted with either type of card or access device; or
- (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or
- (2) Loss arising out of "business" use or dishonesty of an "insured".
- c. If the coverage in **a.** above applies, the following defense provisions also apply:
  - (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
  - (2) If a suit is brought against an "insured" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.
  - (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under **a.(3)** above.

## 2. Loss Assessment

If an Additional Coverage **E.2. Limit of Liability** is set forth on the Declarations, we will pay up to that amount per occurrence for your share of loss assessment charged during the policy period against you, as owner or tenant of the "residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage **B**, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

The maximum amount of any loss assessment coverage that can be assessed for any one loss, regardless of the number of assessments, shall be an amount equal to your loss assessment coverage limit in effect one day before the date the loss occurred. Any changes to the limits of your loss assessment coverage made on or after the day before the date of occurrence are not applicable to such loss.

## 3. "Fungi", Wet Or Dry Rot, Or Bacteria

- a. If an Additional Coverage **E.3. Limit of Liability** is set forth on the Declarations, we will pay up to that amount for:

- (1) The total of all loss payable under Section **I- Property Coverages** caused by "fungi", wet or dry rot, or bacteria
- (2) The cost to remove "fungi", wet or dry rot or bacteria from property covered under Section **I-Property Coverages**;
- (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry, or bacteria; and
- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria, whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or bacteria.

For the purposes of this additional coverage "Fungi", Wet Or Dry Rot, Or Bacteria only, **Coverage B – Other Structures** is extended to include the dwelling on the "residence premises" shown in the declarations, including structures attaching to the dwelling

However, we do not cover land, including land on which the dwelling is located

- b. The coverage described in **a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The Additional Coverage **E.3. Limit of Liability** is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
  - (1) Number of locations insured; or
  - (2) Number of claims made.
- d. If there is covered loss or damage to covered property not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", wet or dry rot, or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.

This coverage does not increase the limit of liability applying to the damaged covered property.

## SECTION I – PERILS INSURED AGAINST

### A. Coverage B – Other Structures

1. We insure against direct physical loss to property described in Coverage B.

2. We do not insure, however, for loss:

- a. Excluded under Section I – Exclusions;
- b. Involving collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above; or

c. Caused by:

- (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:

- (a) Maintain heat in the building; or
- (b) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:

- (a) Fence, pavement, patio or swimming pool;
- (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
- (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
- (d) Pier, wharf or dock;

- (3) Theft in or to a structure under construction, or of materials and supplies for use in the construction until the structure is finished and occupied;

- (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;

- (5) Mold, fungus or wet rot except to the extent coverage is provided for in Coverage E Additional Coverage. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:

- (a) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or
- (b) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

- (6) Any of the following:

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion, or dry rot;
- (d) Smoke from agricultural smudging or industrial operations;
- (e) Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage C.

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

- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
- (g) Birds, rodents or insects;
- (h) Nesting or infestation, or discharge or release of waste products or secretions, by any animals;
- (i) Animals owned or kept by an "insured" or
- (j) Windstorm or hail.

**Exception To c.(6)**

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **B** resulting from an accidental discharge or overflow of water or steam from within a:

- (i) Storm drain, or water, steam or sewer pipe, off the "residence premises"; or
- (ii) Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section **I** – Exclusion **A.3.** Water, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **B** not precluded by any other provision in this policy is covered.

**B. Coverage C – Personal Property**

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section **I** – Exclusions.

**1. Fire Or Lightning**

**2. Windstorm Or Hail**

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

**3. Explosion**

**4. Riot Or Civil Commotion**

**5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

**6. Vehicles**

**7. Smoke**

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

**8. Vandalism Or Malicious Mischief**

**9. Theft**

**a.** This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

**b.** This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;

- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
  - (a) Trailers, semitrailers and campers;
  - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
  - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

#### 10. Falling Objects

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

#### 11. Weight Of Ice, Snow Or Sleet

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

#### 12. Accidental Discharge Or Overflow Of Water Or Steam

- a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.
- b. This peril does not include loss:
  - (1) To the system or appliance from which the water or steam escaped;
  - (2) Caused by or resulting from freezing except as provided in Peril Insured Against 14. Freezing;
  - (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
  - (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

- c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- d. Section I – Exclusion A.3. Water, Paragraphs a. and c. that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

#### 13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

#### 14. Freezing

- a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

#### 15. Sudden And Accidental Damage From Artificially Generated Electrical Current

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

#### 16. Volcanic Eruption

This peril does not include loss caused by earthquake, land shock waves or tremors.

## SECTION I – EXCLUSIONS

**A.** We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

### 1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a.** Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris;
- b.** The requirements of which result in a loss in value to property; or
- c.** Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

### 2. Earth Movement

Earth Movement means:

- a.** Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b.** Landslide, mudslide or mudflow;
- c.** Catastrophic ground collapse;
- d.** Subsidence or sinkhole; or
- e.** Any other earth movement including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.e.**, is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.2.a.** through **A.2.e.**, is covered.

### 3. Water

This means:

- a.** Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b.** Water which:
  - (1) Backs up through sewers or drains; or
  - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c.** Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d.** Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

### 4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

### 5. Neglect

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

### 6. War

War includes the following and any consequence of any of the following:

- a.** Undeclared war, civil war, insurrection, rebellion or revolution;
- b.** Warlike act by a military force or military personnel; or
- c.** Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

## 7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in **N.** Nuclear Hazard Clause under Section **I – Conditions.**

## 8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

## 9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

**B.** We do not insure for loss to property described in Coverages **B** caused by any of the following. However, any ensuing loss to property described in Coverages **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
  - a. Planning, zoning, development, surveying, siting;
  - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - c. Materials used in repair, construction, renovation or remodeling; or
  - d. Maintenance;of part or all of any property whether on or off the "residence premises".

**C.** This policy does not cover:

1. The dwelling on the "residence premises" shown in the Declarations;
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".

3. Land, including land on which the dwelling is located.

## SECTION I – CONDITIONS

### A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

### B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

### C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.1.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section **I – Property Coverages;**
4. Protect the property from further damage. If repairs to the property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property; and
  - b. Keep an accurate record of repair expenses;
5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
  - a. Show the damaged property;

- b. Provide us with records and documents we request and permit us to make copies; and
  - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
- a. The time and cause of loss;
  - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Specifications of damaged buildings and detailed repair estimates;
  - f. The inventory of damaged personal property described in 6. above;
  - g. Evidence or affidavit that supports a claim under E.1. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages, stating the amount and cause of loss.

#### D. Loss Settlement

In this Condition D., the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law. Covered property losses are settled as follows:

- 1. Property of the following types:
    - a. Personal property;
    - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
    - c. Structures that are not buildings.
- at actual cash value at the time of loss but not more than the amount required to repair or replace.
- 2. Buildings covered under Coverage B at replacement cost without deduction for depreciation, subject to the following:
    - a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

- (1) The limit of liability under this policy that applies to the building;
- (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
- (3) The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in (2) above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:
  - (1) The actual cash value of that part of the building damaged; or
  - (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.
- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:
  - (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
  - (2) Those supports described in (1) above which are below the surface of the ground inside the foundation walls, if there is no basement; and
  - (3) Underground flues, pipes, wiring and drains.
- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in 2.a. and b. above.

However, if the cost to repair or replace the damage is both:

  - (1) Less than 5% of the amount of insurance in this policy on the building; and

**(2) Less than \$2,500;**

we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e.** You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **D. Loss Settlement**, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

**E. Loss To A Pair Or Set**

In case of loss to a pair or set we may elect to:

- 1.** Repair or replace any part to restore the pair or set to its value before the loss; or
- 2.** Pay the difference between actual cash value of the property before and after the loss.

**F. Appraisal**

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

- 1.** Pay its own appraiser; and
- 2.** Bear the other expenses of the appraisal and umpire equally.

**G. Other Insurance And Service Agreement**

The coverage afforded by this policy is excess over any other insurance available to an "insured" including amounts payable under a service agreement, service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

**H. Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this policy and the action is started within two years after the date of loss.

**I. Our Option**

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

**J. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- 1.** Reach an agreement with you;
- 2.** There is an entry of a final judgment; or
- 3.** There is a filing of an appraisal award with us.

**K. Abandonment Of Property**

We need not accept any property abandoned by an "insured".

**L. Mortgage Clause**

- 1.** If a mortgagee is named in this policy, any loss payable under Coverage **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages.
- 2.** If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a.** Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
  - b.** Pays any premium due under this policy on demand if you have neglected to pay the premium; and
  - c.** Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **F. Appraisal**, **H. Suit Against Us** and **J. Loss Payment** under Section **I** – Conditions also apply to the mortgagee.
- 3.** If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
- 4.** If we pay the mortgagee for any loss and deny payment to you:
  - a.** We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or

- b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.

5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

#### **M. No Benefit To Bailee**

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

#### **N. Nuclear Hazard Clause**

1. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

#### **O. Recovered Property**

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

#### **P. Volcanic Eruption Period**

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

#### **Q. Policy Period**

This policy applies only to loss which occurs during the policy period.

#### **R. Concealment Or Fraud**

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance.

#### **S. Loss Payable Clause**

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

### **SECTION II – LIABILITY COVERAGES**

#### **A. Coverage E – Personal Liability**

If a Coverage E. Limit of Liability is set forth on the Declarations, in the event a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we:

1. Will pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured";
2. Will provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. However, we are not obligated to defend any suit or settle any claim if:
  - a. The "occurrence" or offense is covered by other "underlying insurance" available to the "insured"; or
  - b. There is no applicable "underlying insurance" in effect at the time of the "occurrence" or offense and the amount of damages claimed or incurred is less than the applicable deductible amount shown in the Declarations;
3. May join, at our expense, with the "insured" or any insurer providing "underlying insurance" in the investigation, defense or settlement of any claim or suit which we believe may require payment under this policy. However, we will not contribute to the costs and expenses incurred by any insurer providing "underlying insurance"; and
4. Will pay any expense incurred for the "insured's" defense, with our written consent, in any country where we are prevented from defending an "insured" because of laws or other reasons.

We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

#### **B. Coverage F – Medical Payments To Others**

If a Coverage F. Limit of Liability is set forth on the Declarations, we will pay the necessary medical

expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
  - b. Is caused by the activities of an "insured";
  - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
  - d. Is caused by an animal owned by or in the care of an "insured".

## SECTION II – EXCLUSIONS

### A. "Motor Vehicle Liability"

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for a charge; or
    - (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.
2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:
  - a. In dead storage on an "insured location";
  - b. Used solely to service a residence;
  - c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
    - (1) Being used to assist a handicapped person; or
    - (2) Parked on an "insured location";

- (1) Being used to assist a handicapped person; or
  - (2) Parked on an "insured location";
- d. Designed for recreational use off public roads and:

- (1) Not owned by an "insured"; or
- (2) Owned by an "insured" provided the "occurrence" takes place:
  - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
  - (b) Off an "insured location" and the "motor vehicle" is:
    - (i) Designed as a toy vehicle for use by children under seven years of age;
    - (ii) Powered by one or more batteries; and
    - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;

- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:

- (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
  - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
  - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
  - (c) Cross public roads at designated points to access other parts of the golfing facility; or
- (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

### B. "Watercraft Liability"

1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;

- b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
- a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less;
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
        - (i) You declare them at policy inception; or
        - (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

#### C. "Aircraft Liability"

This policy does not cover "aircraft liability".

#### D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

#### E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

Coverages **E** and **F** do not apply to the following:

##### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

##### 2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

##### 3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

##### 4. "Insured's" Premises Not An "Insured Location"

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

- a. Owned by an "insured";
  - b. Rented to an "insured"; or
  - c. Rented to others by an "insured";
- that is not an "insured location";

**5. War**

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

**6. Communicable Disease**

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

**7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse**

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

**8. Controlled Substance**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

**F. Coverage E – Personal Liability**

Coverage **E** does not apply to:

**1. Liability:**

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners.

- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

(1) That directly relate to the ownership, maintenance or use of an "insured location"; or

(2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

**2.** "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

**3.** "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

**4.** "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

**5.** "Bodily injury" or "property damage" for which an "insured" under this policy:

- a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;

or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

**6.** "Bodily injury" to you or an "insured" as defined under Definition **8.a.** or **b.**

This exclusion also applies to any claim made or suit brought against you or an "insured" to:

- a. Repay; or
- b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

## G. Coverage F – Medical Payments To Others

Coverage F does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;all whether controlled or uncontrolled or however caused; or
- d. Any consequence of any of these; or
4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

## SECTION II – ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

### A. Claim Expenses

We pay:

1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage E limit of liability. We need not apply for or furnish any bond;
3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

### B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

## SECTION II – CONDITIONS

### A. Limit Of Liability

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

### B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

### C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;

5. With respect to **C. Damage To Property Of Others** under **Section II – Additional Coverages**, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;

6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

**D. Duties Of An Injured Person – Coverage F – Medical Payments To Others**

1. The injured person or someone acting for the injured person will:

- a. Give us written proof of claim, under oath if required, as soon as is practical; and
- b. Authorize us to obtain copies of medical reports and records.

2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

**E. Payment Of Claim – Coverage F – Medical Payments To Others**

Payment under this coverage is not an admission of liability by an "insured" or us.

**F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this **Section II**.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to **Coverage E** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

**G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

**H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

**I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

**J. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;

2. Engaged in fraudulent conduct; or

3. Made false statements;  
relating to this insurance.

**SECTIONS I AND II – CONDITIONS**

**A. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

**B. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

**C. Cancellation Of Policies In Effect**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

**2. For 90 Days Or Less**

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium, or
- b. 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
  - (1) A material misstatement or misrepresentation; or
  - (2) A failure to comply with the underwriting requirements established by the insurer.

**3. For More Than 90 Days**

If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation only for one or more of the following reasons:

- (a) Nonpayment of premium;
- (b) The policy was obtained by a material misstatement;
- (c) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;
- (d) A substantial change in the risk covered by the policy; or
- (e) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 11.c.

#### **4. Other Cancellation Of Policies Provisions**

If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro- rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 30 working days after the date cancellation takes effect, unless this is an audit policy.

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

#### **D. Nonrenewal**

- 1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

- 2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of mailing.

#### **E. Assignment**

Assignment of this policy will not be valid unless we give our written consent.

#### **F. Subrogation**

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C. Damage To Property Of Others** under Section **II** – Additional Coverages.

#### **G. Death**

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

- 1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and
- 2. "Insured" includes:
  - a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and
  - b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

#### **H. Maintenance of Underlying Insurance**

You must maintain the "underlying insurance" at the full limits stated in the Declarations with no change to more restrictive conditions during the term of this policy. If any "underlying insurance" is cancelled or not renewed and not replaced, you must notify us at once.

If you fail to maintain "underlying insurance", we will not be liable under this policy for more than we would have been liable if that "underlying insurance" was in effect.

# HOMEOWNERSWRAP<sup>SM</sup>

## AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

## DEFINITIONS

**A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

**B.** In addition, certain words and phrases are defined as follows:

**1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

**a.** Liability for "bodily injury" or "property damage" arising out of the:

- (1)** Ownership of such vehicle or craft by an "insured";
- (2)** Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3)** Entrustment of such vehicle or craft by an "insured" to any person;
- (4)** Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5)** Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

**b.** For the purpose of this definition:

- (1)** Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2)** Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3)** Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4)** Motor vehicle means a "motor vehicle" as defined in **7.** below.

**2.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

**3.** "Business" means:

**a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or

**b.** Any other activity engaged in for money or other compensation, except the following:

**(1)** One or more activities, not described in **(2)** through **(4)** below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;

**(2)** Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;

**(3)** Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or

**(4)** The rendering of home day care services to a relative of an "insured".

**4.** "Catastrophic Ground Cover Collapse" means geological activity that results in all of the following:

**a.** The abrupt collapse of the ground cover;

**b.** A depression in the ground cover clearly visible to the naked eye;

**c.** "Structural damage" to a structure insured under this policy, including the foundation; and

**d.** The dwelling on the "residence premises" being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order.

**5.** "Declarations" means the Homeowner 'Wrap'<sup>SM</sup> Declarations Page accompanying this policy, which is incorporated by reference herein.

**6.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

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

8. "Insured" means:

a. You and residents of your household who are:

(1) Your relatives; or

(2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;

b. A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

(1) 24 and your relative; or

(2) 21 and in your care or the care of a resident of your household who is your relative; or

c. Under Section II:

(1) With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **5.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or

(2) With respect to a "motor vehicle" to which this policy applies:

(a) Persons while engaged in your employ or that of any person described in **5.a.** or **b.**; or

(b) Other persons using the vehicle on an "insured location" with your consent.

Under both Sections I and II, when the word "an" immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

9. "Insured location" means:

a. The "residence premises";

b. The part of other premises, other structures and grounds used by you as a residence; and

(1) Which is shown in the Declarations; or

(2) Which is acquired by you during the policy period for your use as a residence;

c. Any premises used by you in connection with a premises described in **a.** and **b.** above;

d. Any part of a premises:

(1) Not owned by an "insured"; and

(2) Where an "insured" is temporarily residing;

e. Vacant land, other than farm land, owned by or rented to an "insured";

f. Land owned by or rented to an "insured" on which a one-, two-, three- or four-family dwelling is being built as a residence for an "insured";

g. Individual or family cemetery plots or burial vaults of an "insured"; or

h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

10. "Motor vehicle" means:

a. A self-propelled land or amphibious vehicle; or

b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

11. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

a. "Bodily injury"; or

b. "Property damage".

12. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

13. "Residence employee" means:

a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or

b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

14. "Residence premises" means:

a. The one-family dwelling where you reside;

b. The two-, three- or four-family dwelling where you reside in at least one of the family units; or

c. That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

15. "Underlying insurance" means any policy providing the "insured" with primary insurance covering one or more of the types of property or liability listed in the Declarations.

## SECTION I – PROPERTY COVERAGES

### A. [INTENTIONALLY OMITTED]

### B. Coverage B – Pool Enclosures & Other Structures

1. If a Coverage B Limit of Liability is set forth on the Declarations, we cover:

a. Other structures on the "residence premises" set apart from the dwelling by clear space. This includes structures connected to the dwelling by only a fence, utility line, or similar connection. We also cover pool enclosures on the residence premises whether attached to the dwelling or not.

b. Solar panel systems attached to the dwelling on the described location shown in the Policy Declarations, including structures attached to the dwelling, or other structures on the described location, set apart from the dwelling by clear space.

2. We do not cover:

a. Land, including land on which the other structures are located;

b. Other structures rented or held for rental to any person not a tenant of the dwelling, unless used solely as a private garage;

c. Other structures from which any "business" is conducted; or

d. Other structures used to store "business" property. However, we do cover a structure that contains "business" property solely owned by an "insured" or a tenant of the dwelling, provided that "business" property does not include gaseous or liquid fuel, other than fuel in a permanently installed fuel tank of a vehicle or craft parked or stored in the structure.

e. Cosmetic damage to solar panel systems covered under Section I – Property Coverages B. 1. b.

Cosmetic damage means marring, pitting or other superficial or aesthetic damage that does not inhibit the functional use of the solar panel system to perform its intended function. Cosmetic damage includes the failure to properly clean and maintain the system, resulting in a reduction in its operational effectiveness.

### C. Coverage C – Personal Property

#### 1. Covered Property

If a Coverage C Limit of Liability is set forth on the Declarations for the applicable category of property in Section 2. below, we cover that category of personal property, owned or used by an "insured" while it is anywhere in the world and after a loss and at your request, we will cover that category of personal property owned by:

a. Others while the property is on the part of the "residence premises" occupied by an "insured"; or

b. A guest or a "residence employee", while the property is in any residence occupied by an "insured".

#### 2. Categories

a. Loss by theft of jewelry, watches, furs, precious and semiprecious stones.

b. Loss by theft of firearms and related equipment.

c. Loss by theft of silverware, silver-plated ware, goldware, gold-plated ware, platinumware, platinum-plated ware and pewterware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold or pewter.

### D. [INTENTIONALLY OMITTED]

### E. Additional Coverages

#### 1. Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money

a. If an Additional Coverage E.1. Limit of Liability is set forth on the Declarations, we will pay up to that amount for:

(1) The legal obligation of an "insured" to pay because of the theft or unauthorized use of credit cards issued to or registered in an "insured's" name;

- (2) Loss resulting from theft or unauthorized use of an electronic fund transfer card or access device used for deposit, withdrawal or transfer of funds, issued to or registered in an "insured's" name;
- (3) Loss to an "insured" caused by forgery or alteration of any check or negotiable instrument; and
- (4) Loss to an "insured" through acceptance in good faith of counterfeit United States or Canadian paper currency.

All loss resulting from a series of acts committed by any one person or in which any one person is concerned or implicated is considered to be one loss.

This coverage is additional insurance. No deductible applies to this coverage.

**b. We do not cover:**

- (1) Use of a credit card, electronic fund transfer card or access device:
  - (a) By a resident of your household;
  - (b) By a person who has been entrusted with either type of card or access device; or
  - (c) If an "insured" has not complied with all terms and conditions under which the cards are issued or the devices accessed; or
- (2) Loss arising out of "business" use or dishonesty of an "insured".

**c. If the coverage in a. above applies, the following defense provisions also apply:**

- (1) We may investigate and settle any claim or suit that we decide is appropriate. Our duty to defend a claim or suit ends when the amount we pay for the loss equals our limit of liability.
- (2) If a suit is brought against an "insured" for liability under **a.(1)** or **(2)** above, we will provide a defense at our expense by counsel of our choice.
- (3) We have the option to defend at our expense an "insured" or an "insured's" bank against any suit for the enforcement of payment under **a.(3)** above.

**2. Loss Assessment**

If an Additional Coverage **E.2. Limit of Liability** is set forth on the Declarations, we will pay up to that amount per occurrence for your share of loss assessment charged during the policy period against you, as owner or tenant of the

"residence premises", by a corporation or association of property owners. The assessment must be made as a result of direct loss to property, owned by all members collectively, of the type that would be covered by this policy if owned by you, caused by a Peril Insured Against under Coverage **B**, other than:

- (1) Earthquake; or
- (2) Land shock waves or tremors before, during or after a volcanic eruption.

The maximum amount of any loss assessment coverage that can be assessed for any one loss, regardless of the number of assessments, shall be an amount equal to your loss assessment coverage limit in effect one day before the date the loss occurred. Any changes to the limits of your loss assessment coverage made on or after the day before the date of occurrence are not applicable to such loss.

**3. "Fungi", Wet Or Dry Rot, Or Bacteria**

**a.** If an Additional Coverage **E.3. Limit of Liability** is set forth on the Declarations, we will pay up to that amount for:

- (1) The total of all loss payable under Section **I- Property Coverages** caused by "fungi", wet or dry rot, or bacteria
- (2) The cost to remove "fungi", wet or dry rot or bacteria from property covered under Section **I-Property Coverages**;
- (3) The cost to tear out and replace any part of the building or other covered property as needed to gain access to the "fungi", wet or dry, or bacteria; and
- (4) The cost of testing of air or property to confirm the absence, presence or level of "fungi", wet or dry rot, or bacteria, whether performed prior to, during or after removal, repair, restoration or replacement. The cost of such testing will be provided only to the extent that there is a reason to believe that there is the presence of "fungi", wet or dry rot, or bacteria.

For the purposes of this additional coverage "Fungi", Wet Or Dry Rot, Or Bacteria only, **Coverage B – Other Structures** is extended to include the dwelling on the "residence premises" shown in the declarations, including structures attaching to the dwelling

However, we do not cover land, including land on which the dwelling is located

- b. The coverage described in **a.** only applies when such loss or costs are a result of a Peril Insured Against that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at and after the time the Peril Insured Against occurred.
- c. The Additional Coverage **E.3. Limit of Liability** is the most we will pay for the total of all loss or costs payable under this Additional Coverage regardless of the:
  - (1) Number of locations insured; or
  - (2) Number of claims made.
- d. If there is covered loss or damage to covered property not caused, in whole or in part, by "fungi", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Additional Coverage, except to the extent that "fungi", wet or dry rot, or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Additional Coverage.  
 This coverage does not increase the limit of liability applying to the damaged covered property.

## SECTION I – PERILS INSURED AGAINST

### A. Coverage B – Other Structures

- 1. We insure against direct physical loss to property described in Coverage **B.**
- 2. We do not insure, however, for loss:
  - a. Excluded under Section **I** – Exclusions;
  - b. Involving collapse, including any of the following conditions of property or any part of the property:
    - (1) An abrupt falling down or caving in;
    - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
    - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above; or
  - c. Caused by:
    - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
      - (a) Shut off the water supply and drain all systems and appliances of water.
    - However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.
    - For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;
    - (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
      - (a) Fence, pavement, patio or swimming pool;
      - (b) Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
      - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
      - (d) Pier, wharf or dock;
    - (3) Theft in or to a structure under construction, or of materials and supplies for use in the construction until the structure is finished and occupied;
    - (4) Vandalism and malicious mischief, and any ensuing loss caused by any intentional and wrongful act committed in the course of the vandalism or malicious mischief, if the dwelling has been vacant for more than 60 consecutive days immediately before the loss. A dwelling being constructed is not considered vacant;
    - (5) Mold, fungus or wet rot except to the extent coverage is provided for in Coverage **E** Additional Coverage. However, we do insure for loss caused by mold, fungus or wet rot that is hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure if such loss results from the accidental discharge or overflow of water or steam from within:
      - (a) A plumbing, heating, air conditioning or automatic fire protective sprinkler system, or a household appliance, on the "residence premises"; or
      - (b) A storm drain, or water, steam or sewer pipes, off the "residence premises".

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment; or

**(6) Any of the following:**

- (a)** Wear and tear, marring, deterioration;
- (b)** Mechanical breakdown, latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;
- (c)** Smog, rust or other corrosion, or dry rot;
- (d)** Smoke from agricultural smudging or industrial operations;
- (e)** Discharge, dispersal, seepage, migration, release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against named under Coverage **C**.  
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f)** Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings;
- (g)** Birds, rodents or insects;
- (h)** Nesting or infestation, or discharge or release of waste products or secretions, by any animals;
- (i)** Animals owned or kept by an "insured" or
- (j)** Windstorm or hail.

**Exception To c.(6)**

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage **B** resulting from an accidental discharge or overflow of water or steam from within a:

- (i)** Storm drain, or water, steam or sewer pipe, off the "residence premises"; or

- (ii)** Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

Section **I** – Exclusion **A.3**. Water, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under **c.(5)** and **(6)** above.

Under **2.b.** and **c.** above, any ensuing loss to property described in Coverages **B** not precluded by any other provision in this policy is covered.

**B. Coverage C – Personal Property**

We insure for direct physical loss to the property described in Coverage **C** caused by any of the following perils unless the loss is excluded in Section **I** – Exclusions.

**1. Fire Or Lightning**

**2. Windstorm Or Hail**

This peril includes loss to watercraft of all types and their trailers, furnishings, equipment, and outboard engines or motors, only while inside a fully enclosed building.

This peril does not include loss to the property contained in a building caused by rain, snow, sleet, sand or dust unless the direct force of wind or hail damages the building causing an opening in a roof or wall and the rain, snow, sleet, sand or dust enters through this opening.

**3. Explosion**

**4. Riot Or Civil Commotion**

**5. Aircraft**

This peril includes self-propelled missiles and spacecraft.

**6. Vehicles**

**7. Smoke**

This peril means sudden and accidental damage from smoke, including the emission or puffback of smoke, soot, fumes or vapors from a boiler, furnace or related equipment.

This peril does not include loss caused by smoke from agricultural smudging or industrial operations.

**8. Vandalism Or Malicious Mischief**

**9. Theft**

a. This peril includes attempted theft and loss of property from a known place when it is likely that the property has been stolen.

b. This peril does not include loss caused by theft:

- (1) Committed by an "insured";
- (2) In or to a dwelling under construction, or of materials and supplies for use in the construction until the dwelling is finished and occupied;
- (3) From that part of a "residence premises" rented by an "insured" to someone other than another "insured"; or
- (4) That occurs off the "residence premises" of:
  - (a) Trailers, semitrailers and campers;
  - (b) Watercraft of all types, and their furnishings, equipment and outboard engines or motors; or
  - (c) Property while at any other residence owned by, rented to, or occupied by an "insured", except while an "insured" is temporarily living there. Property of an "insured" who is a student is covered while at the residence the student occupies to attend school as long as the student has been there at any time during the 90 days immediately before the loss.

**10. Falling Objects**

This peril does not include loss to property contained in a building unless the roof or an outside wall of the building is first damaged by a falling object. Damage to the falling object itself is not included.

**11. Weight Of Ice, Snow Or Sleet**

This peril means weight of ice, snow or sleet which causes damage to property contained in a building.

**12. Accidental Discharge Or Overflow Of Water Or Steam**

a. This peril means accidental discharge or overflow of water or steam from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

b. This peril does not include loss:

- (1) To the system or appliance from which the water or steam escaped;
- (2) Caused by or resulting from freezing except as provided in Peril Insured Against **14. Freezing**;
- (3) On the "residence premises" caused by accidental discharge or overflow which occurs off the "residence premises"; or
- (4) Caused by mold, fungus or wet rot unless hidden within the walls or ceilings or beneath the floors or above the ceilings of a structure.

c. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

d. Section I – Exclusion **A.3. Water**, Paragraphs **a.** and **c.** that apply to surface water and water below the surface of the ground do not apply to loss by water covered under this peril.

**13. Sudden And Accidental Tearing Apart, Cracking, Burning Or Bulging**

This peril means sudden and accidental tearing apart, cracking, burning or bulging of a steam or hot water heating system, an air conditioning or automatic fire protective sprinkler system, or an appliance for heating water.

We do not cover loss caused by or resulting from freezing under this peril.

**14. Freezing**

a. This peril means freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, but only if you have used reasonable care to:

- (1) Maintain heat in the building; or
- (2) Shut off the water supply and drain all systems and appliances of water.

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

- b. In this peril, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

**15. Sudden And Accidental Damage From Artificially Generated Electrical Current**

This peril does not include loss to tubes, transistors, electronic components or circuitry that is a part of appliances, fixtures, computers, home entertainment units or other types of electronic apparatus.

**16. Volcanic Eruption**

This peril does not include loss caused by earthquake, land shock waves or tremors.

**SECTION I – EXCLUSIONS**

- A.** We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

**1. Ordinance Or Law**

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

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

This Exclusion **A.1.** applies whether or not the property has been physically damaged.

**2. Earth Movement**

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Catastrophic ground collapse;
- d. Subsidence or sinkhole; or

- e. Any other earth movement including earth sinking, rising or shifting.

This Exclusion **A.2.** applies regardless of whether any of the above, in **A.2.a.** through **A.2.e.**, is caused by an act of nature or is otherwise caused.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.2.a.** through **A.2.e.**, is covered.

**3. Water**

This means:

- a. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
- b. Water which:
  - (1) Backs up through sewers or drains; or
  - (2) Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- c. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- d. Waterborne material carried or otherwise moved by any of the water referred to in **A.3.a.** through **A.3.c.** of this exclusion.

This Exclusion **A.3.** applies regardless of whether any of the above, in **A.3.a.** through **A.3.d.**, is caused by an act of nature or is otherwise caused.

This Exclusion **A.3.** applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **A.3.a.** through **A.3.d.**, is covered.

**4. Power Failure**

Power Failure means the failure of power or other utility service if the failure takes place off the "residence premises". But if the failure results in a loss, from a Peril Insured Against on the "residence premises", we will pay for the loss caused by that peril.

**5. Neglect**

Neglect means neglect of an "insured" to use all reasonable means to save and preserve property at and after the time of a loss.

## 6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

## 7. Nuclear Hazard

This Exclusion **A.7.** pertains to Nuclear Hazard to the extent set forth in **N.** Nuclear Hazard Clause under Section I – Conditions.

## 8. Intentional Loss

Intentional Loss means any loss arising out of any act an "insured" commits or conspires to commit with the intent to cause a loss.

In the event of such loss, no "insured" is entitled to coverage, even "insureds" who did not commit or conspire to commit the act causing the loss.

## 9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in Coverage **B** or **C** by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

- B.** We do not insure for loss to property described in Coverages **B** caused by any of the following. However, any ensuing loss to property described in Coverages **B** not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **A.** above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
  - a. Planning, zoning, development, surveying, siting;
  - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - c. Materials used in repair, construction, renovation or remodeling; or

- d. Maintenance;

of part or all of any property whether on or off the "residence premises".

- C.** This policy does not cover:

1. The dwelling on the "residence premises" shown in the Declarations;
2. Materials and supplies located on or next to the "residence premises" used to construct, alter or repair the dwelling or other structures on the "residence premises".
3. Land, including land on which the dwelling is located.

## SECTION I – CONDITIONS

### A. Insurable Interest And Limit Of Liability

Even if more than one person has an insurable interest in the property covered, we will not be liable in any one loss:

1. To an "insured" for more than the amount of such "insured's" interest at the time of loss; or
2. For more than the applicable limit of liability.

### B. Deductible

Unless otherwise noted in this policy, the following deductible provision applies:

With respect to any one loss:

1. Subject to the applicable limit of liability, we will pay only that part of the total of all loss payable that exceeds the deductible amount shown in the Declarations.
2. If two or more deductibles under this policy apply to the loss, only the highest deductible amount will apply.

### C. Duties After Loss

In case of a loss to covered property, we have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us. These duties must be performed either by you, an "insured" seeking coverage, or a representative of either:

1. Give prompt notice to us or our agent;
2. Notify the police in case of loss by theft;
3. Notify the credit card or electronic fund transfer card or access device company in case of loss as provided for in **E.1.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under Section I – Property Coverages;
4. Protect the property from further damage. If repairs to the property are required, you must:
  - a. Make reasonable and necessary repairs to protect the property; and
  - b. Keep an accurate record of repair expenses;

5. Cooperate with us in the investigation of a claim;
6. Prepare an inventory of damaged personal property showing the quantity, description, actual cash value and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
7. As often as we reasonably require:
  - a. Show the damaged property;
  - b. Provide us with records and documents we request and permit us to make copies; and
  - c. Submit to examination under oath, while not in the presence of another "insured", and sign the same;
8. Send to us, within 60 days after our request, your signed, sworn proof of loss which sets forth, to the best of your knowledge and belief:
  - a. The time and cause of loss;
  - b. The interests of all "insureds" and all others in the property involved and all liens on the property;
  - c. Other insurance which may cover the loss;
  - d. Changes in title or occupancy of the property during the term of the policy;
  - e. Specifications of damaged buildings and detailed repair estimates;
  - f. The inventory of damaged personal property described in **6.** above;
  - g. Evidence or affidavit that supports a claim under **E.1.** Credit Card, Electronic Fund Transfer Card Or Access Device, Forgery And Counterfeit Money under **Section I – Property Coverages**, stating the amount and cause of loss.

#### **D. Loss Settlement**

In this Condition **D.**, the terms "cost to repair or replace" and "replacement cost" do not include the increased costs incurred to comply with the enforcement of any ordinance or law. Covered property losses are settled as follows:

1. Property of the following types:
  - a. Personal property;
  - b. Awnings, carpeting, household appliances, outdoor antennas and outdoor equipment, whether or not attached to buildings; and
  - c. Structures that are not buildings.

at actual cash value at the time of loss but not more than the amount required to repair or replace.

2. Buildings covered under Coverage **B** at replacement cost without deduction for depreciation, subject to the following:

- a. If, at the time of loss, the amount of insurance in this policy on the damaged building is 80% or more of the full replacement cost of the building immediately before the loss, we will pay the cost to repair or replace, without deduction for depreciation, but not more than the least of the following amounts:

- (1) The limit of liability under this policy that applies to the building;
- (2) The replacement cost of that part of the building damaged with material of like kind and quality and for like use; or
- (3) The necessary amount actually spent to repair or replace the damaged building.

If the building is rebuilt at a new premises, the cost described in **(2)** above is limited to the cost which would have been incurred if the building had been built at the original premises.

- b. If, at the time of loss, the amount of insurance in this policy on the damaged building is less than 80% of the full replacement cost of the building immediately before the loss, we will pay the greater of the following amounts, but not more than the limit of liability under this policy that applies to the building:

- (1) The actual cash value of that part of the building damaged; or
- (2) That proportion of the cost to repair or replace, without deduction for depreciation, that part of the building damaged, which the total amount of insurance in this policy on the damaged building bears to 80% of the replacement cost of the building.

- c. To determine the amount of insurance required to equal 80% of the full replacement cost of the building immediately before the loss, do not include the value of:

- (1) Excavations, footings, foundations, piers, or any other structures or devices that support all or part of the building, which are below the undersurface of the lowest basement floor;
- (2) Those supports described in **(1)** above which are below the surface of the ground inside the foundation walls, if there is no basement; and
- (3) Underground flues, pipes, wiring and drains.

- d. We will pay no more than the actual cash value of the damage until actual repair or replacement is complete. Once actual repair or replacement is complete, we will settle the loss as noted in **2.a.** and **b.** above.

However, if the cost to repair or replace the damage is both:

- (1) Less than 5% of the amount of insurance in this policy on the building; and
  - (2) Less than \$2,500;
- we will settle the loss as noted in **2.a.** and **b.** above whether or not actual repair or replacement is complete.

- e. You may disregard the replacement cost loss settlement provisions and make claim under this policy for loss to buildings on an actual cash value basis. You may then make claim for any additional liability according to the provisions of this Condition **D. Loss Settlement**, provided you notify us, within 180 days after the date of loss, of your intent to repair or replace the damaged building.

#### **E. Loss To A Pair Or Set**

In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

#### **F. Appraisal**

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

#### **G. Other Insurance And Service Agreement**

The coverage afforded by this policy is excess over any other insurance available to an "insured" including amounts payable under a service agreement, service plan, property restoration plan, home warranty or other similar service warranty agreement, even if it is characterized as insurance.

#### **H. Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this policy and the action is started within two years after the date of loss.

#### **I. Our Option**

If we give you written notice within 30 days after we receive your signed, sworn proof of loss, we may repair or replace any part of the damaged property with material or property of like kind and quality.

#### **J. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

#### **K. Abandonment Of Property**

We need not accept any property abandoned by an "insured".

#### **L. Mortgage Clause**

1. If a mortgagee is named in this policy, any loss payable under Coverage **B** will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgagees.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
  - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
  - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **F. Appraisal**, **H. Suit Against Us** and **J. Loss Payment** under Section **I** – Conditions also apply to the mortgagee.

3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
4. If we pay the mortgagee for any loss and deny payment to you:
  - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
  - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

#### **M. No Benefit To Bailee**

We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

#### **N. Nuclear Hazard Clause**

1. "Nuclear Hazard" means any nuclear reaction, radiation, or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion, or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This policy does not apply under Section I to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

#### **O. Recovered Property**

If you or we recover any property for which we have made payment under this policy, you or we will notify the other of the recovery. At your option, the property will be returned to or retained by you or it will become our property. If the recovered property is returned to or retained by you, the loss payment will be adjusted based on the amount you received for the recovered property.

#### **P. Volcanic Eruption Period**

One or more volcanic eruptions that occur within a 72-hour period will be considered as one volcanic eruption.

#### **Q. Policy Period**

This policy applies only to loss which occurs during the policy period.

#### **R. Concealment Or Fraud**

We provide coverage to no "insureds" under this policy if, whether before or after a loss, an "insured" has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
  2. Engaged in fraudulent conduct; or
  3. Made false statements;
- relating to this insurance.

#### **S. Loss Payable Clause**

If the Declarations shows a loss payee for certain listed insured personal property, the definition of "insured" is changed to include that loss payee with respect to that property.

If we decide to cancel or not renew this policy, that loss payee will be notified in writing.

### **SECTION II – LIABILITY COVERAGES**

#### **A. Coverage E – Personal Liability**

If a Coverage E. Limit of Liability is set forth on the Declarations, in the event a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we:

1. Will pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured";
2. Will provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. However, we are not obligated to defend any suit or settle any claim if:
  - a. The "occurrence" or offense is covered by other "underlying insurance" available to the "insured"; or
  - b. There is no applicable "underlying insurance" in effect at the time of the "occurrence" or offense and the amount of damages claimed or incurred is less than the applicable deductible amount shown in the Declarations;
3. May join, at our expense, with the "insured" or any insurer providing "underlying insurance" in the investigation, defense or settlement of any claim or suit which we believe may require payment under this policy. However, we will not contribute to the costs and expenses incurred by any insurer providing "underlying insurance"; and

4. Will pay any expense incurred for the "insured's" defense, with our written consent, in any country where we are prevented from defending an "insured" because of laws or other reasons.

We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

## **B. Coverage F – Medical Payments To Others**

If a Coverage **F**. Limit of Liability is set forth on the Declarations, we will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
  - b. Is caused by the activities of an "insured";
  - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
  - d. Is caused by an animal owned by or in the care of an "insured".

## **SECTION II – EXCLUSIONS**

### **A. "Motor Vehicle Liability"**

1. Coverages **E** and **F** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or
  - c. Is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
    - (2) Rented to others;

- (3) Used to carry persons or cargo for a charge; or
- (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.

2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability", unless the "motor vehicle" is:

- a. In dead storage on an "insured location";
- b. Used solely to service a residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:
  - (1) Being used to assist a handicapped person; or
  - (2) Parked on an "insured location";
- d. Designed for recreational use off public roads and:
  - (1) Not owned by an "insured"; or
  - (2) Owned by an "insured" provided the "occurrence" takes place:
    - (a) On an "insured location" as defined in Definition **B.6.a., b., d., e. or h.**; or
    - (b) Off an "insured location" and the "motor vehicle" is:
      - (i) Designed as a toy vehicle for use by children under seven years of age;
      - (ii) Powered by one or more batteries; and
      - (iii) Not built or modified after manufacture to exceed a speed of five miles per hour on level ground;
- e. A motorized golf cart that is owned by an "insured", designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:
  - (1) A golfing facility and is parked or stored there, or being used by an "insured" to:
    - (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;
    - (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or
    - (c) Cross public roads at designated points to access other parts of the golfing facility; or

- (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

**B. "Watercraft Liability"**

1. Coverages **E** and **F** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less;
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
        - (i) You declare them at policy inception; or

- (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in (c) and (d) above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

**C. "Aircraft Liability"**

This policy does not cover "aircraft liability".

**D. "Hovercraft Liability"**

This policy does not cover "hovercraft liability".

**E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others**

Coverages **E** and **F** do not apply to the following:

**1. Expected Or Intended Injury**

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

**2. "Business"**

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single-family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) In part, as an office, school, studio or private garage; and

(2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

### 3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

### 4. "Insured's" Premises Not An "Insured Location"

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

- a. Owned by an "insured";
  - b. Rented to an "insured"; or
  - c. Rented to others by an "insured";
- that is not an "insured location";

### 5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

### 6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

### 7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

### 8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

### F. Coverage E – Personal Liability

Coverage E does not apply to:

#### 1. Liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners.
- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:
  - (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
  - (2) Where the liability of others is assumed by you prior to an "occurrence";unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

5. "Bodily injury" or "property damage" for which an "insured" under this policy:

- a. Is also an insured under a nuclear energy liability policy issued by the:
  - (1) Nuclear Energy Liability Insurance Association;
  - (2) Mutual Atomic Energy Liability Underwriters;
  - (3) Nuclear Insurance Association of Canada;

or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

**6. "Bodily injury" to you or an "insured" as defined under Definition 8.a. or b.**

This exclusion also applies to any claim made or suit brought against you or an "insured" to:

- a. Repay; or
- b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

**G. Coverage F – Medical Payments To Others**

Coverage F does not apply to "bodily injury":

- 1. To a "residence employee" if the "bodily injury":
  - a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";
- 2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;
- 3. From any:
  - a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;all whether controlled or uncontrolled or however caused; or
- d. Any consequence of any of these; or
- 4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

**SECTION II – ADDITIONAL COVERAGES**

We cover the following in addition to the limits of liability:

**A. Claim Expenses**

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage E limit of liability. We need not apply for or furnish any bond;

- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and

- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

**B. First Aid Expenses**

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

**SECTION II – CONDITIONS**

**A. Limit Of Liability**

Our total liability under Coverage E for all damages resulting from any one "occurrence" will not be more than the Coverage E Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage F for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage F Limit Of Liability shown in the Declarations.

**B. Severability Of Insurance**

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

**C. Duties After "Occurrence"**

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

- 1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;

2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
5. With respect to **C. Damage To Property Of Others** under Section II – Additional Coverages, submit to us within 60 days after the loss a sworn statement of loss and show the damaged property, if in an "insured's" control;
6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

**D. Duties Of An Injured Person – Coverage F – Medical Payments To Others**

1. The injured person or someone acting for the injured person will:
  - a. Give us written proof of claim, under oath if required, as soon as is practical; and
  - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

**E. Payment Of Claim – Coverage F – Medical Payments To Others**

Payment under this coverage is not an admission of liability by an "insured" or us.

**F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this Section II.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage E can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

**G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

**H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

**I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

**J. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
  2. Engaged in fraudulent conduct; or
  3. Made false statements;
- relating to this insurance.

**SECTIONS I AND II – CONDITIONS**

**A. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

**B. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

**C. Cancellation Of Policies In Effect**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. **For 90 Days Or Less**  
If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium, or

b. 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

(1) A material misstatement or misrepresentation; or

(2) A failure to comply with the underwriting requirements established by the insurer.

### 3. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation only for one or more of the following reasons:

(a) Nonpayment of premium;

(b) The policy was obtained by a material misstatement;

(c) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;

(d) A substantial change in the risk covered by the policy; or

(e) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 11.c.

### 4. Other Cancellation Of Policies Provisions

If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro- rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 30 working days after the date cancellation takes effect, unless this is an audit policy.

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

### D. Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of mailing.

### E. Assignment

Assignment of this policy will not be valid unless we give our written consent.

### F. Subrogation

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **F** or Paragraph **C**. Damage To Property Of Others under Section **II** – Additional Coverages.

### G. Death

If any person named in the Declarations or the spouse, if a resident of the same household, dies, the following apply:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death; and

2. "Insured" includes:

a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and

b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

### H. Maintenance of Underlying Insurance

You must maintain the "underlying insurance" at the full limits stated in the Declarations with no change to more restrictive conditions during the term of this policy. If any "underlying insurance" is cancelled or not renewed and not replaced, you must notify us at once.

If you fail to maintain “underlying insurance”, we will not be liable under this policy for more than we would have been liable if that “underlying insurance” was in effect.

SAMPLE

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

POLICY NUMBER:

## **ANIMAL RELATED PERSONAL LIABILITY**

This endorsement modifies insurance provided under the following:

**HOMEOWNERSWRAP<sup>SM</sup>**

In consideration of the premium charged, it is agreed that:

### **SECTION II – Special Limits of Liability**

The following Special Limit of Personal Liability under Coverage E, is added to the policy.

#### **Animal Related Personal Liability**

If a claim is made or a suit is brought against any “insured” for damages because of “bodily injury” or “property damage” caused by an “occurrence” in any manner involving any domestic cat, domestic dog, or domestic bird to which this coverage applies, we will:

1. Pay up to a \$            limit of liability for the damages for which an “insured” is legally liable including prejudgment interest awarded against an “insured”; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the “occurrence” has been exhausted by payment of a judgment or settlement.

This coverage does not apply to any claim or suit for damages involving any of the following animals:

- a. Pit Bull Terriers, including but not limited to, American Pit Bull Terriers, American Staffordshire Terrier, Staffordshire Bull Terrier, or any dog displaying a majority of physical traits of any one or more of the above
- b. Doberman Pinschers
- c. Rottweilers
- d. Staffordshire Terriers
- e. German Shepherds
- f. Chows
- g. Bull Mastiffs
- h. Huskies
- i. Alaskan Malamutes
- j. Wolf – Dog Hybrids
- k. Great Danes

- l. St Bernards
- m. Akitas
- n. Rhodesian Ridgebacks
- o. Caucasian Ovcharkas
- p. Farm and Ranch Animals
- q. Any attack, non-domesticated or guard dog
- r. Any non-domesticated or exotic animal
- s. A mixed breed which includes, but is not limited to, a bloodline of any of the above breeds
- t. Any animal with a past history of bites or attacks, whether on humans or not

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

SAMPLE

POLICY NUMBER:

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

## **INCIDENTAL FARMING PERSONAL LIABILITY**

This endorsement modifies insurance provided under the following:

**HOMEOWNERSWRAP<sup>SM</sup>**

In consideration of the premium charged, it is agreed that:

### **Section II - Special Limits of Liability**

The following Special Limit of personal liability under Coverage E is added to the policy.

"Incidental Farming" Personal Liability

|                | Schedule   | Limit of Liability |
|----------------|------------|--------------------|
| Location _____ |            |                    |
|                | Coverage E | _____              |

### **Section II - Liability Coverages**

Coverage E- Personal Liability and Coverage F- Medical Payments to Others apply to "bodily injury" or "property damage" arising out of the farming operations which are described in the schedule above and conducted on the "residence premises".

### **Section II - Exclusions**

Exclusion E. 2. "Business" does not apply to the farming operations which are described in the schedule.

"Incidental Farming" is defined as generating less than \$25,000 gross revenue in a calendar year and not being the sole source of income for the insured. The farm must be no larger than 25 acres.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

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

## PERSONAL INJURY

This endorsement modifies insurance provided under the following:

### HOMEOWNERSWRAP<sup>SM</sup>

In consideration of the premium charged, it is agreed that:

#### DEFINITIONS

The following definitions are added:

"Personal injury" means injury arising out of one or more of the following offenses, but only if the offense was committed during the policy period:

1. False arrest, detention or imprisonment;
2. Malicious prosecution;
3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
4. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
5. Oral or written publication of material that violates a person's right of privacy.

#### SECTION II – LIABILITY COVERAGES

##### A. Coverage E – Personal Liability

The following is added to **Coverage E – Personal Liability**:

##### Personal Injury Coverage

If a claim is made or suit is brought against an "insured" for damages resulting from an offense, defined under "personal injury", to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the offense has been exhausted by payment of a judgment or settlement.

#### SECTION II – EXCLUSIONS

With respect to the coverage provided by this endorsement, **Section II – Exclusions** is deleted and replaced by the following:

This insurance does not apply to:

##### 1. "Personal Injury":

- a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal injury";
- b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of an "insured";
- e. Arising out of liability assumed by an "insured" under any contract or agreement except any indemnity obligation assumed by an "insured" under a written contract directly relating to the ownership maintenance or use of the premises;
- f. Sustained by any person as a result of an offense directly or indirectly related to the employment of this person by an "insured";
- g. Arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured". This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

This exclusion does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;
  - (b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or
  - (c) In part, as an office, school, studio or private garage; and
- (2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

- h. Arising out of civic or public activities performed for pay by an "insured";
- i. To you or an "insured" as defined under Definition 8.a. or b.;

This exclusion also applies to any claim made or suit brought against you or an "insured":

- (1) To repay; or
- (2) Share damages with; or

Another person who may be obligated to pay damages because of "personal injury" to an "insured"; or

- j. Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

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

- k. Arising directly or indirectly, in whole or in part, out of the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi", wet or dry rot, or bacteria.

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

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

## SECTION II – ADDITIONAL COVERAGES

With respect to the coverage provided by this endorsement, Paragraph **E.2.. Loss Assessment** is deleted and replaced by the following:

### 2. Loss Assessment

If an Additional Coverage **E.2. Limit of Liability** is set forth on the Declarations, we will pay up to that amount for your share of loss assessment charged against you, as an owner or tenant of the "residence premises", during the policy period by a corporation or association of property owners, when the assessment is made as a result of "personal injury" not excluded under this endorsement.

We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

Regardless of the number of assessments, the limit set forth in the Declarations for Additional Coverage E.2. is the most we will pay for loss arising out of "personal injury".

## SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, **Section II – Conditions I. Policy Period** does not apply and **Conditions A. Limit Of Liability, B. Severability Of Insurance** and **C. Duties After "Occurrence"** are deleted and replaced by the following:

### A. Limit Of Liability

Our total liability under "Personal Injury" Coverage for all damages resulting from any one offense will not be more than the limit of liability shown in the Declarations for Personal Injury Liability. This limit is the same regardless of the number of "insureds", claims made or suits brought.

### B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one offense.

### C. Duties After Offense

In the event of a covered offense, you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and "named insured";
  - b. Reasonably available information on the time, place and circumstances of the offense; and

- c. Names and addresses of any claimants and witnesses;
- 2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
- 3. Promptly forward to us every notice, demand, summons or other process relating to the offense;
- 4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";

- c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
- 5. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "personal injury".

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

SAMPLE

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

POLICY NUMBER:

## **WATER BACK-UP AND SUMP DISCHARGE OR OVERFLOW**

This endorsement modifies insurance provided under the following:

### **HOMEOWNERSWRAP**

#### **A. Coverage**

We insure, up to \$10,000, for direct physical loss, not caused by the negligence of an "insured", to property covered under Section I caused by water, or waterborne material, which:

1. Backs up through sewers or drains; or
2. Overflows or is discharged from a:

- a. Sump, sump pump; or
- b. Related equipment;

even if such overflow or discharge results from mechanical breakdown. This coverage does not apply to direct physical loss of the sump pump, or related equipment, which is caused by mechanical breakdown.

This coverage increases the limits of liability for Coverages **B** and **C** stated in the Declarations.

For the purposes of this coverage only, **Coverage B – Other Structures** is extended to include the dwelling on the "residence premises" shown in the declarations, including structures attaching to the dwelling

However, we do not cover land, including land on which the dwelling is located

This coverage ONLY applies if coverage limits and premium shown for Water Back-Up and Sump Discharge Or Overflow are shown in the Declarations.

#### **B. Section I – Perils Insured Against**

With respect to the coverage described in **A.** above, Paragraphs:

##### **A.2.c.(6)(b)**

is deleted and replaced by the following:

Latent defect, inherent vice or any quality in property that causes it to damage or destroy itself;

#### **C. Special Deductible**

The following replaces any other deductible provision in this policy with respect to loss covered under this endorsement.

We will pay only that part of the total of all loss payable under Section I that exceeds \$1000. No other deductible applies to this coverage.

#### **D. Exclusion**

The **Water Damage** Exclusion is replaced by the following:

##### **Water**

This means:

1. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind, including storm surge;
2. Water which:
  - a. Backs up through sewers or drains; or
  - b. Overflows or is otherwise discharged from a sump, sump pump or related equipment; as a direct or indirect result of flood;
3. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
4. Waterborne material carried or otherwise moved by any of the water referred to in **D.1.** through **D.3.** of this Exclusion.

This Exclusion applies regardless of whether any of the above, in **D.1.** through **D.4.**, is caused by an act of nature or is otherwise caused.

This Exclusion applies to, but is not limited to, escape, overflow or discharge, for any reason, of water or waterborne material from a dam, levee, seawall or any other boundary or containment system.

However, direct loss by fire, explosion or theft resulting from any of the above, in **D.1.** through **D.4.**, is covered.

All other provisions of this policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## HOME BUSINESS INSURANCE COVERAGE

This endorsement modifies insurance provided under the following:

HOMEOWNERSWRAP<sup>SM</sup>

### SCHEDULE

We cover your "business" described in this Schedule, conducted at or from the "residence premises", subject to the provisions of this endorsement.

#### SECTION I - PROPERTY

"Business" Name And Description:

"Business" Location is in the dwelling building or unit in which the "insured" resides and shown as the "residence premises"

#### Limit of Liability

\$ 5,000

Coverage C

\$

\$

#### Form Of "Business"

☐

Individual

☐

Joint Venture

☐

Partnership

☐

Organization (Other)

#### SECTION II - LIABILITY

#### Limits Of Liability

Coverage is provided on an aggregate limit basis. The annual aggregate limits of liability are as follows:

##### A. Aggregate Limits Of Liability

1. \$ 300,000

Products-Completed Operations Hazards Liability (the Coverage E Limit)

2. \$ 300,000

All Other "Business" Liability

##### B. Sublimit Of Liability

\$ 1,000

Coverage F - Medical Payments To Others (per person/per accident)

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

In consideration of the premium charged, it is agreed that:

With respect to the "business" described in the Schedule, all provisions of the Homeowners Wrap policy to which this endorsement is attached apply, except as modified herein.

## DEFINITIONS

Definition 3., which defines "business", is replaced by the following:

3. "Business" means the trade, profession, occupation or activity described in the Schedule of this endorsement that is conducted at or from the "residence premises" and is owned by:
- a. You; or
  - b. A partnership, joint venture or other organization of which you and your resident relatives are the only partners, members or stockholders.

Definition 6., which defines "employee", is replaced by the following:

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

Definition 8., which defines "insured", is replaced by the following:

8. "Insured" means:
- a. You;
  - b. Residents of your household who are your relatives, but only if they are partners, members or stockholders in your "business";
  - c. A resident of your household, who is not a relative, but is a partner, member or stockholder of the covered "business"; or
  - d. Under Section II of this endorsement, "insured" also means:
    - (1) With respect to the conduct of your "business", any partnership, joint venture or other organization provided those persons described in **a.** or **b.** above are the only partners, members or stockholders;

- (2) Your "employees", but only for acts within the scope of their employment by you or while performing duties related to the conduct of your "business". However, no "employee" is an "insured" for:

- (a) "Bodily injury" or "personal and advertising injury":

- (i) To you, to your partners or members (if you are a partnership or joint venture), or to a co-"employee" while that co-"employee" is either in the course of his or her employment by you or performing duties related to the conduct of your "business";

- (ii) To the spouse, child, parent or sibling of the co-"employee" as a consequence of (i) above;

- (iii) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in (i) or (ii) above; or

- (iv) Arising out of the "employee's" providing, or failing to provide, professional health care services; or

- (b) "Property damage" to "business" property:

- (i) Owned, occupied or used by; or

- (ii) Rented to, in the care of, or over which physical control is being exercised for any purpose by;

you, any of your "employees" or, if you are a partnership or joint venture, by any partner or member; and

- (3) Any person (other than your "employee") or any organization while acting as your real estate manager.

Under both Sections I and II, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

## 12. Additional Definitions

The following definitions are added:

- a. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
- b. "Coverage territory" means:
  - (1) The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - (2) Under Section II of this endorsement, "coverage territory" also means:
    - (a) International waters or airspace, provided the "bodily injury", "personal and advertising injury" or "property damage" does not occur in the course of travel or transportation to or from any place not included in c.(1) above; or
    - (b) All parts of the world if:
      - (i) The "bodily injury", "personal and advertising injury" or "property damage" arises out of:
        - i. Goods or products made or sold by you in the territory described in c.(1) above; or
        - ii. The activities of a person whose home is in the territory described in c.(1) above when such person is away for less than one month on your "business"; and
      - (ii) An "insured's" responsibility to pay damages is determined in a "suit" on the merits in the territory described in c.(1) above or in a settlement we agree to.
- c. "Impaired property" means tangible "business" property, other than "your product" or "your work":
  - (1) That cannot be used or is less useful because:
    - (a) It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
    - (b) You have failed to fulfill the terms of a contract or agreement; or
  - (2) 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.
- d. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your "business". "Leased worker" does not include a "temporary worker".
- e. "Loading or unloading" means the handling of property:
  - (1) After it is moved from the place where it is accepted for movement into or onto a "motor vehicle", aircraft, hovercraft or watercraft;
  - (2) While it is in or on a "motor vehicle", aircraft, hovercraft or watercraft; or
  - (3) While it is being moved from a "motor vehicle", aircraft, hovercraft or watercraft 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 "motor vehicle", aircraft, hovercraft or watercraft.
- f. "Operations" means your "business" activities occurring at the "residence premises".
- g. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - (1) False arrest, detention or imprisonment;
  - (2) Malicious prosecution;
  - (3) Invasion of privacy, wrongful eviction or wrongful entry;
  - (4) Oral or written publication, in any manner, of material that:
    - (a) Slanders or libels a person or organization; or
    - (b) Disparages a person's or organization's goods, products or services;
  - (5) Oral or written publication of material, in any manner, that violates a person's right of privacy;
  - (6) The use of another's advertising idea in your "advertisement"; or

(7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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

i. "Products-completed operations hazard":

(1) Includes all "bodily injury" and "property damage" occurring away from the "residence premises" and arising out of "your product" or "your work" except:

(a) Products that are still in your physical possession; or

(b) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(i) When all of the work called for in your contract has been completed;

(ii) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or

(iii) When that part of the work done at the 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.

(2) Does not include "bodily injury" or "property damage" arising out of:

(a) The transportation of property, unless the injury or damage arises out of a condition in or on a "motor vehicle" not owned or operated by you, and that condition was created by the "loading or unloading" of that "motor vehicle" by an "insured"; or

(b) The existence of tools, uninstalled equipment or abandoned or unused materials.

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

(1) An arbitration proceeding in which such damages are claimed and to which an "insured" must submit or does submit with our consent; or

(2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which an "insured" submits with our consent.

k. "Temporary worker" means a person who is furnished to you to:

(1) Substitute for a permanent "employee" on leave; or

(2) Meet seasonal or short-term workload conditions.

l. "Valuable papers and records":

(1) Means "business" materials such as inscribed, printed or written:

(a) Documents;

(b) Manuscripts; or

(c) Records;

including abstracts, books, deeds, drawings, films, maps or mortgages;

(2) Does not mean:

(a) Money or securities;

(b) Converted data, meaning information that is stored on electronic media that is capable of being communicated, processed or interpreted by electronic data processing equipment; or

(c) Programs or instructions used in your data processing operations, including the materials on which the data is recorded.

m. "Your product":

(1) Means:

(a) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(i) You;

(ii) Others trading under your name; or

(iii) A person or organization whose business or assets you have acquired; or

- (b) Containers (other than "motor vehicles"), materials, parts or equipment furnished in connection with such goods or products; and

(2) Includes:

- (a) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; or
- (b) The providing of, or failure to provide, warnings or instructions; but

(3) Does not include:

- (a) Vending machines; or
- (b) Other property rented to or located for the use of others but not sold.

n. "Your work":

(1) Means:

- (a) Work or operations performed by you or on your behalf; or
- (b) Materials, parts or equipment furnished in connection with such work or operations; and

(2) Includes:

- (a) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (b) The providing of or failure to provide warnings or instructions.

**C. Coverage C – Personal Property**

1. Covered Property

The following "business" personal property is also covered under Coverage C up to the Limit of Liability set forth in the SCHEDULE set forth within this Endorsement.

- a. Property of others that is in your care; and
- b. Leased personal property for which you have a contractual responsibility to insure.

**SECTION I – EXCLUSIONS**

10. The following exclusions are added. This is Exclusion **A-10**.

a. **Dishonesty**

We will not pay for loss caused by or resulting from dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, "employees", directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; and
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your "employees"; but theft by "employees" is not covered.

**b. False Pretense**

We will not pay for loss caused by or resulting from voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

**SECTION I – CONDITIONS**

- J. Under Condition **J. Loss Payment**, the following is added:

**1. Property of Others**

With respect to the property of others, we will determine the value of property of others that is in your care at actual cash value, but this property is not covered for more than the amount for which you are liable, plus the cost of labor, materials or services furnished or arranged by you on personal property of others.

- M. Under Condition **M. No Benefit To Bailee**, is replaced by the following:

**M. No Benefit to Bailee**

No person or organization, other than you, having custody of covered property will benefit from the insurance.

- Q. Under Condition **Q. Policy Period** is replaced by the following:

**Q. Policy Period And "Coverage Territory"**

This endorsement applies only to loss which occurs during the policy period within the applicable "coverage territory".

- T. The following condition is added to **SECTION I - CONDITIONS**:

**1. "Coverage Territory"**

For the coverage provided under this endorsement, we cover loss commencing within the "coverage territory" or, with respect to "business" property in transit, while it is between points in the "coverage territory".

## SECTION II – LIABILITY COVERAGES

### A. Coverage E – Personal Liability

1. With respect to the coverage provided by this endorsement, the following is added to Coverage E:

Coverage E applies to "bodily injury" and "property damage" only if the "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory" and during the policy period.

2. Coverage E is extended to include "personal and advertising injury" caused by an offense arising out of your "business", but only if the offense was committed in the "coverage territory" during the policy period.

### B. Coverage F – Medical Payments To Others

Coverage F is extended to apply to "bodily injury" caused by an accident because of your "business" activities, but only if the accident takes place in the "coverage territory" during the policy period.

## SECTION II – EXCLUSIONS

### E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others

2. Exclusion E.2. "Business" is replaced by the following:

#### 2. "Business"

- a. "Bodily injury", "personal and advertising injury" and "property damage" arising out of or in connection with a trade, profession or occupation or any other activity engaged in for money or other compensation by an "insured".

This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of such trade, profession, occupation or activity.

- b. This exclusion does not apply to:

- (1) The necessary or incidental use of the "residence premises" to conduct your "business";
- (2) "Your product"; or
- (3) "Your work".

3. Exclusion E.3. **Professional Services** is replaced by the following:

### 3. Professional Services

"Bodily injury" and "property damage" arising out of the rendering of or failure to render professional services. This includes but is not limited to:

- a. Legal, insurance, accounting or advertising services;
- b. Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- c. Supervisory, inspection or engineering services;
- d. Medical, surgical, dental, x-ray or nursing services, treatment, advice or instruction;
- e. Any health or therapeutic service, treatment, advice or instruction;
- f. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;
- g. Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- h. Body piercing services; and
- i. Services in the practice of pharmacy.

### F. Coverage E – Personal Liability

The following exclusions are added:

#### 7. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

#### 8. Damage To Particular Property

"Property damage" to:

- a. Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

- b. That particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the "property damage" arises out of those operations; or
- c. That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

## 9. Damage To Your Product

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

## 10. Damage To Your Work

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

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

## 11. Employer's Liability

a. "Bodily injury" to:

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

b. This exclusion applies:

- (1) Whether an "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

## 12. Personal And Advertising Injury

"Personal and advertising injury":

- a. Caused by or at the direction of an "insured" with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- b. Arising out of oral or written publication of material, if done by or at the direction of an "insured" with knowledge of its falsity;
- c. Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. Arising out of a criminal act committed by or at the direction of an "insured";
- e. For which an "insured" has assumed liability under a contract or agreement. This exclusion does not apply to liability for damages that an "insured" would have in the absence of the contract or agreement;
- f. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- g. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- h. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- i. Committed by an "insured" whose "business" is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs g.(1), (2) and (3) of "personal and advertising injury" under 12. Additional Definitions; or
- j. Resulting in "bodily injury".

## 13. Pollution

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
  - (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any "insured";
  - (2) At or from any premises, site or location which is or was at any time used by or for any "insured" or others for the handling, storage, disposal, processing or treatment of waste;

- (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "insured" or any person or organization for whom you may be legally responsible; or
- (4) At or from any premises, site or location on which any "insured" or any contractors or subcontractors working directly or indirectly on any "insured's" behalf are performing operations:
  - (a) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
  - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

Paragraphs a.(1) and (4)(a) above do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

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

#### 14. 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:

- a. "Your product";
- b. "Your work"; or
- c. "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.

#### 15. Employment-related Practices

- a. "Bodily injury" or "personal and advertising injury" to:
  - (1) A person arising out of any:
    - (a) Refusal to employ that person;
    - (b) Termination of that person's employment; or
    - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
  - (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal injury" to that person at whom any of the employment-related practices described in a.(1) above is directed.
- b. This exclusion applies:
  - (1) Whether an "insured" may be liable as an employer or in any other capacity; and
  - (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

#### G. Coverage F – Medical Payments To Others

The following exclusions are added:

We will not pay expenses for "bodily injury":

- 1. To an "insured";
- 2. To a person hired to do work for or on behalf of an "insured" or a tenant of an "insured";
- 3. To a person injured while taking part in athletics;
- 4. Included within the "products-completed operations hazard"; or
- 5. Excluded under the Coverage E – Personal Liability exclusions of this endorsement.

#### SECTION II – CONDITIONS

With respect to the coverage provided by this endorsement, Conditions **A. Limit Of Liability**, **B. Severability Of Insurance** and **I. Policy Period** are replaced by the following:

## **A. Limit Of Liability**

### **1. Aggregate Limits**

#### **a. Products-completed Operations Hazards Liability**

Our total limit of liability in an annual policy period for the sum of damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard" under Coverage **E** will not be more than the Annual Aggregate Limit Of Liability for the "products-completed operations hazard" shown in **A.1.** in the Schedule above under Section **II** – Liability. This is the most we will pay regardless of the number of "occurrences", "insureds", claims made, "suits" brought or persons injured.

#### **b. All Other "Business" Liability**

Our total limit of liability in an annual policy period for the sum of:

(1) Damages under Coverage **E**, not including "bodily injury" and "property damage" included in the "products-completed operations hazard"; and

(2) Medical expense payable under Coverage **F**;

will not be more than the Annual Aggregate Limit Of Liability for all other "business" liability shown in **A.2.** in the Schedule above under Section **II** – Liability. This is the most we will pay regardless of the number of "occurrences", accidents, offenses, "insureds", claims made, "suits" brought or persons injured.

### **2. Sublimit Of Liability**

Subject to the Annual Aggregate Limit Of Liability described in **A.1.b.** above, our total limit of liability under Coverage **F** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Sublimit Of Liability for Coverage **F** shown in **B.** in the Schedule above under Section **II** – Liability. This Sublimit Of Liability does not increase the Annual Aggregate Limit of Liability.

The limits described in **A.1.** and **2.** above apply regardless of any provision to the contrary contained in this endorsement, including the policy Declarations.

## **B. Severability Of Insurance**

The coverage provided by this endorsement applies separately to each "insured" except with respect to the limit of liability. Therefore, this condition will not increase the Annual Aggregate Limits of Liability regardless of the number of "insureds".

## **C. Policy Period And "Coverage Territory"**

This endorsement applies only to "bodily injury", "personal and advertising injury" and "property damage" which occur during the policy period within the applicable "coverage territory".

## **SECTIONS I AND II – CONDITIONS**

The following condition is added:

### **I. Examination Of Your Books And Records**

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

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

## **LIMITED WATER DAMAGE COVERAGE**

This endorsement modifies insurance provided under the following:

### **HOMEOWNERSWRAP**

#### **A. Coverage**

1. We cover:
  - a. The dwelling on the "residence premises" shown in the Declarations, including structures attached to the dwelling; and
  - b. Materials and supplies located on or next to the "residence premises" used to construct, alter, or repair the dwelling or other structures on the residence premises.
  - c. We do not cover land, including land on which the dwelling is located.
2. The total limit of liability for water damage to covered property is \$10,000 per policy term. This limit applies to all damaged covered property under this policy.
3. This limit applies to direct physical damage caused by sudden and accidental discharge or overflow of water or steam from within a:

Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the "residence premises". This includes the cost to tear out and replace any part of a building, or other structure, on the "residence premises", but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the "residence premises".

We do not cover loss to the system or appliance from which this water or steam escaped.

For purposes of this provision, a plumbing system or household appliance does not include sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.
4. This limit includes the cost of tearing out and replacing any part of the building necessary to repair the system from which the discharge occurred.
5. We do not cover loss to the system from which the water escaped.

#### **B. Exclusions**

1. We do not insure, however, for loss:
  2. Caused by:
    - a. Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
      - i. Maintain heat in the building; or
      - ii. Shut off the water supply and drain all systems and appliances of water.
- However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

- b. Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a
  - i. Fence, pavement, patio or swimming pool;
  - ii. Footing, foundation, bulkhead, wall, or any other structure or device that supports all or part of a building, or other structure;
  - iii. Retaining wall or bulkhead that does not support all or part of a building or other structure; or
  - iv. Pier, wharf or dock.
- c. Flood, surface water, waves, including tidal wave and tsunami, tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driving by wind, including storm surge.
- d. Water which:
  - i. Backs up through sewers or drains; or
  - ii. Overflows or is otherwise discharged from a sump, sump pump or related equipment;
- e. Water below the surface of the ground, including water which exerts pressure on, or seeps, leaks or flows through a building, sidewalk, driveway, patio, foundation, swimming pool or other structure; or
- f. Waterborne material carrier or otherwise moved by any of the water referred to in B.2.c through B.2.e of this exclusion.

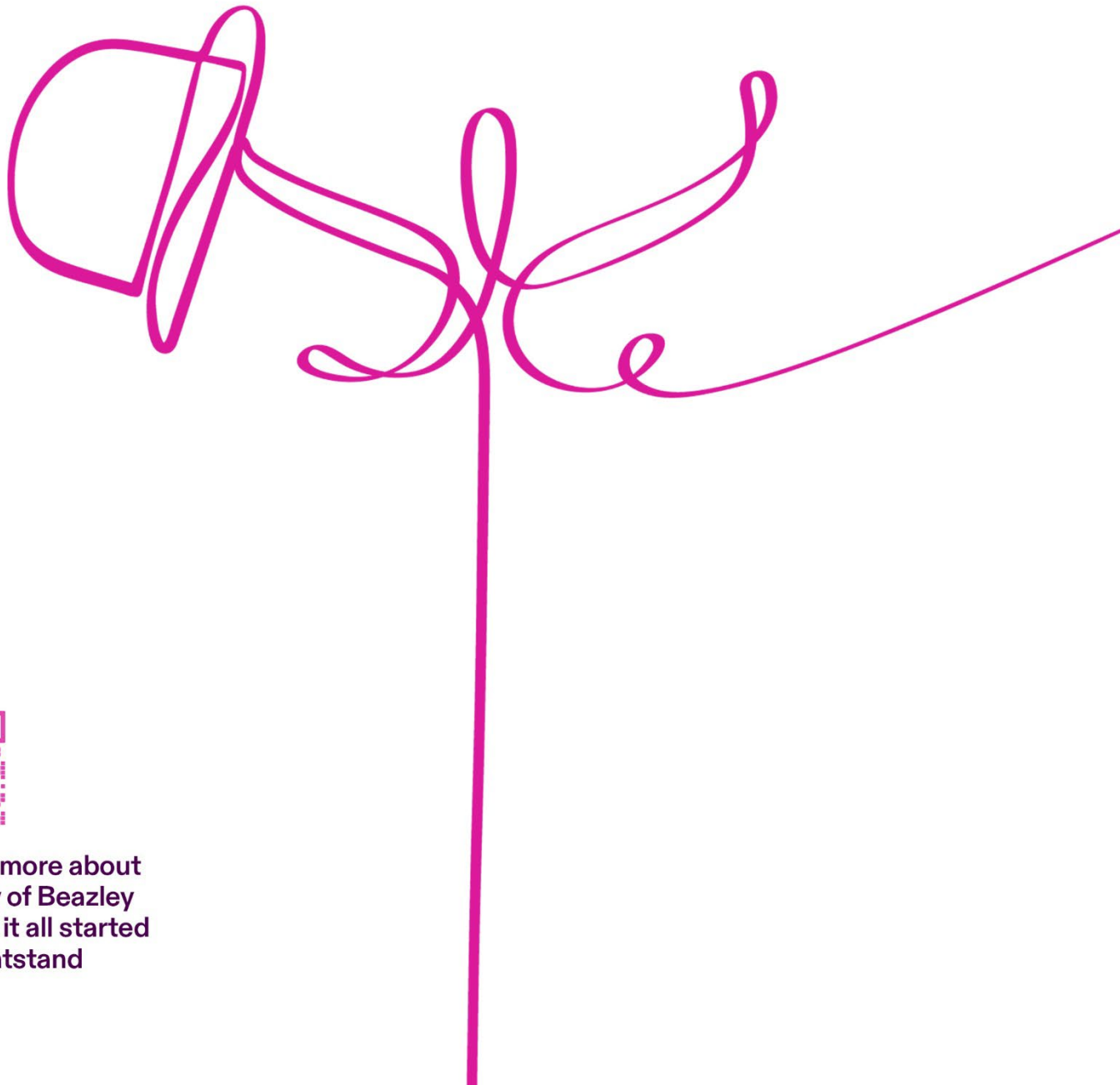
Except as stated in this endorsement, we do not provide coverage for any loss precluded by another provision in this policy.

This coverage is excess over any other collectible insurance.

All other terms, conditions, and exclusions remain unchanged.

beazley

# Private Collectors



Find out more about  
the story of Beazley  
and how it all started  
with a hatstand

## Definitions

Words shown in bold type have the meaning shown below.

|                            |                                                                                                                                                                                                                                                                                                                                          |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Burglary</b>            | The unlawful entry of a dwelling, building or other structure with the intent to commit a felony or <b>theft</b> .                                                                                                                                                                                                                       |
| <b>Collection</b>          | The property described in the <b>declarations</b> .                                                                                                                                                                                                                                                                                      |
| <b>Declarations</b>        | The attached pages showing <b>your</b> name, address and insurance details.                                                                                                                                                                                                                                                              |
| <b>Named location</b>      | The location(s) shown in the <b>declarations</b> or as declared to and agreed by <b>us</b> .                                                                                                                                                                                                                                             |
| <b>Occurrence</b>          | The sum of all individual losses or series of individual losses resulting from or arising out of an accident, including continuous or repeated exposure to substantially the same general harmful condition, which results, during the <b>period of insurance</b> in direct physical loss or physical damage to <b>your collection</b> . |
| <b>Period of insurance</b> | The length of time for which this insurance is in force as shown in the <b>declarations</b> .                                                                                                                                                                                                                                            |
| <b>Theft</b>               | The unlawful taking of another person's property without that person's permission or consent.                                                                                                                                                                                                                                            |
| <b>We/us/our</b>           | The insurers who have a share in this insurance.                                                                                                                                                                                                                                                                                         |
| <b>You/your</b>            | The insured shown in the <b>declarations</b> .                                                                                                                                                                                                                                                                                           |

## What is covered

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Your collection</b>    | <b>We</b> will insure <b>your collection</b> against direct physical loss or physical damage which happens during the <b>period of insurance</b> while such property is located at the <b>named location</b> or while being worn or transported anywhere within the territorial limits shown in the <b>declarations</b> , subject to the exclusions, terms and conditions shown below.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Acquisitions</b>       | The total limit of liability shown in the <b>declarations</b> may be increased by up to 25% to cover new items <b>you</b> acquire during the <b>period of insurance</b> . <b>We</b> will only insure such items if <b>you</b> tell <b>us</b> within 60 days of acquisition and pay any additional premium <b>we</b> may require. This allowance will be reinstated following each notification to <b>us</b> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Defective title</b>    | <p>If during the <b>period of insurance</b> any individually listed insured item is determined to be not rightfully <b>yours</b> and <b>you</b> are by law or a court order required to relinquish such item to its rightful owner, <b>we</b> will cover <b>you</b> up to the amount insured shown in the <b>declarations</b> against any claim which is first made against <b>you</b> and notified to <b>us</b> during the <b>period of insurance</b>. <b>We</b> will only provide this cover if before or at the time of purchasing the item <b>you</b> made all reasonable enquiries about the item's history of ownership.</p> <p><b>We</b> will pay the amount <b>you</b> paid for such item or the value stated in the schedule of listed insured items on file with <b>us</b> if this is less. <b>We</b> will also pay the costs incurred with <b>our</b> prior written agreement, to investigate, defend or settle a claim made against <b>you</b>.</p> <p>The most <b>we</b> will pay in total for all insured claims during the <b>period of insurance</b> is the limit of Liability stated in the <b>declarations</b>.</p> |
| <b>Fakes or forgeries</b> | <p>If an insured item acquired by <b>you</b> during the <b>period of insurance</b> is subsequently determined to be a fake or forgery by an expert appointed by <b>us</b>, <b>we</b> will pay the amount <b>you</b> paid for such item or the value stated in the schedule of listed insured items on file with <b>us</b> if this is less. <b>We</b> will only provide this cover if before or at the time of purchasing the item <b>you</b> made all reasonable enquiries about the item's authenticity.</p> <p>The most <b>we</b> will pay in total for all insured claims during the <b>period of insurance</b> is the limit of Liability stated in the <b>declarations</b>.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## What is not covered

### We do not cover:

1. Loss or damage caused by or resulting from:
  - a. natural ageing, wear and tear, gradual deterioration, inherent defect, rust or oxidation, moth, insects or vermin, warping or shrinkage, rot, fungus or mold;
  - b. chewing, scratching, tearing, denting or fouling by animals or pets;
  - c. framing, repairing, restoring, retouching or any similar process;
  - d. misuse;
  - e. aridity, humidity, exposure to light or extremes of temperature whether naturally occurring or not. However, this exclusion does not apply to physical loss or physical damage directly caused by or resulting from storm, frost or fire.
2. electrical or mechanical fault or breakdown of an item forming part of **your collection**.
3. the amount of the deductible shown in the **declarations** for each and every loss **occurrence**.
4. loss or damage from or in unattended vehicles, unless in the custody of a competent professional carrier who is a member of ICEFAT (see ICEFAT.com for further details) or other suitable carrier approved by **us**. A vehicle is unattended when there is no authorized adult person within or upon the vehicle.
5. Loss, damage, cost or expense directly or indirectly caused by or resulting from:
  - a. war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
  - b. any item of **your collection** being confiscated or taken, or deliberately damaged or destroyed, by or under the order of any government or public or local authority unless at the time of a fire to prevent its spread;
  - c. nuclear reaction, nuclear radiation or radioactive contamination;
  - d. any chemical, biological, bio-chemical or electromagnetic weapon.
6. loss, damage, cost or expense caused deliberately or accidentally by:
  - a. the use of or inability to use any application, software, or program;
  - b. any computer virus;
  - c. any computer related hoax relating to a. and/or b. above.

However, It is understood and agreed that this exclusion shall not apply to an otherwise covered physical loss of **your collection** directly caused by **theft**, robbery, **burglary**, hold-up or other criminal taking if a computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system, which is solely targeted at or against **you** or **your** property, is used in the commission of the act(s) of **theft**, **burglary**, robbery, hold-up or other criminal taking.
7. loss of or damage to any electronic data (for example files or images) wherever it is stored.
8. loss or damage caused by **burglary** or attempted **burglary** unless there are visible signs of force or violence used to enter or leave a building.
9. loss or damage arising out of a deliberate or dishonest act by **you** or by anyone acting on **your** behalf. If more than one person is entitled to cover under this policy this exclusion shall apply even to those persons who are innocent of such deliberate or dishonest act.

10. loss or damage to handbags or furs away from the **named location** unless such items are being worn by **you** or being carried by hand by **you** or under **your** immediate personal supervision.
11. loss or damage to jewelry and watches unless such property is:
  - a. being worn by **you** or an additional named insured to this policy; or
  - b. kept in a locked safe which is permanently fixed to the building at the **named location** and provides dual protection against fire and burglary; or
  - c. at an exhibition which has been declared to and agreed by **us**; or
  - d. being carried by hand under **your** immediate personal supervision.

This exclusion does not apply to any watch or item of jewelry with a value of less than USD25,000.
12. loss or damage to jewelry and watches with a combined value of more than USD25,000 while **you** are staying at a hotel or motel. This exclusion does not apply if such items are being worn by **you** or are kept in the principle locked safe of the hotel or motel.
13. any claim that would be covered under another insurance if this policy did not exist. However, **we** will pay the amount exceeding the cover available under the other insurance.

## How much we will pay

The **declarations** will show **you** if **you** are required to pay the first part of each agreed claim under this policy. This will be shown as **your** deductible in the **declarations**.

1. **Total loss of specified items**  
For items of **your collection** which have been individually listed in the schedule of insured items on file with **us** or **your** insurance agent which have been lost or destroyed, **we** will decide whether **we** replace such item or pay the value **we** have agreed for that item.
2. **Total loss of unspecified items**  
For items of **your collection** which are not individually listed in the schedule of insured items on file with **us** or **your** insurance agent which have been lost or destroyed, **we** will decide whether to replace such item or pay the market value of the item immediately prior to its loss, as determined by a third party expert appointed by **us**. In no event will **we** pay more than USD25,000 for any one item.
3. **Expert valuation**  
If an item individually listed on the schedule of insured items on file with **us** or **your** insurance agent has had a professional valuation carried out within the last 24 months by an expert appointed by **us** then **we** agree to cover such item on an increased value basis. **We** will decide whether **we** replace such item or pay the value of the listed item at the time of its loss even if it is more than the amount **we** have agreed on such schedule of insured items. However, the most **we** will pay for any increase in value is an additional 50% of the value agreed by **us** for that listed item.
4. **Partial damage**  
If any insured item of **your collection** is partly damaged, **we** may choose to pay the cost of restoring the damaged item or pay the value of the damaged item. The most **we** will pay in total is the value of that item as shown in 1., 2. or 3. above.

5. **Pairs and sets** If an insured item has an increased value because it forms part of a pair or set, any payment **we** make for loss or damage will take account of the increased value. The most **we** will pay is the value of that pair or set as determined in 1., 2. or 3. above.
6. **Full payment** Following payment of the full amount insured for any item, pair or set, **we** will become the owner of such property and have the right to take possession of it.
7. **Total amount payable** The most **we** will pay in total for each loss **occurrence** is the total limit of liability shown in the **declarations**. If **we** have agreed to pay the full amount insured for any insured item, the total limit of liability shown in the **declarations** will be reduced by the amount **we** have agreed to pay.

## How to make a claim

### Things you must do

**You** must comply with the following conditions. If **we** determine that any claim has been adversely affected by **your** failure to do so, **we** may not pay **your** claim or reduce the amount of any payment **we** make for the claim.

#### **You** must:

1. notify the claims representative stated in the claims notification provisions of the **declarations** as soon as reasonably possible, but in no event later than 30 days after the discovery of any loss or damage, giving full details of what has happened.
2. provide **your** broker or agent with any information or evidence **we** may require and co-operate with **us** in any investigation or recovery action **we** undertake to resolve or settle **your** claim. This includes providing **us** with evidence of the value of any item, bills, invoices and proof of **your** ownership of an insured item.
3. submit to an examination under oath and where required by **us** **you** must also ensure that any member of **your** household or other persons who have an interest in the insured property also submit to an examination under oath.
4. inform the Police as soon as reasonably possible if **you** think a crime has been committed and obtain a crime reference number from them.
5. take all reasonable care to limit any loss or damage.
6. allow **us** to commence any recovery proceedings in **your** name to recover for **our** benefit the amount of any payment **we** have made under this insurance. **We** will pay the costs that are incurred in taking such proceedings.

**Recovered property**

**You** will have the right to purchase from **us** any property **we** have recovered after **we** have paid a claim. **We** will write to **you** at **your** last known email or mailing address and **you** may buy back **your** property from **us** within 60 days. **We** will charge the lesser of:

1. the amount of the settled claim plus interest from the date of settlement at a relevant prevailing bank base rate plus loss adjustment and recovery expenses; or
2. the fair market value at the time of recovery.

## Conditions

**Reasonable care**

**You** must always take all reasonable care and measures to protect the insured property against loss or damage and keep **your** property in a good condition and repair.

If **you** fail to comply with the above obligations, **we** may reduce any payment **we** make by an amount that is equal to the detriment **we** have suffered as a result of **your** failure to comply.

**Transits**

**You** must ensure that the **collection** is packed for transit by competent professional packers who are members of ICEFAT (see ICEFAT.com for further details) or other suitable packing company approved by **us** prior to the transit being made.

**Protections**

**You** must ensure that

1. all physical protections notified to **us** are engaged and in working order whenever the **named location** is left unattended.
2. all fire alarm and security systems notified to **us** are activated whenever the **named location** is left unattended.
3. the safe notified to **us** at the **named location** has been installed in accordance with the manufacturers recommendations.
4. **you** tell **us**, as soon as reasonably possible, if any system in two above is not working properly. **We** may then amend the terms and conditions of this insurance.
5. the systems in two above are maintained under contract by a reputable company at least annually.

If **you** fail to comply with any of the above obligations, **we** may refuse to pay **your** claim.

**Sanctions**

**We** shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.

**No Benefit to the Bailee**

**We** will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy

**Misrepresentation and Fraud**

If **you** have concealed or misrepresented, whether before or after any loss or damage, any material fact or circumstance relating to this insurance, or in case of any fraud or false swearing by **you** or make any claim knowing it to be false or fraudulent, this insurance shall become void.

**Cancellation**

This insurance may be cancelled at any time by **you** in writing to the broker or agent who arranged this Insurance. **We** will return any premium **you** have paid for any **period of insurance** left provided **you** have not made a claim.

This Insurance may also be cancelled by **us** or on **our** behalf by giving **you** 30 days' notice in writing at **your** last known email or home address. **We** will return any premium **you** have paid for any **period of insurance** left.

Any repayment of premium will be made as soon as reasonably possible and will not prejudice the effectiveness of the cancellation in any way.

Notice will be deemed to have been given if sent by first class mail properly addressed.

**Service of Suit**

In the event of **our** failure to pay any amount claimed to be due under this Insurance, **we** will, at **your** request, submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of **our** rights to commence an action in any 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 in the United States. It is further agreed that service of process in such suit may be made upon the attorney named in the **declarations** and that in any suit instituted against any one of them upon this Contract, **we** will abide by the final decision of such court or of any appellate court in the event of an appeal.

The attorney named in the **declarations** is authorized and directed to accept service of process on **our** behalf in any such suit and/or upon **your** request to give a written undertaking to **you** that he will enter a general appearance upon **our** 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 therefor, **we** 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 proceeding instituted by **you** or on **your** behalf or any beneficiary hereunder arising out of this contract of Insurance, and hereby designate the attorney named in the **declarations** as the person to whom the said officer is authorized to mail such process or a true copy thereof.

**Interpretation of Terms**

To the extent that any court of competent jurisdiction should determine that any term or provision of this insurance would be in conflict with the public policy of the state wherein such court is situated, the said term or provision is to be interpreted and/or amended so as to conform to the said state's public policy.

**Governing law**

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the above Service of Suit Clause.

SAMPLE

## Complaints Procedure

**We** strive to provide an excellent service to all **our** customers but occasionally things can go wrong. **We** take all concerns seriously and endeavor to resolve all customers' problems promptly. If **you** have a question or concern about **your** policy **you** should, in the first instance follow the guidance notes or instructions in the insurance documentation **you** have been sent. **Your** broker or agent will also be able to advise **you** and provide assistance in this regard.

Alternatively, if **you** wish to make a complaint **you** can do so at any time by contacting **us** or the complaints team at Lloyd's.

**Our** contact details are:

The Complaints Department  
Beazley Complaints Manager  
Beazley Group  
30 Batterson Park Road  
Farmington  
Connecticut  
06032  
United States of America

Telephone: +1 (860) 667 3700  
Email: [us.complaints@beazley.com](mailto:us.complaints@beazley.com)

The address of the complaints team at Lloyd's is:

Complaints  
Lloyd's  
One Lime Street  
London EC3M 7HA  
United Kingdom

Telephone: +44(0)20 7327 5693  
Email: [complaints@lloyds.com](mailto:complaints@lloyds.com)

Details of Lloyd's complaints procedures are set out in a leaflet 'Your Complaint – How We Can Help' available at [www.lloyds.com/complaints](http://www.lloyds.com/complaints) and are also available from the above address.

In any communication, please quote the policy number shown in the **declarations**.

## Lloyd's Privacy Policy Statement

**We** want **you** to know how **we** protect the confidentiality of **your** non-public personal information. **We** want **you** to know how and why **we** use and disclose the information that **we** have about **you**. The following describes **our** policies and practices for securing the privacy of **our** current and former customers.

### Information we collect

The non-public personal information that **we** collect about **you** includes, but is not limited to:

- Information contained in applications or other forms that **you** submit to **us**, such as name, address, and social security number
- Information about **your** transactions with **our** affiliates or other third-parties, such as balances and payment history
- Information **we** receive from a consumer-reporting agency, such as credit-worthiness or credit history

### Information we disclose

**We** disclose the information that **we** have when it is necessary to provide **our** products and services. **We** may also disclose information when the law requires or permits **us** to do so.

### Confidentiality and security

Only **our** employees and others who need the information to service **your** account have access to **your** personal information. **We** have measures in place to secure **our** paper files and computer systems.

### Right to access or correct your personal information

**You** have a right to request access to or correction of **your** personal information that is in **our** possession.

### Contacting us

If **you** have any questions about this privacy notice or would like to learn more about how **we** protect **your** privacy, please contact the agent or broker who handled this insurance. **We** can provide a more detailed statement of **our** privacy practices upon request.

# Declarations

**Policy Number:** {Response}

**Insured:** {Response}

**Address:** {Response}

**Period of Insurance:**

From: {Response}

To: {Response}

Both days inclusive local standard time at the address of the Insured.

**Named Location:** {Response}

**Collection:** {Response – describe/list property and agreed values if applicable}

**Total limit of Liability** {USD Response} each and every loss **occurrence**. If we have agreed to pay the full amount insured for any insured item, the total limit of liability will be reduced by the amount **we** have agreed to pay.

The following limits of liability are included within and not in addition to the above total limit of liability:

Insured property:

1. at **named location** {USD Response}
2. in transit: {USD Response}
3. being worn: {USD Response}

Defective title: USD 100,000 in total for all agreed insured claims during the **period of insurance**.

Fakes or forgeries: USD 100,000 in total for all agreed insured claims during the **period of insurance**.

**Deductible:** {USD Response} each and every loss **occurrence** other than:  
 \*{USD Response} each and every loss **occurrence** in respect of earthquake.  
 \*{USD Response} each and every loss **occurrence** in respect of wildfire.  
 \*{USD Response} each and every loss **occurrence** in respect of mysterious disappearance.  
 \*Delete as applicable

**Territorial Limits:** {\*Response/\*Worldwide} \*Delete as applicable

**Premium:** {USD Response}

**Proposal Form Dated:** {Response}

**Service of Suit to:** Attention: Legal Department  
280 Park Avenue, East Tower, 25th Floor N  
New York, NY 10017

**Claims notification:** Vanguard Claims Administration, Inc.

Physical address:  
108 Euclid Street, Woodbury, New Jersey, USA, 08096

Contact address  
P.O Box 835 Woodbury, New Jersey 08096  
Telephone: 856-853-8200  
Email: [claims@vanguardclaims.com](mailto:claims@vanguardclaims.com)

**Endorsements** {Response}

**Dated:** {Response}

## Schedule of Collection

SAMPLE

## Bicycle Theft Exclusion

**We** do not cover loss or damage caused by **theft** or the attempted **theft** of a bicycle. This exclusion does not apply if the bicycle is:

1. kept in a locked building and there are visible signs of force or violence used to enter or leave such building; or
2. locked and secured, by a robust security device, to a permanent structure or fixed, immovable object and there is physical evidence of damage to such security device.

All other terms and conditions remain unaltered.

SAMPLE

## Brush Clear Space Endorsement

**You** must ensure that the minimum **exposure distance** from the native brush or other natural vegetative growth to any portion of **your** home and other building(s) at the **named location** is 150 feet or 150 feet to **your** property boundary, whichever is the lesser.

Cultivated planting (other than native growth) is permitted within the **exposure distance** space provided such planting will not readily transmit fire from the native growth to the building(s).

If **you** fail to comply with this condition, several things could happen:

- a. If **we** provided insurance cover that **we** would not otherwise have offered, **we** may treat this insurance as if it never existed. If this happens, **we** will give **you** back **your** premium and **you** must repay any payments already made by **us** under this insurance.
- b. If **we** would have insured **you** on different terms, **we** may amend this insurance retrospectively and apply these amended terms to all claims under this insurance, including any claim **you** may have already made.
- c. If **we** would have entered into the insurance but charged **you** a higher premium, **we** may reduce proportionately the amount to be paid on a claim in proportion with such higher premium.
- d. **We** may not pay any claim for loss or damage caused by or resulting from fire.

For the purposes of this endorsement, **exposure distance** is the distance measured parallel to the general ground surface, except where a down slope below the building(s) exceeds 30 degrees or where an up slope above the building(s) exceeds 30 degrees, in which case only one-half the measured distance on such slope shall be used.

All other terms and conditions remain unaltered.

## Earth Movement Exclusion

**We** do not cover loss, damage, cost or expense directly or indirectly caused by or resulting from:

1. earthquake, including land shock waves or tremors, volcanic eruption;
2. landslide, mudslide, mudflow;
3. subsidence, sinkhole, earth sinking, rising, shifting or any other earth movement.

All other terms and conditions remain unaltered.

SAMPLE

## Musical Instrument Temporary Replacement Leased or Rented Charges Endorsement

In the event of insured physical loss or physical damage to **your** musical instrument, **we** will pay the lease or rental cost of a temporary replacement.

**We** will pay up to 25% of the value of the lost, stolen or damaged instrument or USD5,000, whichever is the lower, towards the lease or rental cost of a temporary replacement instrument.

All other terms and conditions remain unaltered.

SAMPLE

# Musical Instrument Temporary Replacement Leased or Rented Instruments Endorsement

**We** will insure any musical instrument temporarily leased or hired by **you** against direct physical loss or physical damage which happens during the **period of insurance** while at the **named location** or within the territorial limits shown in the **declarations**, subject to the exclusions, terms and conditions of this policy.

**We** do not cover:

1. any musical instrument which is leased or hired by **you** for longer than 60 consecutive days.
2. loss or damage to strings, reeds, drumheads or drum skins.

In the event of insured damage to a musical instrument temporarily leased or hired by **you** **we** will pay the cost to repair or replace the damaged item but in no event will **we** pay more than the market value of the item, at the time of its loss, or USD25,000 whichever is the lower.

All other terms and conditions remain unaltered

## Musical Instrument - Excluded Items

**We** do not cover loss or damage to strings, reeds, drumheads or drum skins.

All other terms and conditions remain unaltered

SAMPLE

## Mysterious Disappearance Exclusion

**We** do not cover mysterious disappearance or unexplained loss.

All other terms and conditions remain unaltered.

SAMPLE

## Mysterious Disappearance Limitation

The most **we** will pay in total during the period of insurance for any insured claim for unexplained loss or mysterious disappearance is USD {response}

In the event of a claim, **you** must provide **us** with evidence of **your** ownership of the missing insured item together with evidence of its value including any bills, invoices or appraisals supporting such valuation.

All other terms and conditions remain unaltered.

SAMPLE

## Stillage Exclusion

**We** do not cover loss or damage caused by flood or water damage to any item of **your collection** stored or located in any basement or cellar unless such item is placed on shelves or pallets at a height of at least 3ft from the floor.

All other terms and conditions remain unaltered.

SAMPLE

## Water Damage Exclusion

**We** do not cover loss, damage, cost or expense directly or indirectly caused by or resulting from:

1. flood, surface water, waves, tidal water, overflow of a body of water, or spray from any of these, whether or not driven by wind;
2. water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
3. water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;
4. waterborne material carried or otherwise moved by any of the water referred to in 1 to 3 above.

All other terms and conditions remain unaltered.

SAMPLE

# Whiskey Collection Endorsement

## What is covered

We will insure your whiskey collection against direct physical loss or physical damage which happens during the period of insurance while at the named location, subject to the exclusions, terms and conditions of your policy and the following exclusions, terms and conditions.

## What is not covered

### We do not cover:

1. Loss or damage caused by or resulting from:
  - a. consumption;
  - b. any process of drying, cleaning, dying, or extremes of temperatures;
  - c. leakage, evaporation or natural or ordinary loss of contents in weight or volume;
  - d. substitution, mysterious disappearance or inventory shortage;
  - e. cork fly;
  - f. contamination or decolorization;
  - g. water damage to labels.
2. monetary or financial losses caused by falling market.

## How much we will pay

The most we will pay for each agreed claim is shown in your declarations or elsewhere in this policy.

The declarations will show you if you are required to pay the first part of each agreed claim under this policy. This will be shown as your deductible in the declarations.

For each claim for loss or damage, including breakage, caused by or resulting from flood, earthquake, windstorm or hail a deductible of 10% of the total value of your whiskey collection or the general policy deductible shown on your declarations will apply, whichever is the greater.

1. **Specified whiskey** For whiskey individually listed, we will pay the value we have agreed for that item as shown in the schedule of items on file with us or your broker or agent.
2. **Unspecified whiskey** For whiskey which is not individually listed in the schedule of items on file with us or your broker or agent, we will pay the market value of the whiskey at the time of its loss as determined by a third-party expert appointed by us. In no event will we pay more than USD1,000 any one bottle.

All other terms and conditions remain unaltered.

## Wildfire Exclusion

This Insurance does not cover loss, damage, cost or expense directly or indirectly caused by or resulting from a **wildfire**.

For the purposes of this endorsement **wildfire** means a spread of fire, whether controlled or uncontrolled, in an area of combustible vegetation (such as trees, grass, brush, or bush) causing damage to property, wherever located and of any type and kind, regardless of the original source of ignition of the fire.

All other terms and conditions remain unaltered.

SAMPLE

# Wildfire Hazard Mitigation Endorsement

**You** must ensure that **you** comply with the minimum requirements outlined below.

**You** must:

1. maintain a firebreak by removing and clearing away all flammable vegetation and other combustible growth within 100 feet of **your** home and other building(s) at the **named location** or 100 feet to **your** property boundary whichever is the lesser.  
Cultivated planting (other than native growth) is permitted within this space provided such planting will not readily transmit fire from the native growth to the building(s);
2. remove lower limbs of large trees to at least 6 feet from the ground (or the lower 1/3 branches for small trees) which are located within 100ft of each building or 100 feet to the property boundary whichever is the lesser;
3. eliminate trees, bushes, shrubs and surface debris that are completely dead or with a substantial amount of dead branches or leaves/needles that would readily burn within 150ft of each building or 150 feet to the property boundary whichever is the lesser;
4. maintain all roof structures free from leaves, needles or other vegetative material.

If **you** fail to comply with any of the above requirements, several things could happen:

- a. If **we** provided insurance cover that **we** would not otherwise have offered, **we** may treat this insurance as if it never existed. If this happens, **we** will give **you** back **your** premium and **you** must repay any payments already made by **us** under this insurance.
- b. If **we** would have insured **you** on different terms, **we** may amend this insurance retrospectively and apply these amended terms to all claims under this insurance, including any claim **you** may have already made.
- c. If **we** would have entered into the insurance but charged **you** a higher premium, **we** may reduce proportionately the amount to be paid on a claim in proportion with such higher premium.
- d. **We** may not pay any claim for loss or damage caused by or resulting from fire.

All other terms and conditions remain unaltered.

## Windstorm Exclusion

**We** do not cover loss, damage, cost or expense directly or indirectly caused by or resulting from windstorm or hail, hurricane, cyclone, tornado, storm surge or any rain or snow accompanying or driven by any of these perils.

All other terms and conditions remain unaltered.

SAMPLE

# Wine Collection Endorsement

## What is covered

**We** will insure **your** wine collection against direct physical loss or physical damage which happens during the **period of insurance** while at the **named location**, subject to the exclusions, terms and conditions of **your** policy and the following exclusions, terms and conditions.

## What is not covered

**We** do not cover:

1. Loss or damage caused by or resulting from:
  - a. consumption;
  - b. any process of drying, cleaning, drying, or extremes of temperatures;
  - c. leakage, evaporation or natural or ordinary loss of contents in weight or volume;
  - d. substitution, mysterious disappearance or inventory shortage;
  - e. cork fly;
  - f. contamination or decolorization;
  - g. water damage to labels.
2. monetary or financial losses caused by falling market.

## How much we will pay

The most **we** will pay for each agreed claim is shown in **your declarations** or elsewhere in this policy.

The **declarations** will show **you** if **you** are required to pay the first part of each agreed claim under this policy. This will be shown as **your** deductible in the **declarations**.

For each claim for loss or damage, including breakage, caused by or resulting from flood, earthquake, windstorm or hail a deductible of 10% of the total value of **your** wine collection or the general policy deductible shown on **your declarations** will apply, whichever is the greater.

- |                     |                                                                                                                                                                                                                                                                                                                                    |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Specified wine   | For wine individually listed, <b>we</b> will pay the value <b>we</b> have agreed for that item as shown in the schedule of items on file with <b>us</b> or <b>your</b> broker or agent.                                                                                                                                            |
| 2. Unspecified wine | For wine which is not individually listed in the schedule of items on file with <b>us</b> or <b>your</b> broker or agent, <b>we</b> will pay the market value of the wine at the time of its loss as determined by a third-party expert appointed by <b>us</b> . In no event will <b>we</b> pay more than USD1,000 any one bottle. |

All other terms and conditions remain unaltered.

This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PERSONAL LIABILITY SCHEDULE

In consideration of the premium charged, it is agreed that:

This endorsement is made part of policy No. \_\_\_\_\_ of the \_\_\_\_\_  
\_\_\_\_\_ Insurance Company.

The insurance afforded by this endorsement shall apply as indicated below, subject to the terms and conditions of the policy that apply.

| Coverages                     | Limit Of Liability       | Premium  |
|-------------------------------|--------------------------|----------|
| <b>L</b> – Personal Liability | \$ _____ each occurrence | \$ _____ |
| <b>M</b> – Medical Payments   | \$ _____ each person     | \$ _____ |

Other insured locations: \_\_\_\_\_  
\_\_\_\_\_

Other Charges \$ \_\_\_\_\_  
Total \$ \_\_\_\_\_

Attach Coverage Part

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

## PERSONAL LIABILITY COVERAGE FORM

### AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

### DEFINITIONS

A. In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

B. In addition, certain words and phrases are defined as follows:

1. "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

a. Liability for "bodily injury" or "property damage" arising out of the:

- (1) Ownership of such vehicle or craft by an "insured";
- (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3) Entrustment of such vehicle or craft by an "insured" to any person;
- (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

b. For the purpose of this definition:

- (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3) Watercraft means a craft principally designed to be propelled on or in water by wind, engine power or electric motor; and
- (4) Motor vehicle means a "motor vehicle" as defined in **7.** below.

2. "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

3. "Business" means:

a. A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or

b. Any other activity engaged in for money or other compensation, except the following:

- (1) One or more activities, not described in (2) through (4) below, for which no "insured" receives more than \$2,000 in total compensation for the 12 months before the beginning of the policy period;
- (2) Volunteer activities for which no money is received other than payment for expenses incurred to perform the activity;
- (3) Providing home day care services for which no compensation is received, other than the mutual exchange of such services; or
- (4) The rendering of home day care services to a relative of an "insured".

4. "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

5. "Insured" means:

a. You and residents of your household who are:

- (1) Your relatives; or
- (2) Other persons under the age of 21 and in the care of any person named above;

b. A student enrolled in school full time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

- (1) 24 and your relative; or
- (2) 21 and in your care or the care of a person described in **a.(1)** above;

c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person included in **a.** or **b.** above. "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner; or

d. With respect to a "motor vehicle" to which this policy applies:

(1) Persons while engaged in your employ or that of any person included in **a.** or **b.** above; or

(2) Other persons using the vehicle on an "insured location" with your consent.

Throughout this policy, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

6. "Insured location" means:

a. The "residence premises";

b. The part of other premises, other structures and grounds used by you as a residence; and

(1) Which is shown in the Declarations; or

(2) Which is acquired by you during the policy period for your use as a residence;

c. Any premises used by you in connection with a premises described in **a.** and **b.** above;

d. Any part of a premises:

(1) Not owned by an "insured"; and

(2) Where an "insured" is temporarily residing;

e. Vacant land, other than farm land, owned by or rented to an "insured";

f. Land owned by or rented to an "insured" on which a one, two, three or four family dwelling is being built as a residence for an "insured";

g. Individual or family cemetery plots or burial vaults of an "insured"; or

h. Any part of a premises occasionally rented to an "insured" for other than "business" use.

7. "Motor vehicle" means:

a. A self-propelled land or amphibious vehicle; or

b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

a. "Bodily injury"; or

b. "Property damage".

9. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

10. "Residence employee" means:

a. An employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "residence premises", including household or domestic services; or

b. One who performs similar duties elsewhere not related to the "business" of an "insured".

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

11. "Residence premises" means:

a. The one family dwelling where you reside;

b. The two, three or four family dwelling where you reside in at least one of the family units; or

c. That part of any other building where you reside;

and which is shown as the "residence premises" in the Declarations.

"Residence premises" also includes other structures and grounds at that location.

## LIABILITY COVERAGES

### A. Coverage L – Personal Liability

If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this coverage applies, we will:

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

### B. Coverage M – Medical Payments To Others

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining;
  - b. Is caused by the activities of an "insured";
  - c. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured"; or
  - d. Is caused by an animal owned by or in the care of an "insured".

## EXCLUSIONS

### A. "Motor Vehicle Liability"

1. Coverages **L** and **M** do not apply to any "motor vehicle liability" if, at the time and place of an "occurrence", the involved "motor vehicle":
  - a. Is registered for use on public roads or property;
  - b. Is not registered for use on public roads or property, but such registration is required by a law, or regulation issued by a government agency, for it to be used at the place of the "occurrence"; or

c. Is being:

- (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition;
- (2) Rented to others;
- (3) Used to carry persons or cargo for a charge; or
- (4) Used for any "business" purpose except for a motorized golf cart while on a golfing facility.

2. If Exclusion **A.1.** does not apply, there is still no coverage for "motor vehicle liability" unless the "motor vehicle" is:

- a. In dead storage on an "insured location";
- b. Used solely to service an "insured's" residence;
- c. Designed to assist the handicapped and, at the time of an "occurrence", it is:

- (1) Being used to assist a handicapped person; or

- (2) Parked on an "insured location";

- d. Designed for recreational use off public roads and:

- (1) Not owned by an "insured"; or

- (2) Owned by an "insured" provided the "occurrence" takes place on an "insured location" as defined in Definitions **B. 6.a., b., d., e. or h.**; or

- e. A motorized golf cart that is owned by an "insured", designed to carry up to 4 persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground and, at the time of an "occurrence", is within the legal boundaries of:

- (1) A golfing facility and is parked or stored there, or being used by an "insured" to:

- (a) Play the game of golf or for other recreational or leisure activity allowed by the facility;

- (b) Travel to or from an area where "motor vehicles" or golf carts are parked or stored; or

- (c) Cross public roads at designated points to access other parts of the golfing facility; or

- (2) A private residential community, including its public roads upon which a motorized golf cart can legally travel, which is subject to the authority of a property owners association and contains an "insured's" residence.

## B. "Watercraft Liability"

1. Coverages **L** and **M** do not apply to any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - a. Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - b. Rented to others;
  - c. Used to carry persons or cargo for a charge; or
  - d. Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel, with or without auxiliary power, that is:
    - (1) Less than 26 feet in overall length; or
    - (2) 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured"; or
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less;
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured";
      - (c) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it during the policy period; or
      - (d) More than 25 horsepower if the outboard engine or motor is owned by an "insured" who acquired it before the policy period, but only if:
        - (i) You declare them at policy inception; or

- (ii) Your intent to insure them is reported to us in writing within 45 days after you acquire them.

The coverages in **(c)** and **(d)** above apply for the policy period.

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

## C. "Aircraft Liability"

This policy does not cover "aircraft liability".

## D. "Hovercraft Liability"

This policy does not cover "hovercraft liability".

## E. Coverage L – Personal Liability And Coverage M – Medical Payments To Others

Coverages **L** and **M** do not apply to the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by an "insured" even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity, real or personal property, than initially expected or intended.

However, this Exclusion **E.1.** does not apply to "bodily injury" resulting from the use of reasonable force by an "insured" to protect persons or property;

### 2. "Business"

- a. "Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This Exclusion **E.2.** applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

- b. This Exclusion **E.2.** does not apply to:

- (1) The rental or holding for rental of an "insured location";
  - (a) On an occasional basis if used only as a residence;

(b) In part for use only as a residence, unless a single family unit is intended for use by the occupying family to lodge more than two roomers or boarders; or

(c) In part, as an office, school, studio or private garage; and

(2) An "insured" under the age of 21 years involved in a part-time or occasional, self-employed "business" with no employees;

### 3. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

### 4. "Insured's" Premises Not An "Insured Location"

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

- a. Owned by an "insured";
  - b. Rented to an "insured"; or
  - c. Rented to others by an "insured";
- that is not an "insured location";

### 5. War

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

### 6. Communicable Disease

"Bodily injury" or "property damage" which arises out of the transmission of a communicable disease by an "insured";

### 7. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

### 8. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

Exclusions **A.** "Motor Vehicle Liability", **B.** "Watercraft Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **E.4.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

### F. Coverage L – Personal Liability

Coverage **L** does not apply to:

#### 1. Liability:

a. For any loss assessment charged against you as a member of an association, corporation or community of property owners;

b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

(1) That directly relate to the ownership, maintenance or use of an "insured location"; or

(2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in **a.** above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

5. "Bodily injury" or "property damage" for which an "insured" under this policy:

- a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;
- (2) Mutual Atomic Energy Liability Underwriters;
- (3) Nuclear Insurance Association of Canada;

or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to you or an "insured" as defined under Definitions 5.a. or b.

This exclusion also applies to any claim made or suit brought against you or an "insured":

- a. To repay; or

- b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

#### **G. Coverage M – Medical Payments To Others**

Coverage **M** does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":

- a. Occurs off the "insured location"; and
- b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:

- a. Workers' compensation law;
- b. Non-occupational disability law; or
- c. Occupational disease law;

3. From any:

- a. Nuclear reaction;
- b. Nuclear radiation; or
- c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

- d. Any consequence of any of these; or

4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location".

#### **ADDITIONAL COVERAGES**

We cover the following in addition to the limits of liability:

##### **A. Claim Expenses**

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any suit we defend;
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the Coverage **L** limit of liability. We need not apply for or furnish any bond;
- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

##### **B. First Aid Expenses**

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

##### **C. Damage To Property Of Others**

- 1. We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an "insured".
- 2. We will not pay for "property damage":
  - a. Caused intentionally by an "insured" who is 13 years of age or older;
  - b. To property owned by an "insured";
  - c. To property owned by or rented to a tenant of an "insured" or a resident in your household; or
  - d. Arising out of:
    - (1) A "business" engaged in by an "insured";
    - (2) Any act or omission in connection with a premises owned, rented or controlled by an "insured", other than the "insured location"; or

- (3) The ownership, maintenance, occupancy, operation, use, loading or unloading of aircraft, hovercraft, watercraft or "motor vehicles".

This Exclusion d.(3) does not apply to a "motor vehicle" that:

- (a) Is designed for recreational use off public roads;
- (b) Is not owned by an "insured"; and
- (c) At the time of the "occurrence", is not required by law, or regulation issued by a government agency, to have been registered for it to be used on public roads or property.

## CONDITIONS

### A. Limit Of Liability

Our total liability under Coverage **L** for all damages resulting from any one "occurrence" will not be more than the Coverage **L** limit of liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage **M** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **M** limit of liability shown in the Declarations.

### B. Severability Of Insurance

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

### C. Duties After "Occurrence"

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

- 1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;

- 2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
- 3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
- 4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
- 5. With respect to **C. Damage To Property Of Others** under Additional Coverages, submit to us within 60 days after the loss, a sworn statement of loss and show the damaged property, if in an "insured's" control;
- 6. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

### D. Duties Of An Injured Person – Coverage M – Medical Payments To Others

- 1. The injured person or someone acting for the injured person will:
  - a. Give us written proof of claim, under oath if required, as soon as is practical; and
  - b. Authorize us to obtain copies of medical reports and records.
- 2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

### E. Payment Of Claim – Coverage M – Medical Payments To Others

Payment under this coverage is not an admission of liability by an "insured" or us.

### F. Suit Against Us

- 1. No action can be brought against us unless there has been full compliance with all of the terms under this policy.
- 2. No one will have the right to join us as a party to any action against an "insured".
- 3. Also, no action with respect to Coverage **L** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

#### **G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

#### **H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

#### **I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

#### **J. Subrogation**

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **M** or Paragraph **C**. Damage To Property Of Others under Additional Coverages.

#### **K. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements;

relating to this insurance.

SAMPLE

This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PREMISES LIABILITY

(Non-Owner Occupied Dwelling)

This endorsement modifies insurance provided under the following:

### PERSONAL LIABILITY COVERAGE FORM

#### SCHEDULE\*

Location\*

Number of Families\*

\*Entries may be left blank if shown elsewhere in this policy for this coverage.

In consideration of the premium charged, it is agreed that:

#### DEFINITIONS

Definition **6**. "Insured location" is extended to include the premises shown in the Schedule above.

#### LIABILITY COVERAGES

Coverage **L** – Personal Liability and Coverage **M** – Medical Payments To Others are restricted to apply only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance, occupancy or use of the premises shown below.

#### EXCLUSIONS

Exclusion **E.2**. does not apply to the premises shown in the Schedule.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

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

## **PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS**

This endorsement modifies insurance provided under the following:

**PERSONAL LIABILITY COVERAGE FORM**

In consideration of the premium charged, it is agreed that:

The following conditions are added to this policy:

**A. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

**B. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

**C. Assignment**

Assignment of this policy will not be valid unless we give our written consent.

**D. Death**

If any person named in the Declarations or the spouse, if a resident of the same household, dies:

1. We insure the legal representative of the deceased but only with respect to the premises and property of the deceased covered under the policy at the time of death;
2. "Insured" includes:
  - a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises;" and

- b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

**E. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.

- b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.

- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:

- (1) if there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
- (2) if the risk has changed substantially since the policy was issued.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
- 3. When this policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

- 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

SAMPLE

This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL RESIDENCE RENTED TO OTHERS 1, 2, 3 OR 4 FAMILIES

This endorsement modifies insurance provided under the following:

### PERSONAL LIABILITY COVERAGE FORM

In consideration of the premium charged, it is agreed that:

#### SCHEDULE\*

Definition **6.** which defines an "Insured location" and the exception to Exclusion **E.2.** "Business" in Paragraph **b.** are extended to include the location(s) listed below.

All other provisions of this policy apply.

**Location**

**Number of Families**

\*Entries may be left blank if shown elsewhere in this policy for this coverage.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

**This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES**

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

## **ANIMAL LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

### **PERSONAL LIABILITY COVERAGE FORM**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph **E. - Coverage L – Personal Liability And Coverage M – Medical Payments To Others** of the **EXCLUSIONS** Section:

#### **9. Animal Liability**

“Bodily injury” or “property damage” caused by or arising out of any animal owned or kept by an “insured” whether or not the injury occurs on your premises or any other location.

2. The following exclusion is added to Paragraph **F. - Coverage L – Personal Liability** of the **EXCLUSIONS** Section:

7. “Bodily injury” or “property damage” caused by or arising out of any animal owned or kept by an “insured” whether or not the injury occurs on your premises or any other location.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

## LIMITED CAR CONDOMINIUM OWNERS LIABILITY

### AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

### DEFINITIONS

- A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.
- B.** In addition, certain words and phrases are defined as follows:
- 1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:
    - a.** Liability for "bodily injury" or "property damage" arising out of the:
      - (1) Ownership of such vehicle or craft by an "insured";
      - (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
      - (3) Entrustment of such vehicle or craft by an "insured" to any person;
      - (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
      - (5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.
    - b.** For the purpose of this definition:
      - (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
      - (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
      - (3) Watercraft means "watercraft" as defined in this section; and
      - (4) Motor vehicle means a "motor vehicle" as defined in this section.
  - 2.** "Car Condominium" means a real estate development comprised of individually owned private garage units specifically designed for vehicle storage.
  - 3.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.
  - 4.** "Business" means:
    - a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
    - b.** The rental or business related to the rental of an "insured location". This includes the rental or holding for rental of any watercraft as defined in this section.
    - c.** Any other activity engaged in for money or other compensation.
  - 5.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".
  - 6.** "Insured" means:
    - a.** You and residents of your household who are:
      - (1) Your relatives; or
      - (2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;
    - b.** A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:
      - (1) 24 and your relative; or
      - (2) 21 and in your care or the care of a resident of your household who is your relative; or

c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **6.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner.

d. With respect to a "motor vehicle" to which this policy applies:

- (1) Persons while engaged in your employ or that of any person described in **a.** or **b.** above; or
- (2) Other persons using the vehicle on an "insured location" with your consent.

Under Section I, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".

7. "Insured location" means:

a. The "car condo" owned by, rented by, or leased to an insured shown in the Declarations;

8. "Motor vehicle" means:

- a. A self-propelled land or amphibious vehicle; or
- b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.

9. "Occurrence" means an accident which occurs at the "insured location", including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:

- a. "Bodily injury"; or
- b. "Property damage".

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

11. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

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

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

13. "Watercraft" means a craft principally designed to be propelled on or in water by wind, engine power or electric motor.

## LIABILITY COVERAGES

### A. Coverage A – Premises Liability

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

1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and
2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

This Coverage **A** applies only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance or use of the "insured location" shown in the Declarations.

## **B. Coverage B – Medical Payments To Others**

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining; or
  - b. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured".

This Coverage **B** applies only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance or use of the "car condo" on the "insured location" shown in the Declarations.

## **EXCLUSIONS**

This insurance does not apply to:

### **A. "Watercraft Liability"**

This policy does not cover "watercraft liability".

### **B. "Motor Vehicle Liability"**

This policy does not cover "motor vehicle liability".

### **C. "Aircraft Liability"**

This policy does not cover "aircraft liability".

### **D. "Hovercraft Liability"**

This policy does not cover "hovercraft liability".

### **E. Expected Or Intended Injury**

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

## **F. "Business"**

"Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

## **G. Professional Services**

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

## **H. "Insured's" Premises Not An "Insured Location"**

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

- a. Owned by an "insured";
  - b. Rented to an "insured"; or
  - c. Rented to others by an "insured";
- that is not an "insured location";

## **I. War**

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

## **J. Communicable Disease**

"Bodily injury" or "property damage" arising out of the transmission of a communicable disease by an "insured";

## **K. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse**

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

#### L. Controlled Substance

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

#### M. Pollution

1. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.
- b. Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
  - (1) Any insured; or
  - (2) Any person or organization for whom you may be legally responsible;
- c. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.
- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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

- a. Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

- b. Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph 2. does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

#### N. Coverage A – Premises Liability

Coverage A does not apply to:

1. Liability:

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in C. Loss Assessment under **ADDITIONAL COVERAGES**;

- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

- (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (2) Where the liability of others is assumed by you prior to an "occurrence";

unless excluded in a. above or elsewhere in this policy;

2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";
3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;
4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:
  - a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;

5. "Bodily injury" or "property damage" for which an "insured" under this policy:

a. Is also an insured under a nuclear energy liability policy issued by the:

(1) Nuclear Energy Liability Insurance Association;

(2) Mutual Atomic Energy Liability Underwriters;

(3) Nuclear Insurance Association of Canada;

or any of their successors; or

b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

6. "Bodily injury" to an "insured".

This exclusion also applies to any claim made or "suit" brought against an "insured" to:

a. Repay; or

b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

#### **O. Coverage B – Medical Payments To Others**

Coverage **B** does not apply to "bodily injury":

1. To a "residence employee" if the "bodily injury":

a. Occurs off the "insured location"; and

b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:

a. Workers' compensation law;

b. Non-occupational disability law; or

c. Occupational disease law;

3. From any:

a. Nuclear reaction;

b. Nuclear radiation; or

c. Radioactive contamination;

all whether controlled or uncontrolled or however caused; or

d. Any consequence of any of these; or

4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location" or the property upon which the "insured location" is located.

Exclusions **A.** "Watercraft Liability", **B.** "Motor Vehicle Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **H.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

#### **P. Construction Services**

This policy does not apply to "bodily injury", "property damage", or "personal and advertising injury", medical expenses arising out of any construction, "construction services", demolition, renovation, or site preparations.

"Construction services" includes, but is not limited to surveying, drafting, test borings, or inspections.

#### **ADDITIONAL COVERAGES**

We cover the following in addition to the limits of liability:

##### **A. Claim Expenses**

We pay:

1. Expenses we incur and costs taxed against an "insured" in any "suit" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured";

2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the applicable limit of liability. We need not apply for or furnish any bond;

3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and

4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

##### **B. First Aid Expenses**

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

##### **C. Loss Assessment**

1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner of the "insured location", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:

a. "Bodily injury" or "property damage" not excluded from coverage under **EXCLUSIONS**; or

b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:

(1) Is elected by the members of a corporation or association of property owners; and

(2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.

2. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:

a. One "occurrence", including continuous or repeated exposure to substantially the same general harmful condition; or

b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.

3. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

## **CONDITIONS**

### **A. Limit Of Liability**

Our total liability under Coverage **A** for all damages resulting from any one "occurrence" will not be more than the Coverage **A** Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage **B** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **B** Limit Of Liability shown in the Declarations.

### **B. Severability Of Insurance**

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

### **C. Duties After "Occurrence"**

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:

a. The identity of the policy and the "named insured" shown in the Declarations;

b. Reasonably available information on the time, place and circumstances of the "occurrence"; and

c. Names and addresses of any claimants and witnesses;

2. Cooperate with us in the investigation, settlement or defense of any claim or suit;

3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";

4. At our request, help us:

a. To make settlement;

b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";

c. With the conduct of suits and attend hearings and trials; and

d. To secure and give evidence and obtain the attendance of witnesses;

5. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

### **D. Duties Of An Injured Person – Coverage B – Medical Payments To Others**

1. The injured person or someone acting for the injured person will:

a. Give us written proof of claim, under oath if required, as soon as is practical; and

b. Authorize us to obtain copies of medical reports and records.

2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

**E. Payment Of Claim – Coverage B – Medical Payments To Others**

Payment under this coverage is not an admission of liability by an "insured" or us.

**F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this **CONDITIONS**.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage **A** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

**G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

**H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

**I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

**J. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements; relating to this insurance.

**K. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

**L. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

**M. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice:
  - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
  - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
    - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
    - (2) If the risk has changed substantially since the policy was issued.This can be done by letting you know at least 30 days before the date cancellation takes effect.
  - d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

However, if a claim has been made under this policy, or if circumstances likely to give rise to a claim has been notified, then the premium will be deemed fully earned and no refund of premium shall be made.

4. If a return premium is due in part **3.** above, and this return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

**N. Nonrenewal**

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

**O. Assignment**

Assignment of this policy will not be valid unless we give our written consent.

**P. Subrogation**

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us.

If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage **B.**

**Q. Death**

If any person named in the Declarations or the spouse, if a resident of the same household, dies, this policy will extend to the legal representative of the deceased but only with respect to the legal liability of the deceased covered under this Policy arising from the Insured location, at the time of death.

**This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES and PART IV: OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION – DOCK LIABILITY**

This endorsement modifies insurance provided under the following:

**PERSONAL LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The following is added to:

- Paragraph E – Coverage L – Personal Liability And Coverage M – Medical Payments to others of the EXCLUSIONS section of the PERSONAL LIABILITY COVERAGE FORM, and
- SECTION 1-COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, subsection 2. Exclusions; and COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, subsection 2. Exclusions of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM

This policy does not apply to:

Bodily injury, property damage, personal injury, or advertising injury arising out of or related to:

- a) The ownership, operation, maintenance, use, loading, or unloading of any dock, pier, wharf, float, or similar structure, whether stationary or floating;
- b) Any work performed on or from such structures;
- c) The storage, mooring, launching, or retrieval of vessels or other watercraft at or from such structures;
- d) The collapse, subsidence, or failure of any dock, pier, or similar structure, whether caused by negligence or any other cause.

This exclusion applies regardless of the cause of loss and regardless of whether any insured is legally liable.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART III – OTHER PERSONAL LIABILITY COVERAGES and PART IV: OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION - HABITABILITY**

This endorsement modifies insurance provided under the following:

**PERSONAL LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The following is added to:

- Paragraph E – Coverage L – Personal Liability And Coverage M – Medical Payments to others of the ECLUSIONS section of the PERSONAL LIABILITY COVERAGE FORM, and
- SECTION 1-COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, subsection 2. Exclusions; and COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, subsection 2. Exclusions of the COMMERCIAL GENERAL LIABILITY COVERAGE FORM

This insurance does not apply to damages or expenses due to “bodily injury”, “property damage”, or “personal and advertising injury” arising out of or resulting from any and all allegations related in any way to “habitability”, including but not limited to, claims arising out of alleged or actual breach of the following:

- (a) Civil Codes;
- (b) Health and Safety Codes;
- (c) Any Housing and Urban Development laws, ordinances or statutes;
- (d) Rent stabilization laws and ordinances;
- (e) Federal, State or local section 8 (government subsidized) or programs;
- (f) Any administrative rules or regulations pertaining to any of the foregoing, including but not limited to those promulgated by local municipalities;
- (g) Any type of common law;
- (h) Any type of statutory law; or
- (i) Actual or constructive wrongful entry or eviction arising from (a) through (h) above.

We shall not have any duty to defend any claim, proceeding or “suit” in any way based on, attributed to, arising out of, resulting from or any manner related to that which is described above, including but limited to, the diminished value of property or mental, physical or emotional injuries alleged.

For purposes of this endorsement, the following definition is applicable:

“Habitability” means safe living environment and/or fit for occupancy by human beings in a sanitary, healthy, habitable and tenantable condition.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS PAGE**

|                |                           |                |
|----------------|---------------------------|----------------|
| Policy Number: | Policy Period: 00/00/0000 | To: 00/00/0000 |
| Named Insured: |                           |                |

**LIMITS OF INSURANCE**

|                                                                      |         |
|----------------------------------------------------------------------|---------|
| General Aggregate Limit (Other Than Products - Completed Operations) | \$ 0.00 |
| Products - Completed Operations Aggregate Limit                      | \$ 0.00 |
| Each Occurrence Limit                                                | \$ 0.00 |
| Personal and Advertising Injury Limit                                | \$ 0.00 |
| Hired / Non-Owned Auto Limit                                         | \$ 0.00 |
| Damages to Premises Rented to You Limit (Any One Premises)           | \$ 0.00 |
| Medical Payments Expense Limit (Any One Person)                      | \$ 0.00 |

**BUSINESS DESCRIPTION AND LOCATION OF PREMISES**

Business Description:

Location -

**PREMIUM**

| <u>Code No.</u> | <u>Classification Description</u> | <u>Premium Basis</u> | <u>Rate</u> | <u>Exposure</u> |
|-----------------|-----------------------------------|----------------------|-------------|-----------------|
|-----------------|-----------------------------------|----------------------|-------------|-----------------|

## COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

### SECTION I – COVERAGES

#### COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

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

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

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

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

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

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

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

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

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

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

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

### b. Contractual Liability

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

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

### c. Liquor Liability

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

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

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

### d. Workers' Compensation And Similar Laws

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

### e. Employer's Liability

"Bodily injury" to:

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

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

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

#### **f. Pollution**

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

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

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

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

**g. Aircraft, Auto Or Watercraft**

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

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

This exclusion does not apply to:

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

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

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

**h. Mobile Equipment**

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

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

**i. War**

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

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

**j. Damage To Property**

"Property damage" to:

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

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

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

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

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

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

**k. Damage To Your Product**

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

**l. Damage To Your Work**

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

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

**m. Damage To Impaired Property Or Property Not Physically Injured**

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

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

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

**n. Recall Of Products, Work Or Impaired Property**

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

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

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

**o. Personal And Advertising Injury**

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

**p. Electronic Data**

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

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

**q. Distribution Of Material In Violation Of Statutes**

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

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

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

**r. Animal Liability**

"Bodily injury" or "property damage" caused by or arising out of any animal owned or kept by an "insured" whether or not the injury occurs on your premises or any other location.

**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

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

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

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

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

**2. Exclusions**

This insurance does not apply to:

**a. Knowing Violation Of Rights Of Another**

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

**b. Material Published With Knowledge Of Falsity**

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

**c. Material Published Prior To Policy Period**

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

**d. Criminal Acts**

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

**e. Contractual Liability**

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

**f. Breach Of Contract**

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

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

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

**h. Wrong Description Of Prices**

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

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

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

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

**j. Insureds In Media And Internet Type Businesses**

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

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

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

**k. Electronic Chatrooms Or Bulletin Boards**

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

**l. Unauthorized Use Of Another's Name Or Product**

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

**m. Pollution**

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

**n. Pollution-Related**

Any loss, cost or expense arising out of any:

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

**o. War**

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

- (1) War, including undeclared or civil war;

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

**p. Distribution Of Material In Violation Of Statutes**

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

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

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

- (3) Necessary ambulance, hospital, professional nursing and funeral services.

## 2. Exclusions

We will not pay expenses for "bodily injury":

### a. Any Insured

To any insured, except "volunteer workers".

### b. Hired Person

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

### c. Injury On Normally Occupied Premises

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

### d. Workers Compensation And Similar Laws

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

### e. Athletics Activities

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

### f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

### g. Coverage A Exclusions

Excluded under Coverage A.

## SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

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

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

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

These payments will not reduce the limits of insurance.

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

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

- (1) Agrees in writing to:

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

- (2) Provides us with written authorization to:

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

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

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

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

## **SECTION II – WHO IS AN INSURED**

### **1. If you are designated in the Declarations as:**

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

### **2. Each of the following is also an insured:**

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

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

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

#### **(2) "Property damage" to property:**

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

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

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

### SECTION III – LIMITS OF INSURANCE

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

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

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

### SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

#### 1. Bankruptcy

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

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

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

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

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

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

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

c. You and any other involved insured must:

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

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

### 3. Legal Action Against Us

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

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

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

### 4. Other Insurance

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

#### a. Primary Insurance

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

#### b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

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

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

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

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

**c. Method Of Sharing**

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

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

**5. Premium Audit**

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

**6. Representations**

By accepting this policy, you agree:

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

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

**7. Separation Of Insureds**

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

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

**8. Transfer Of Rights Of Recovery Against Others To Us**

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

**9. When We Do Not Renew**

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

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

**SECTION V – DEFINITIONS**

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

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

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

4. "Coverage territory" means:

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

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

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

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

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

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

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

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

9. "Insured contract" means:

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

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

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

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

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

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

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

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

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

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

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

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

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

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

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

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

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

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

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

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

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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

**16. "Products-completed operations hazard":**

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

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

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

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

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

**17. "Property damage" means:**

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

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

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

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

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

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

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

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

**21. "Your product":**

a. Means:

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

b. Includes:

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

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

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

**22. "Your work":**

**a. Means:**

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

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

**b. Includes:**

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

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

SAMPLE

This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

| Coverage                                                             | SCHEDULE                                                      |    |
|----------------------------------------------------------------------|---------------------------------------------------------------|----|
|                                                                      | Amount and Basis of Deductible<br>PER CLAIM or PER OCCURRENCE |    |
| Bodily Injury Liability<br>OR                                        | \$                                                            | \$ |
| Property Damage Liability<br>OR                                      | \$1,000                                                       | \$ |
| Bodily Injury Liability and/or<br>Property Damage Liability Combined | \$                                                            | \$ |

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

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

In consideration of the premium charged, it is agreed that:

- A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
- 1. PER CLAIM BASIS.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
    - a.** Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
    - b.** Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
  - c.** Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:
    - (1)** "Bodily injury";
    - (2)** "Property damage"; or
    - (3)** "Bodily injury" and "property damage" combinedas the result of any one "occurrence".

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

With respect to "property damage", person includes an organization.
- 2. PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
  - (1) "Bodily injury";
  - (2) "Property damage"; or
  - (3) "Bodily injury" and "property damage" combined

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

- C. The terms of this insurance, including those with respect to:
  - 1. Our right and duty to defend the insured against any "suits" seeking those damages; and
  - 2. Your duties in the event of an "occurrence", claim, or "suit"apply irrespective of the application of the deductible amount.
- D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

SAMPLE

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

**ADDITIONAL INSURED – DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Name Of Additional Insured Person(s) Or Organization(s)                                                       |
|---------------------------------------------------------------------------------------------------------------|
| <p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p> |

In consideration of the premium charged, it is agreed that:

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A.** In the performance of your ongoing operations; or
- B.** In connection with your premises owned by or rented to you.

**ALL OTHER TERMS, CONDITIONS AND  
EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

|                                                                                                        |
|--------------------------------------------------------------------------------------------------------|
| <b>Premises:</b>                                                                                       |
| <b>Project Or Operation:</b>                                                                           |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

In consideration of the premium charged, it is agreed that:

**A.** If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 01**, the provisions under this Paragraph **A.** apply:

**1.** Paragraph **1.b.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**b.** This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

**(1)** The "bodily injury" or "property damage":

**(a)** Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

**(b)** Arises out of the project or operation shown in the Schedule;

**(2)** The "bodily injury" or "property damage" occurs during the policy period; and

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

**2.** Paragraph **1.b.** under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

**b.** This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

**(1)** The offense arises out of your business:

**(a)** Performed on the premises shown in the Schedule; or

(b) In connection with the project or operation shown in the Schedule; and

(2) The offense was committed during the policy period.

However, with respect to Paragraph **1.b.(1)(a)** of this Insuring Agreement, if the "personal and advertising injury" is caused by:

(1) False arrest, detention or imprisonment; or

(2) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph **1.a.** under **Section I – Coverage C – Medical Payments** is replaced by the following:

a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

(1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(2) Arises out of the project or operation shown in the Schedule;

provided that:

(a) The accident takes place during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

B. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 02**, the provisions under this Paragraph **B.** apply:

1. Paragraph **1.b.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

(1) The "bodily injury" or "property damage":

(a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(b) Arises out of the project or operation shown in the Schedule;

(2) The "bodily injury" or "property damage" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

(3) A claim for damages because of the "bodily injury" or "property damage" is first made against any insured, in accordance with Paragraph **1.c.** of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section **V – Extended Reporting Periods**.

2. Paragraph **1.b.** under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

(1) The offense arises out of your business:

(a) Performed on the premises shown in the Schedule; or

(b) In connection with the project or operation shown in the Schedule;

(2) The offense was not committed before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

- (3) A claim for damages because of the "personal and advertising injury" is first made against any insured, in accordance with Paragraph **1.c.** of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section **V – Extended Reporting Periods**.

However, with respect to Paragraph **1.b.(1)(a)** of this Insuring Agreement, if the "personal and advertising injury" is caused by:

- (1) False arrest, detention or imprisonment; or
- (2) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph **1.a.** under **Section I – Coverage C – Medical Payments** is replaced by the following:

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

- (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
- (2) Arises out of the project or operation shown in the Schedule;

provided that:

- (a) The accident takes place during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

In consideration of the premium charged, it is agreed that:

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

This insurance does not apply to:

"Bodily injury" to:

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

This exclusion applies:

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

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

This insurance does not apply to:

"Personal and advertising injury" to:

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

This exclusion applies:

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION – YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

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

### **2. Exclusions**

This insurance does not apply to "bodily injury", "property damage", "personal and advertising injury" arising directly or indirectly out of:

**a.** Any actual or alleged failure, malfunction or inadequacy of:

**(1)** Any of the following, whether belonging to any insured or to others:

- (a)** Computer hardware, including microprocessors;
- (b)** Computer application software;
- (c)** Computer operating systems and related software;
- (d)** Computer networks;

**(e)** Microprocessors (computer chips) not part of any computer system; or

**(f)** Any other computerized or electronic equipment or components; or

**(2)** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **2.a.(1)** of this endorsement

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

**b.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **2.a.** of this endorsement.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

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

This insurance does not apply to:

**f. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

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

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

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

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

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

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

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

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

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

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

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
  2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  3. A reinforced or unreinforced base coat;
  4. A finish coat providing surface texture to which color may be added; and
  5. Any flashing, caulking or sealant used with the system for any purpose.
- ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **SILICA OR SILICA-RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that:

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

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

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

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

In consideration of the premium charged, it is agreed that:

Paragraph **9.** of the **Definitions** Section is replaced by the following:

**9.** "Insured contract" means:

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

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

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION – LEAD PAINT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph 2., **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” arising out of the actual or alleged manufacture, distribution, sale, resale, rebranding, installation, repair, removal, encapsulation, abatement, replacement or handling of, or exposure to lead paint or products containing lead. This exclusion applies regardless of whether or not the lead is or was at any time airborne as a particle, contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever.

This exclusion does not apply in Massachusetts.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **EXCLUSION – ASBESTOS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph 2., **Exclusions** of both **Section I – Coverage A – Bodily Injury And Property Damage Liability** and **Coverage B – Personal And Advertising Injury Liability**:
  - a. This insurance does not apply to “bodily injury”, “property damage”, “personal and advertising injury”, loss, cost or expense arising out of:
    - (1) The actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of asbestos;
    - (2) Any request, demand, order or regulatory or statutory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of asbestos; or
    - (3) Claim or proceeding by or on behalf of a government authority or others 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 asbestos.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL  
LIABILITY COVERAGES**

POLICY NUMBER:

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

**ANIMAL LIABILITY EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM (Corporate-Owned 1-4 Family)**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph 2. Exclusions of **SECTION I – COVERAGES -  
COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

**r. Animal Liability**

“Bodily injury” or “property damage” caused by or arising out of any animal owned or kept by an “insured” whether or not the injury occurs on your premises or any other location.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL  
LIABILITY COVERAGES**

POLICY NUMBER:

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

**EXCLUSION- CONSTRUCTION OPERATIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM (Corporate-Owned 1-4 Family)**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph 2. Exclusions of both **SECTION I – COVERAGES - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B- PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury”, medical expenses arising out of any construction, “construction services”, demolition, renovation or site preparations.

“Construction Services” includes, but not limit to surveying, drafting, test borings, or inspections.

2. This endorsement only applies to Vacant Land Liability.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL  
LIABILITY COVERAGES**

POLICY NUMBER:

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

**EXCLUSION- INDEPENDENT CONTRACTORS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM (Corporate-Owned 1-4 Family)**

In consideration of the premium charged, it is agreed that:

1. The following exclusion is added to Paragraph 2. Exclusions of both **SECTION I – COVERAGES - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **COVERAGE B- PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to “bodily injury”, “property damage”, or “personal and advertising injury” caused by or arising out of operations performed for any insured by independent contractors or acts or omissions of any insured in connection with their general supervision of such operations.

2. This endorsement only applies to Vacant Land Liability.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL  
LIABILITY COVERAGES**

POLICY NUMBER:

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

**EXCLUSION- INJURY TO EMPLOYEES,  
VOLUNTEER WORKERS, TEMPORARY  
WORKERS, CASUAL LABORERS,  
CONTRACTORS AND SUBCONTRACTORS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM (Corporate-Owned 1-4 Family)**

In consideration of the premium charged, it is agreed that:

- I. SECTION I – COVERAGES - COVERAGE A - BODILY INJURY AND PROPERTY  
DAMAGE LIABILITY, 2. Exclusions, e. Employer's Liability** is deleted in its entirety and  
replaced with the following to:

**e. Employer's Liability**

This insurance does not apply to:

- (1) "Bodily injury" to any "employee", "volunteer worker", "temporary worker", or "casual laborer" arising out of or in the course of:
  - (a) Employment by any insured; or
  - (b) Performing duties related to the conduct of the insured's business;
- (2) "Bodily injury" to any contractor, subcontractor or any "employee", "volunteer worker", "temporary worker" or "casual laborer" of any contractor or subcontractor arising out of or in the course of the rendering or performing services of any kind or nature whatsoever by such contractor, subcontractor, or "employee", "volunteer worker", "temporary worker" or "casual laborer" of such contractor or subcontractor, for which any insured may become liable in any capacity; or
- (3) Any obligation of any insured to indemnify or contribute with another because of damages arising out of "bodily injury"; or
- (4) "Bodily injury" sustained by the spouse, child, parent, brother or sister of any "employee", "volunteer worker", "temporary worker", or "casual laborer" of any insured, or of a contractor, subcontractor, or of any "employee", "volunteer worker", "temporary worker" or "casual laborer" of any contractor or subcontractor as a consequence of any injury to any person as set forth in (1) and (2) above.

**This endorsement only applies to PART IV – OTHER COMMERCIAL  
LIABILITY COVERAGES**

This exclusion applies to all claims and “suits” by any person or organization for damages because of “bodily injury”, including damages for care and loss of services and any claim under which any insured may be held liable under any Workers’ Compensation Law.

**II. SECTION V- DEFINITIONS**, is amended and the following is added:

For the purpose of this endorsement only, the term:

- 23.** “Casual laborer” means any person providing work or materials to any insured for compensation of any type.

**III.** This endorsement only applies to Vacant Land Liability.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

SAMPLE

**This endorsement only applies to PART IV: OTHER COMMERCIAL  
LIABILITY COVERAGES**

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

**PREMISES LIMITATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

**SCHEDULE\***

Premises:

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

The following is deleted in its entirety and replaced with the following:

**SECTION 1-COVERAGES; COVERAGE A BODILY INJURY AND PROPERTY  
DAMAGE LIABILITY; 1. Insuring Agreement, b.(1)**

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

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place on or within the perimeter of the premises, site(s) or location(s) scheduled above that are owned by, occupied by or leased to any "insured". This insurance shall not apply to an "occurrence" that takes place at any other premises, site or location. The company does not have the duty to defend any "suit" seeking damages on account of any "occurrence" that takes place other than within the perimeter of the premises, site(s) or location(s) scheduled above that are owned by or leased to any "insured". If no entry appears above, this endorsement applies to the perimeter of the premises, site(s) or location(s) that are owned by or leased to any insured listed in the Declarations or Supplemental Declarations page of this policy. This endorsement shall not preclude coverage as provided under an "insured contract".

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This coverage form ONLY applies to PART – III OTHER PERSONAL LIABILITY COVERAGES, PART IV – OTHER COMMERCIAL LIABILITY COVERAGES, PART V – EXCESS PERSONAL LIABILITY COVERAGE, AND PART VI – LIMITED DOCK OWNERS LIABILITY**

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

## **MORTGAGEE CLAUSE**

This endorsement modifies insurance provided:

### **Mortgage Clause**

1. If a mortgagee is named in this policy, any property loss payable will be paid to the mortgagee and you, as interests appear. If more than one mortgagee is named, the order of payment will be the same as the order of precedence of the mortgages. This does not apply to any liability losses, only property losses.
2. If we deny your claim, that denial will not apply to a valid claim of the mortgagee, if the mortgagee:
  - a. Notifies us of any change in ownership, occupancy or substantial change in risk of which the mortgagee is aware;
  - b. Pays any premium due under this policy on demand if you have neglected to pay the premium; and
  - c. Submits a signed, sworn statement of loss within 60 days after receiving notice from us of your failure to do so. Paragraphs **F. Appraisal**, **H. Suit Against Us** and **J. Loss Payment** under Section **I – Conditions** also apply to the mortgagee.

#### **(1) Appraisal**

If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the "residence premises" is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

- (a). Pay its own appraiser; and
- (b). Bear the other expenses of the appraisal and umpire equally.

#### **(2) Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under Section **I** of this policy and the action is started within two years after the date of loss.

#### **(3) Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment. Loss will be payable 60 days after we receive your proof of loss and:

- (a). Reach an agreement with you;

**This coverage form ONLY applies to PART – III OTHER PERSONAL LIABILITY COVERAGES, PART IV – OTHER COMMERCIAL LIABILITY COVERAGES, PART V – EXCESS PERSONAL LIABILITY COVERAGE, AND PART VI – LIMITED DOCK OWNERS LIABILITY**

- (b). There is an entry of a final judgment; or
  - (c). There is a filing of an appraisal award with us.
3. If we decide to cancel or not to renew this policy, the mortgagee will be notified at least 10 days before the date cancellation or nonrenewal takes effect.
  4. If we pay the mortgagee for any loss and deny payment to you:
    - a. We are subrogated to all the rights of the mortgagee granted under the mortgage on the property; or
    - b. At our option, we may pay to the mortgagee the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the mortgage debt.
  5. Subrogation will not impair the right of the mortgagee to recover the full amount of the mortgagee's claim.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

In consideration of the premium charged, it is agreed that the following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This coverage form ONLY applies to PART I - HOMEOWNERSWRAP<sup>SM</sup>, PART II – PERSONAL ARTICLES, PART IV – OTHER COMMERCIAL LIABILITY COVERAGES, & PART VI – LIMITED DOCK OWNERS LIABILITY**

## **COMMON POLICY CONDITIONS**

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

### **A. Cancellation**

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

### **B. Changes**

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

### **C. 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.

### **D. Inspections And Surveys**

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake 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. And we do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### **E. Premiums**

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.

### **F. Transfer Of Your Rights And Duties Under This Policy**

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

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

**(Broad Form)**

This endorsement modifies insurance provided under the following:

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

In consideration of the premium charged, it is agreed that:

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

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

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

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

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

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

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

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

This policy form applies only to **PART V – EXCESS PERSONAL LIABILITY COVERAGE**

**FOLLOWING FORM EXCESS PERSONAL LIABILITY COVERAGE FORM**

**THIS INSURANCE IS ISSUED PURSUANT TO SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF AN INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.**

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

**THIS EXCESS POLICY SHALL FOLLOW ALL THE TERMS AND CONDITIONS OF THE UNDERLYING POLICY AND PROVIDE COVERAGE EFFECTIVE UPON EXHAUSTION OF COVERAGE UNDER THE UNDERLYING POLICY. THE COST OF DEFENSE MAY REDUCE AND ELIMINATE THE LIMIT OF LIABILITY FOR THIS POLICY. PLEASE READ THE ENTIRE POLICY CAREFULLY.**

Words and phrases that appear in bold face type have special meaning. Refer to **SECTION II – DEFINITIONS**.

In consideration of the payment of the premium and in reliance upon all statements made and information furnished to the **Company** and to the **Primary Insurer** of the **Underlying Policy**, including the statements made in the application and its attachments submitted therewith, all of which are made a part hereof, and subject to the Declarations and the limitations, conditions, provisions, and other terms of this policy (including any endorsements hereto), the **Company** and the **Named Insured** agree as follows:

**SECTION I. INSURING AGREEMENT**

The **Company** shall indemnify the **Named Insured** for **Ultimate Net Loss** in excess of the **Underlying Policy** in accordance with the terms, conditions and limitations in the **Underlying Policy** in effect at inception, as modified by and subject to the terms, conditions and limitations of this policy in effect at inception. Coverage under this policy shall be effective only after the limit of liability of the **Underlying Policy** has been exhausted by the actual payment of **Ultimate Net Loss** to which this policy applies. Except as provided herein, coverage under this policy shall apply in conformity with and subject to the warranties, limitations, conditions, provisions, and other terms of the **Underlying Policy**. This policy shall not provide more coverage than that provided under the **Underlying Policy** except for the **Limit of Liability** and shall not pay for any Claim that is not covered in the **Underlying Policy**.

**SECTION II. DEFINITIONS**

The following words and phrases that appear throughout this policy are defined as follows:

- A. **Claim(s)** means a claim made or suit brought against the **Insured** and covered under Section II – Liability Coverages in the **Underlying Policy**.
- B. **Claims Expense(s)** means fees charged and all other costs and expenses resulting from the investigation, adjustment, defense, settlement and appeal of a **Claim**.
- C. **Company** means the insurance company designated in Item 6 of the Declarations as providing insurance herein.

- D. **Insured** means the individual(s) designated as **Named Insured** in Item 1 of the Declarations and in the **Underlying Policy**.
- E. **Limit of Liability** means the **Company's** maximum **Limit of Liability** under this policy designated in Item 4 of the Declarations. The term "limit of liability" when it appears in this policy and is not in bold type does not refer to the **Limit of Liability** of this policy.
- F. **Occurrence** shall have the same meaning as specified in the **Underlying Policy**.
- G. **Policy Period** means the period of time designated in the Declarations.
- H. **Primary Insurer** means the insurance company designated in Item 2 of the Declarations.
- I. **Ultimate Net Loss** means the total amount that the **Insured** is legally obligated to pay for a covered **Claim** either by adjudication or a settlement to which the **Company** agrees in writing. **Ultimate Net Loss** includes deductions for recoveries and salvages which have been or will be paid and **Claim Expenses** incurred with respect to **Claim(s)** covered under this policy.
- J. **Underlying Policy** means the policy designated in Item 2 of the Declarations.
- K. **Underlying Policy Limit** means the limit of liability in the **Underlying Policy** designated in Item 5 of the Declarations above which this policy attaches.

### SECTION III. ATTACHMENT AND LIMIT OF LIABILITY

The **Company's** liability shall attach only on a per **Claim** basis and only in the event of exhaustion of the **Underlying Policy Limit** as a result of the actual payment of **Ultimate Net Loss** covered thereunder and shall not attach for any other reason including, but not limited to, uncollectibility (in whole or in part) of the **Underlying Policy**. The risk of uncollectibility of such **Underlying Policy** whether due to financial impairment or insolvency of the **Primary Insurer** or for any other reason, is expressly retained by the **Insured** and is not in any way assumed by the **Company**.

The **Limit of Liability** designated in Item 4 of the Declarations is the most the **Company** will pay as **Ultimate Net Loss** in excess of the **Underlying Policy** for any and all **Claims** occurring during the **Policy Period**.

### SECTION IV. MAINTENANCE OF UNDERLYING POLICY AND UNIMPAIRED UNDERLYING POLICY LIMIT

It is agreed that the **Insured** shall maintain the **Underlying Policy** in full force and effect except for reduction of **Underlying Policy Limit** by payment of **Claim(s)** to which this policy applies.

The **Insured** must immediately notify the **Company** in writing, to the address designated in Section VI herein, of any change in the **Underlying Policy**. Any change not reported to and approved by the **Company** will not be covered by this policy. The **Insured** shall furnish the **Company** copy(ies) of the policy changes. If there is an increase in risk and/or premium of the **Underlying Policy**, then the premium for this policy may be adjusted. For the purpose of determining the attachment of this policy, the limits of the **Underlying Policy** will not be reduced or exhausted by reason of any liability paid thereunder for **Claim(s)** not covered under this policy or any endorsement hereto.

### SECTION V. INCORPORATION OF UNDERLYING POLICY TERMS

This policy is subject to the warranties, definitions, exclusions, terms and conditions of the **Underlying Policy**.

## **SECTION VI. NOTIFICATIONS**

The **Insured** shall, as a condition precedent to coverage under this policy, provide the **Company** written notice of a **Claim** or any situation that could give rise to a **Claim** under this policy or any **Underlying Policy** in the same manner required by the terms and conditions of the **Underlying Policy**.

The **Insured** shall provide written notices of any **Claims** or other matters as soon as practicable to their insurance agent and/or the following:

**The Surplus Lines Agent designated by the Company on the Declarations Page**

## **SECTION VII. INVESTIGATION, DEFENSE AND SETTLEMENT**

The **Company** has no duty to investigate, defend or settle any **Claim** or suit brought against the **Insured** to which this policy applies. However, the **Company** may at its sole discretion and expense elect to participate in the investigation, settlement, or defense of any **Claim** or suit covered by this policy which in the **Company's** opinion involves or appears to involve coverage under this policy, even if the **Underlying Policy** Limit has not been exhausted. If the **Company** elects to so participate, the **Insured** shall fully cooperate with the **Company**. The duty of the **Insured** to cooperate with the **Company** is a condition precedent to coverage under this policy and the **Insured's** failure to cooperate shall relieve the **Company** of its liability.

It is agreed that all **Claim Expenses** incurred by the **Insured** or by the **Company** on behalf of the **Insured** (other than expense associated with the **Company's** voluntary election to participate in the investigation, settlement, or defense of any **Claim**) shall be applied against the **Limit of Liability** shown in Item 4 of the Declarations.

## **SECTION VIII. GENERAL CONDITIONS**

### **A. Policy Territory**

This policy applies only to **Claims** occurring during the Policy Period in the premises state.

### **B. Assignment**

This policy is a contract to the **Insured** (including successors) and may not be assigned. Any purported assignment of this policy or of any interest in this policy by the **Insured** or transfer of interest by operation of law or any act of insolvency on the **Insured's** part shall immediately render this policy canceled as of such date.

### C. Duties in the Event Of Occurrence, Offense, Claim Or Suit

1. The **Insured** must see to it that the **Company** is notified as soon as practicable of an **Occurrence** or an offense, regardless of the amount, which may result in a **Claim**. To the extent possible, notice should include:
  - (a) How, when and where the **Occurrence** or offense took place;
  - (b) The names and addresses of any injured persons and witnesses; and
  - (c) The nature and location of any injury or damage arising out of the **Occurrence** or offense.
2. If a **Claim** is made or suit is brought against the **Insured**, the **Insured** must:
  - (a) Immediately record the specifics of the **Claim** or suit and the date received;
  - (b) Notify the **Company** as soon as practicable;
  - (c) Immediately send to the **Company** copies of any demands, notices, summonses or legal papers received in connection with the **Claim** or suit;
  - (d) Authorize the **Company** to obtain records and other information;
  - (e) Cooperate with the **Company** in the investigation or settlement of the **Claim** or defense against the suit; and
  - (f) Assist the **Company**, upon the **Company's** request, in the enforcement of any right against any person or organization which may be liable to the **Insured** because of injury or damage to which this insurance may also apply.
3. The **Insured** will not, except at the **Insured's** own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without the **Company's** consent.

### D. Payment of Claims

The **Company** will pay **Claims** upon adjudication or settlement or after the entry of a final judgment, provided the **Insured** has complied with all of the terms and conditions of this policy in all material respects and the amount of **Claim** shall have been determined as provided in this policy.

### E. Amendments

This policy, including the Declarations, terms, conditions, limitations, exceptions, and exclusions, together with the endorsements and attached papers, if any, constitutes the entire policy. No change in this policy shall be endorsed hereon or attached thereto without the **Company's** prior written approval. No agent has authority to change this policy or to waive any of its provisions.

### F. Severability

If any provision in this policy is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

### G. Legal Action Against the Company

It is agreed that no legal action may be brought against the **Company** until there has been full compliance with all the terms and conditions of the **Underlying Policy** and of this policy including a written acknowledgement by the **Company** that it agrees that the **Insured** has an obligation to pay or until the amount of the obligation has been finally determined by judgment after trial. No person or organization has a right under this policy to bring the **Company** into an action to determine the **Insured's** liability.

## H. Bankruptcy

It is agreed that the **Insured's** bankruptcy or insolvency shall not relieve the **Company** of its obligations under this policy.

In the event of receivership, insolvency, and/or inability to pay by the **Primary Insurer** for any reason, this policy shall operate as if such **Underlying Policy** were available and collectible. The liability of the **Company** under this policy shall in no way be increased or expanded as a result of such **Primary Insurer's** receivership, insolvency or inability to pay.

## I. Retroactive Limitation Clause

This policy does not apply to:

1. **Claim(s)**, conditions or circumstances which have been notified to an insurer in connection with any other policy which was effective prior to the inception date of this policy; or
2. **Claim(s)**, conditions or circumstances which prior to this policy's inception the **Insured** knew or should have reasonably known could give rise to a **Claim** under this policy.

## J. Cancellation Of Policies In Effect

### 1. Cancellation By You

You may cancel this policy by:

- a. Returning it to us; or
- b. Giving us advance written notice of the date cancellation is to take effect.

### 2. For 90 Days Or Less

- a. If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:
  - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
    - (a) A material misstatement or misrepresentation; or
    - (b) A failure to comply with the underwriting requirements established by the insurer.

### b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage.
- (4) A substantial change in the risk covered by the policy; or
- (5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium, or
- (b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2.b.

## 2. Nonrenewal

- a. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.
- b. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof or notice.

## K. Transfer of Rights of Recovery and Subrogation

If the **Company** makes any payment under this policy, the **Company** shall be subrogated to the **Insured's** rights against any person or organization, including the right to participate with the **Insured** and any **Primary Insurer** in the exercise of all the **Insured's** rights of recovery. The **Insured** shall execute and deliver instruments and papers to the **Company** and do whatever else is necessary to secure such rights. The **Insured** shall do nothing to prejudice such rights.

All payments and settlements obtained by the **Insured** after a settlement under this policy shall be applied as if obtained prior to the settlement and all necessary adjustments shall then be made between the **Insured** and the **Company**.

## L. Other Insurance

If other policies of insurance, in addition to this policy as described in the Declarations, have been issued to the **Insured** which provide similar coverage for **Claim(s)**, in whole or in part, this policy shall apply in excess of those policies and this policy shall not contribute on a pro-rata or other basis with such other insurance. However, with respect to the **Underlying Policy** described in Item 2 of the Declarations this policy shall only apply when the limit of liability is exhausted upon the actual payment by the **Primary Insurer** of **Ultimate Net Loss** and in no way shall this policy contribute on a pro rata basis with the **Underlying Policy**. This policy provision, however, shall not apply with respect to the policies of insurance specifically purchased as contractually excess of this policy and in which this policy is scheduled in writing as **Underlying Policy** (or **Insurance**).

## M. Choice of Law and Jurisdiction

If a dispute arises over the meaning, interpretation or operation of any term, condition, definition or provision of this policy the **Insured** and the **Company** agree that the law of the State of Florida shall apply and that all litigation, arbitration or other form of dispute resolution shall take place in Florida. In the event that the **Insured** and the **Company** agree to resolve the dispute by arbitration, the Commercial Arbitration rules of the American Arbitration Association shall apply.

#### N. Exhaustion of Limits of Liability

The **Company** shall have no responsibilities under this policy once the **Limit of Liability** has been exhausted.

#### SECTION IX. EXCLUSIONS

- A. All the exclusions contained in the **Underlying Policy** or by endorsement thereto are to be applied to this policy.
- B. This policy does not cover any loss, accident, peril, **Occurrence** or any **Claim** if such loss, accident, peril, **Occurrence** or **Claim** is covered under the property coverages of the **Underlying Policy** and, specifically, where the **Underlying Policy** has a section headed "Section 1 – Property Coverages" (whether capitalized or in bold or not), this policy shall not cover any loss, accident, peril, **Occurrence** or **Claim** if such loss, accident, peril, **Occurrence** or **Claim** is paid under Section 1 - Property Coverages under the **Underlying Policy**.

By acceptance of this policy, the **Insured** agrees that the statements contained on the Declarations Page are the **Insured's** agreements and representations and acknowledges that this policy is issued in reliance upon the truth of such representations. This policy, together with any written contracts or representations (attached hereto), contains all agreements existing between the **Insured** and the **Company** or any authorized representative relating to this insurance. This policy and Declarations Page is made and accepted subject to all conditions and agreements in this policy together with other provisions, agreements or conditions, which may be added by endorsement.

**IN WITNESS WHEREOF, this policy is caused to be executed and attested, but this policy shall not be valid unless countersigned in the Declarations Page by a duly authorized representative.**

**FOLLOWING FORM EXCESS PERSONAL LIABILITY DECLARATIONS PAGE**

THIS INSURANCE IS ISSUED PURSUANT TO SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF AN INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.

THIS EXCESS POLICY SHALL FOLLOW ALL THE TERMS AND CONDITIONS OF THE UNDERLYING POLICY AND PROVIDE COVERAGE EFFECTIVE UPON EXHAUSTION OF COVERAGE UNDER THE UNDERLYING POLICY. THE COST OF DEFENSE SHALL REDUCE AND MAY ELIMINATE THE LIMIT OF LIABILITY FOR THIS POLICY. PLEASE READ THE ENTIRE POLICY CAREFULLY.

|                       |                    |
|-----------------------|--------------------|
| <b>Policy Number:</b> | <b>Renewal of:</b> |
|-----------------------|--------------------|

|                                   |                                    |                                                                               |
|-----------------------------------|------------------------------------|-------------------------------------------------------------------------------|
| <b>Inception Date:</b> 00/00/0000 | <b>Expiration Date:</b> 00/00/0000 | <b>12:01 AM Standard Time at the address of the insured as stated herein.</b> |
|-----------------------------------|------------------------------------|-------------------------------------------------------------------------------|

**Item 1:**

|                                  |                                          |
|----------------------------------|------------------------------------------|
| <b>Named Insured and Address</b> | <b>Producing Agency Name and Address</b> |
| <br><br><br>                     | <br><br><br>                             |

**Item 2: Underlying Policy:**

Primary Insurer: \_\_\_\_\_  
Policy Number: \_\_\_\_\_

**Item 3: Premium:**

(1) Premium ..... \$ 0.00  
(2) Surplus Lines Tax ..... \$ 0.00  
(3) Fees ..... \$ 0.00  
(4) Other ( ) ..... \$ 0.00  
(5) Total [Sum of (1) through (4)] ..... \$ 0.00

**Item 4: Limit of Liability:** \$0.00 per claim and in the aggregate

**Item 5: Underlying Policy Limit:** \$0.00 per claim and in the aggregate

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

**This Declarations Page applies only to PART V – EXCESS PERSONAL LIABILITY COVERAGE**

**Item 6: Company:**

**Item 7: This policy is subject to the following forms and endorsement(s):**

| <u>Form Number</u> | <u>Description</u>                              |
|--------------------|-------------------------------------------------|
|                    | Following form Excess Personal Liability Policy |

**Item 8: Scheduled location:**

**Item 9: Surplus Lines Agent:**

In Return For The Payment Of The Premium, And Subject To All The Terms Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy. This Policy Supercedes Any Previous Policy Bearing The Same Number And Policy Period.

**“SURPLUS LINES INSURERS’ POLICY RATES AND FORMS ARE NOT APPROVED BY ANY STATE REGULATORY AGENCY.”**

Premium payable at inception:

countersigned this      day of      , 20

\_\_\_\_\_  
Authorized Representative

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

## **ANIMAL LIABILITY EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

FOLLOWING FORM EXCESS PERSONAL LIABILITY COVERAGE FORM

In consideration of a premium charged, it is agreed that **SECTION IX. EXCLUSIONS** is amended to include the following exclusion:

This policy does not cover **Bodily Injury** or **Property Damage** based upon, arising out of, directly or indirectly, in whole or in part, or in any way involving any animal, whether or not such injury or damage occurs on your premises or any other location.

If either **Bodily Injury** or **Property Damage** is defined in the **Underlying Policy**, such term shall have the same meaning in this Endorsement. If either of the terms is undefined in the **Underlying Policy**, the undefined term(s) will have the following meaning(s) solely for the purposes of this Endorsement:

**Bodily Injury** means bodily injury, bodily harm, sickness or disease sustained by a person, including required care, loss of services and death that results.

**Property Damage** means:

- a. Physical injury to or destruction of tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

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

## LIMITED DOCK OWNERS LIABILITY

### AGREEMENT

We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

### DEFINITIONS

**A.** In this policy, "you" and "your" refer to the "named insured" shown in the Declarations and the spouse if a resident of the same household. "We", "us" and "our" refer to the Company providing this insurance.

**B.** In addition, certain words and phrases are defined as follows:

**1.** "Aircraft Liability", "Hovercraft Liability", "Motor Vehicle Liability" and "Watercraft Liability", subject to the provisions in **b.** below, mean the following:

**a.** Liability for "bodily injury" or "property damage" arising out of the:

- (1) Ownership of such vehicle or craft by an "insured";
- (2) Maintenance, occupancy, operation, use, loading or unloading of such vehicle or craft by any person;
- (3) Entrustment of such vehicle or craft by an "insured" to any person;
- (4) Failure to supervise or negligent supervision of any person involving such vehicle or craft by an "insured"; or
- (5) Vicarious liability, whether or not imposed by law, for the actions of a child or minor involving such vehicle or craft.

**b.** For the purpose of this definition:

- (1) Aircraft means any contrivance used or designed for flight except model or hobby aircraft not used or designed to carry people or cargo;
- (2) Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;
- (3) Watercraft means "watercraft" as defined in this section; and
- (4) Motor vehicle means a "motor vehicle" as defined in this section.

**2.** "Boat Dock" means:

- a.** A dock, jetty or slipway solely owned by an "insured" for (1) their personal use; (2) the purpose of loading or unloading a watercraft, or (3) mooring such watercraft when not in use;
- b.** A dock, jetty or slipway located at the "Insured location" shown in the Declarations; and
- c.** Any structure built to be attached to the dock, jetty or slipway for purposes of being used in conjunction with the purpose of the dock, jetty or slipway

**3.** "Bodily injury" means bodily harm, sickness or disease, including required care, loss of services and death that results.

**4.** "Business" means:

- a.** A trade, profession or occupation engaged in on a full-time, part-time or occasional basis; or
- b.** The rental or business related to the rental of an "insured location". This includes the rental or holding for rental of any watercraft as defined in this section.
- c.** Any other activity engaged in for money or other compensation.

**5.** "Employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm under an agreement between an "insured" and the labor leasing firm, whose duties are other than those performed by a "residence employee".

**6.** "Insured" means:

- a.** You and residents of your household who are:
  - (1) Your relatives; or
  - (2) Other persons under the age of 21 and in your care or the care of a resident of your household who is your relative;
- b.** A student enrolled in school full-time, as defined by the school, who was a resident of your household before moving out to attend school, provided the student is under the age of:

- (1) 24 and your relative; or
  - (2) 21 and in your care or the care of a resident of your household who is your relative; or
  - c. With respect to animals or watercraft to which this policy applies, any person or organization legally responsible for these animals or watercraft which are owned by you or any person described in **6.a.** or **b.** "Insured" does not mean a person or organization using or having custody of these animals or watercraft in the course of any "business" or without consent of the owner.
  - d. With respect to a "motor vehicle" to which this policy applies:
    - (1) Persons while engaged in your employ or that of any person described in **a.** or **b.** above; or
    - (2) Other persons using the vehicle on an "insured location" with your consent.
- Under Section I, when the word an immediately precedes the word "insured", the words an "insured" together mean one or more "insureds".
7. "Insured location" means:
- a. The "boat dock" owned by, rented by, or leased to an insured shown in the Declarations;
  - b. Land owned by or rented to an "insured" on which the "dock" described in **a.** above is situated.
8. "Motor vehicle" means:
- a. A self-propelled land or amphibious vehicle; or
  - b. Any trailer or semitrailer which is being carried on, towed by or hitched for towing by a vehicle described in **a.** above.
9. "Occurrence" means an accident which occurs at the "insured location", including continuous or repeated exposure to substantially the same general harmful conditions, which results, during the policy period, in:
- a. "Bodily injury"; or
  - b. "Property damage".
10. "Property damage" means physical injury to, destruction of, or loss of use of tangible property.

11. "Residence employee" means an employee of an "insured", or an employee leased to an "insured" by a labor leasing firm, under an agreement between an "insured" and the labor leasing firm, whose duties are related to the maintenance or use of the "boat dock", including household or domestic services.

A "residence employee" does not include a temporary employee who is furnished to an "insured" to substitute for a permanent "residence employee" on leave or to meet seasonal or short-term workload conditions.

12. "Suit" means a civil proceeding in which damages because of "bodily injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
13. "Watercraft" means a craft principally designed to be propelled on or in water by wind, engine power or electric motor.

## LIABILITY COVERAGES

### A. Coverage A – Premises Liability

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

- 1. Pay up to our limit of liability for the damages for which an "insured" is legally liable. Damages include prejudgment interest awarded against an "insured"; and

2. Provide a defense at our expense by counsel of our choice, even if the suit is groundless, false or fraudulent. We may investigate and settle any claim or suit that we decide is appropriate. Our duty to settle or defend ends when our limit of liability for the "occurrence" has been exhausted by payment of a judgment or settlement.

This Coverage **A** applies only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance or use of the "insured location" shown in the Declarations.

#### **B. Coverage B – Medical Payments To Others**

We will pay the necessary medical expenses that are incurred or medically ascertained within three years from the date of an accident causing "bodily injury". Medical expenses means reasonable charges for medical, surgical, x-ray, dental, ambulance, hospital, professional nursing, prosthetic devices and funeral services. This coverage does not apply to you or regular residents of your household except "residence employees". As to others, this coverage applies only:

1. To a person on the "insured location" with the permission of an "insured"; or
2. To a person off the "insured location", if the "bodily injury":
  - a. Arises out of a condition on the "insured location" or the ways immediately adjoining; or
  - b. Is caused by a "residence employee" in the course of the "residence employee's" employment by an "insured".

This Coverage **B** applies only with respect to "bodily injury" and "property damage" arising out of the ownership, maintenance or use of the "boat dock" on the "insured location" shown in the Declarations.

#### **EXCLUSIONS**

This insurance does not apply to:

##### **A. "Watercraft Liability"**

This policy does not cover "watercraft liability".

##### **B. "Motor Vehicle Liability"**

This policy does not cover "motor vehicle liability".

##### **C. "Aircraft Liability"**

This policy does not cover "aircraft liability".

##### **D. "Hovercraft Liability"**

This policy does not cover "hovercraft liability".

##### **E. Expected Or Intended Injury**

"Bodily injury" or "property damage" which is expected or intended by an "insured", even if the resulting "bodily injury" or "property damage":

- a. Is of a different kind, quality or degree than initially expected or intended; or
- b. Is sustained by a different person, entity or property than initially expected or intended.

However, this exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force by an "insured" to protect persons or property;

##### **F. "Business"**

"Bodily injury" or "property damage" arising out of or in connection with a "business" conducted from an "insured location" or engaged in by an "insured", whether or not the "business" is owned or operated by an "insured" or employs an "insured".

This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the "business".

##### **G. Professional Services**

"Bodily injury" or "property damage" arising out of the rendering of or failure to render professional services;

##### **H. "Insured's" Premises Not An "Insured Location"**

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

- a. Owned by an "insured";
- b. Rented to an "insured"; or
- c. Rented to others by an "insured"; that is not an "insured location";

##### **I. War**

"Bodily injury" or "property damage" caused directly or indirectly by war, including the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel; or
- c. Destruction, seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental;

##### **J. Communicable Disease**

"Bodily injury" or "property damage" arising out of the transmission of a communicable disease by an "insured";

**K. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse**

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse; or

**L. Controlled Substance**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

**M. Boat Lift Or Similar Mechanical Device**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, occupancy, operation, or use of a machine used for maneuvering boats into and out of the water at the "insured location", including but not limited to the loading or unloading of boats from the "boat dock".

**N. Coverage A – Premises Liability**

Coverage **A** does not apply to:

**1. Liability:**

- a. For any loss assessment charged against you as a member of an association, corporation or community of property owners, except as provided in **C. Loss Assessment** under **ADDITIONAL COVERAGES**;

- b. Under any contract or agreement entered into by an "insured". However, this exclusion does not apply to written contracts:

- (1) That directly relate to the ownership, maintenance or use of an "insured location"; or

- (2) Where the liability of others is assumed by you prior to an "occurrence";  
unless excluded in **a.** above or elsewhere in this policy;

- 2. "Property damage" to property owned by an "insured". This includes costs or expenses incurred by an "insured" or others to repair, replace, enhance, restore or maintain such property to prevent injury to a person or damage to property of others, whether on or away from an "insured location";

- 3. "Property damage" to property rented to, occupied or used by or in the care of an "insured". This exclusion does not apply to "property damage" caused by fire, smoke or explosion;

- 4. "Bodily injury" to any person eligible to receive any benefits voluntarily provided or required to be provided by an "insured" under any:

- a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;

- 5. "Bodily injury" or "property damage" for which an "insured" under this policy:

- a. Is also an insured under a nuclear energy liability policy issued by the:

- (1) Nuclear Energy Liability Insurance Association;

- (2) Mutual Atomic Energy Liability Underwriters;

- (3) Nuclear Insurance Association of Canada;

- or any of their successors; or

- b. Would be an insured under such a policy but for the exhaustion of its limit of liability; or

- 6. "Bodily injury" to an "insured".

This exclusion also applies to any claim made or "suit" brought against an "insured" to:

- a. Repay; or
  - b. Share damages with;

another person who may be obligated to pay damages because of "bodily injury" to an "insured".

**O. Coverage B – Medical Payments To Others**

Coverage **B** does not apply to "bodily injury":

- 1. To a "residence employee" if the "bodily injury":

- a. Occurs off the "insured location"; and
  - b. Does not arise out of or in the course of the "residence employee's" employment by an "insured";

- 2. To any person eligible to receive benefits voluntarily provided or required to be provided under any:

- a. Workers' compensation law;
  - b. Non-occupational disability law; or
  - c. Occupational disease law;

3. From any:

- a. Nuclear reaction;
  - b. Nuclear radiation; or
  - c. Radioactive contamination;  
all whether controlled or uncontrolled or however caused; or
  - d. Any consequence of any of these; or
4. To any person, other than a "residence employee" of an "insured", regularly residing on any part of the "insured location" or the property upon which the "insured location" is located.

Exclusions **A.** "Watercraft Liability", **B.** "Motor Vehicle Liability", **C.** "Aircraft Liability", **D.** "Hovercraft Liability" and **H.** "Insured's" Premises Not An "Insured Location" do not apply to "bodily injury" to a "residence employee" arising out of and in the course of the "residence employee's" employment by an "insured".

#### ADDITIONAL COVERAGES

We cover the following in addition to the limits of liability:

##### A. Claim Expenses

We pay:

- 1. Expenses we incur and costs taxed against an "insured" in any "suit" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured";
- 2. Premiums on bonds required in a suit we defend, but not for bond amounts more than the applicable limit of liability. We need not apply for or furnish any bond;
- 3. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) up to \$250 per day, for assisting us in the investigation or defense of a claim or suit; and
- 4. Interest on the entire judgment which accrues after entry of the judgment and before we pay or tender, or deposit in court that part of the judgment which does not exceed the limit of liability that applies.

##### B. First Aid Expenses

We will pay expenses for first aid to others incurred by an "insured" for "bodily injury" covered under this policy. We will not pay for first aid to an "insured".

#### C. Loss Assessment

- 1. We will pay up to \$1,000 for your share of loss assessment charged against you, as owner of the "insured location", during the policy period by a corporation or association of property owners, when the assessment is made as a result of:
  - a. "Bodily injury" or "property damage" not excluded from coverage under **EXCLUSIONS**; or
  - b. Liability for an act of a director, officer or trustee in the capacity as a director, officer or trustee, provided such person:
    - (1) Is elected by the members of a corporation or association of property owners; and
    - (2) Serves without deriving any income from the exercise of duties which are solely on behalf of a corporation or association of property owners.
- 2. Regardless of the number of assessments, the limit of \$1,000 is the most we will pay for loss arising out of:
  - a. One "occurrence", including continuous or repeated exposure to substantially the same general harmful condition; or
  - b. A covered act of a director, officer or trustee. An act involving more than one director, officer or trustee is considered to be a single act.
- 3. We do not cover assessments charged against you or a corporation or association of property owners by any governmental body.

#### CONDITIONS

##### A. Limit Of Liability

Our total liability under Coverage **A** for all damages resulting from any one "occurrence" will not be more than the Coverage **A** Limit Of Liability shown in the Declarations. This limit is the same regardless of the number of "insureds", claims made or persons injured. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

Our total liability under Coverage **B** for all medical expense payable for "bodily injury" to one person as the result of one accident will not be more than the Coverage **B** Limit Of Liability shown in the Declarations.

## **B. Severability Of Insurance**

This insurance applies separately to each "insured". This condition will not increase our limit of liability for any one "occurrence".

## **C. Duties After "Occurrence"**

In case of an "occurrence", you or another "insured" will perform the following duties that apply. We have no duty to provide coverage under this policy if your failure to comply with the following duties is prejudicial to us. You will help us by seeing that these duties are performed:

1. Give written notice to us or our agent as soon as is practical, which sets forth:
  - a. The identity of the policy and the "named insured" shown in the Declarations;
  - b. Reasonably available information on the time, place and circumstances of the "occurrence"; and
  - c. Names and addresses of any claimants and witnesses;
2. Cooperate with us in the investigation, settlement or defense of any claim or suit;
3. Promptly forward to us every notice, demand, summons or other process relating to the "occurrence";
4. At our request, help us:
  - a. To make settlement;
  - b. To enforce any right of contribution or indemnity against any person or organization who may be liable to an "insured";
  - c. With the conduct of suits and attend hearings and trials; and
  - d. To secure and give evidence and obtain the attendance of witnesses;
5. No "insured" shall, except at such "insured's" own cost, voluntarily make payment, assume obligation or incur expense other than for first aid to others at the time of the "bodily injury".

## **D. Duties Of An Injured Person – Coverage B – Medical Payments To Others**

1. The injured person or someone acting for the injured person will:
  - a. Give us written proof of claim, under oath if required, as soon as is practical; and
  - b. Authorize us to obtain copies of medical reports and records.
2. The injured person will submit to a physical exam by a doctor of our choice when and as often as we reasonably require.

## **E. Payment Of Claim – Coverage B – Medical Payments To Others**

Payment under this coverage is not an admission of liability by an "insured" or us.

## **F. Suit Against Us**

1. No action can be brought against us unless there has been full compliance with all of the terms under this **CONDITIONS**.
2. No one will have the right to join us as a party to any action against an "insured".
3. Also, no action with respect to Coverage **A** can be brought against us until the obligation of such "insured" has been determined by final judgment or agreement signed by us.

## **G. Bankruptcy Of An "Insured"**

Bankruptcy or insolvency of an "insured" will not relieve us of our obligations under this policy.

## **H. Other Insurance**

This insurance is excess over other valid and collectible insurance except insurance written specifically to cover as excess over the limits of liability that apply in this policy.

## **I. Policy Period**

This policy applies only to "bodily injury" or "property damage" which occurs during the policy period.

## **J. Concealment Or Fraud**

We do not provide coverage to an "insured" who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
  2. Engaged in fraudulent conduct; or
  3. Made false statements;
- relating to this insurance.

## **K. Liberalization Clause**

If we make a change which broadens coverage under this edition of our policy without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 60 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this policy; or
2. An amendatory endorsement.

#### **L. Waiver Or Change Of Policy Provisions**

A waiver or change of a provision of this policy must be in writing by us to be valid. Our request for an appraisal or examination will not waive any of our rights.

#### **M. Cancellation**

1. You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.
2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice:
  - a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
  - b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
  - c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel:
    - (1) If there has been a material misrepresentation of fact which if known to us would have caused us not to issue the policy; or
    - (2) If the risk has changed substantially since the policy was issued.This can be done by letting you know at least 30 days before the date cancellation takes effect.
  - d. When this policy is written for a period of more than one year, we may cancel for any reason at anniversary by letting you know at least 30 days before the date cancellation takes effect.
3. When this policy is canceled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata.

However, if a claim has been made under this policy, or if circumstances likely to give rise to a claim has been notified, then the premium will be deemed fully earned and no refund of premium shall be made.

4. If a return premium is due in part 3. above, and this return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

#### **N. Nonrenewal**

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

#### **O. Assignment**

Assignment of this policy will not be valid unless we give our written consent.

#### **P. Subrogation**

An "insured" may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, an "insured" must sign and deliver all related papers and cooperate with us.

Subrogation does not apply to Coverage B.

#### **Q. Death**

If any person named in the Declarations or the spouse, if a resident of the same household, dies, this policy will extend to the legal representative of the deceased but only with respect to the legal liability of the deceased covered under this Policy arising from the Insured location, at the time of death.

In the event you wish to make a claim under this policy, please first contact your licensed agent for guidance and assistance in reporting the loss directly to Coastal Insurance Underwriters via email to [claims@ciuins.com](mailto:claims@ciuins.com). Losses may also be reported directly to the carrier:

Vanguard Claims Administration, Inc.  
108 Euclid Street  
Woodbury, NJ 08096  
Telephone: (856)853-8200  
Email: [claims@vanguardclaims.com](mailto:claims@vanguardclaims.com)

In the event you wish to make a complaint, please contact:

Phone: (904)285-7683  
Email: [plinfo@ciuins.com](mailto:plinfo@ciuins.com)  
Mail: P. O. Box 3140, Ponte Vedra Beach, FL 32004

All other provisions of this Policy apply.

SAMPLE

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

## **SPECIAL PROVISIONS – CALIFORNIA**

### **PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS**

Under **E. Cancellation**, Paragraphs **2.b.**, **2.c.**, **2.d.**, **3.** and **4.** are replaced by the following:

- b.** When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 20 days before the date cancellation takes effect.
- c.** When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if there has been:
  - (1)** Conviction of a crime having as one of its necessary elements an act increasing the hazard insured against;
  - (2)** Discovery of fraud or material misrepresentation by:
    - (a)** The named insured or a representative of the named insured in obtaining this Policy; or
    - (b)** The named insured in pursuing a claim under this Policy;
  - (3)** Discovery of grossly negligent acts or omissions substantially increasing any of the hazards insured against; or
  - (4)** Physical changes in the property insured against which result in the property becoming uninsurable.

This can be done by notifying you at least 30 days before the date cancellation takes effect.

- d.** When this Policy is written for a period longer than one year, we may cancel for any reason at anniversary by letting you know at least 45 days before the date cancellation takes effect.
- 3.** When this Policy is cancelled, the premium for the period from the date of cancellation to the expiration date will be refunded pro rata. However, the refund may be less than pro rata if we made a loan to you for the purpose of payment of premiums for this Policy.

- 4.** If we cancel this Policy, the return premium will be refunded within 25 business days after we send the cancellation notice to you. When you request cancellation, the return premium will be refunded within 25 business days of the date when we receive your notice of cancellation.

The following condition is added:

### **F. Nonrenewal**

- 1.** We may elect not to renew this Policy, subject to the provisions of **2.** below. We may do so by delivering to you, at your mailing address shown in the Declarations, written notice at least 75 days before the expiration date of this Policy. Proof of mailing will be sufficient proof of notice.

If we fail to give you notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this Policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to you. A notice to this effect shall be provided by us to you with the notice of nonrenewal.

- 2.** We will not refuse to renew this Policy:
  - a.** Solely on the grounds that a claim is pending under the Policy; or
  - b.** Solely on the basis of the age of a person insured under this Policy.
- 3.** If this Policy is written for a period of less than one year, we agree not to refuse to renew except at the end of an annual period commencing with the original or renewal effective date.

All other provisions of this Policy apply.

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **CALIFORNIA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Paragraphs 2. and 3. of the Cancellation Common Policy Condition are replaced by the following:**

#### **2. All Policies In Effect For 60 Days Or Less**

If this policy has been in effect for 60 days or less, and is not a renewal of a policy we have previously issued, we may cancel this policy by mailing or delivering to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, advance written notice of cancellation, stating the reason for cancellation, at least:

**a.** 10 days before the effective date of cancellation if we cancel for:

**(1)** Nonpayment of premium; or

**(2)** Discovery of fraud by:

**(a)** Any insured or his or her representative in obtaining this insurance; or

**(b)** You or your representative in pursuing a claim under this policy.

**b.** 30 days before the effective date of cancellation if we cancel for any other reason.

#### **3. All Policies In Effect For More Than 60 Days**

**a.** If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only upon the occurrence, after the effective date of the policy, of one or more of the following:

**(1)** Nonpayment of premium, including payment due on a prior policy we issued and due during the current policy term covering the same risks.

**(2)** Discovery of fraud or material misrepresentation by:

**(a)** Any insured or his or her representative in obtaining this insurance; or

**(b)** You or your representative in pursuing a claim under this policy.

**(3)** A judgment by a court or an administrative tribunal that you have violated a California or Federal law, having as one of its necessary elements an act which materially increases any of the risks insured against.

- (4) Discovery of willful or grossly negligent acts or omissions, or of any violations of state laws or regulations establishing safety standards, by you or your representative, which materially increase any of the risks insured against.
  - (5) Failure by you or your representative to implement reasonable loss control requirements, agreed to by you as a condition of policy issuance, or which were conditions precedent to our use of a particular rate or rating plan, if that failure materially increases any of the risks insured against.
  - (6) A determination by the Commissioner of Insurance that the:
    - (a) Loss of, or changes in, our reinsurance covering all or part of the risk would threaten our financial integrity or solvency; or
    - (b) Continuation of the policy coverage would:
      - (i) Place us in violation of California law or the laws of the state where we are domiciled; or
      - (ii) Threaten our solvency.
    - (7) A change by you or your representative in the activities or property of the commercial or industrial enterprise, which results in a materially added, increased or changed risk, unless the added, increased or changed risk is included in the policy.
  - b. We will mail or deliver advance written notice of cancellation, stating the reason for cancellation, to the first Named Insured, at the mailing address shown in the policy, and to the producer of record, at least:
    - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium or discovery of fraud; or
    - (2) 30 days before the effective date of cancellation if we cancel for any other reason listed in Paragraph 3.a.
- B. The following provision is added to the Cancellation Common Policy Condition:**
- 7. Residential Property**
- This provision applies to coverage on real property which is used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household personal property in a residential unit, if such coverage is written under one of the following:
- Commercial Property Coverage Part  
Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form
- a. If such coverage has been in effect for 60 days or less, and is not a renewal of coverage we previously issued, we may cancel this coverage for any reason, except as provided in b. and c. below.
  - b. We may not cancel this policy solely because the first Named Insured has:
    - (1) Accepted an offer of earthquake coverage; or
    - (2) Cancelled or did not renew a policy issued by the California Earthquake Authority (CEA) that included an earthquake policy premium surcharge.

However, we shall cancel this policy if the first Named Insured has accepted a new or renewal policy issued by the CEA that includes an earthquake policy premium surcharge but fails to pay the earthquake policy premium surcharge authorized by the CEA.
  - c. We may not cancel such coverage solely because corrosive soil conditions exist on the premises. This restriction (c.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
    - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
    - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.

d. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not cancel this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred. However, we may cancel:

- (1) When you have not paid the premium, at any time by letting you know at least 10 days before the date cancellation takes effect;
- (2) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against; or
- (3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.

C. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. Subject to the provisions of Paragraphs C.2. and C.3. below, if we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at least 60 days, but not more than 120 days, before the expiration or anniversary date.

We will mail or deliver our notice to the first Named Insured, and to the producer of record, at the mailing address shown in the policy.

**2. Residential Property**

This provision applies to coverage on real property used predominantly for residential purposes and consisting of not more than four dwelling units, and to coverage on tenants' household property contained in a residential unit, if such coverage is written under one of the following:

Commercial Property Coverage Part

Farm Coverage Part – Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form

a. If this policy provides coverage as described in the preceding paragraph, and we elect not to renew this policy, we will mail or deliver written notice, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, and to the producer of record, at the mailing address shown in the policy, at least 75 days, but not more than 120 days, before the expiration or anniversary date.

If we fail to give the first Named Insured shown in the Declarations notice of nonrenewal at least 75 days prior to the policy expiration, as required in the paragraph above, this policy, with no change in its terms and conditions, shall remain in effect for 75 days from the date that the notice of nonrenewal is delivered or mailed to the Named Insured. A notice to this effect shall be provided by us to the first Named Insured with the notice of nonrenewal.

b. We may elect not to renew such coverage for any reason, except as provided in Paragraphs c., d. and e. below.

c. We will not refuse to renew such coverage solely because the first Named Insured has accepted an offer of earthquake coverage.

However, the following applies only to insurers who are associate participating insurers as established by Cal. Ins. Code Section 10089.16. We may elect not to renew such coverage after the first Named Insured has accepted an offer of earthquake coverage, if one or more of the following reasons applies:

- (1) The nonrenewal is based on sound underwriting principles that relate to the coverages provided by this policy and that are consistent with the approved rating plan and related documents filed with the Department of Insurance as required by existing law;

- (2) The Commissioner of Insurance finds that the exposure to potential losses will threaten our solvency or place us in a hazardous condition. A hazardous condition includes, but is not limited to, a condition in which we make claims payments for losses resulting from an earthquake that occurred within the preceding two years and that required a reduction in policyholder surplus of at least 25% for payment of those claims; or
- (3) We have:
  - (a) Lost or experienced a substantial reduction in the availability or scope of reinsurance coverage; or
  - (b) Experienced a substantial increase in the premium charged for reinsurance coverage of our residential property insurance policies; and

the Commissioner has approved a plan for the nonrenewals that is fair and equitable, and that is responsive to the changes in our reinsurance position.
- d. We will not refuse to renew such coverage solely because the first Named Insured has cancelled or did not renew a policy, issued by the California Earthquake Authority, that included an earthquake policy premium surcharge.
- e. We will not refuse to renew such coverage solely because corrosive soil conditions exist on the premises. This restriction (e.) applies only if coverage is subject to one of the following, which exclude loss or damage caused by or resulting from corrosive soil conditions:
  - (1) Commercial Property Coverage Part – Causes Of Loss – Special Form; or
  - (2) Farm Coverage Part – Causes Of Loss Form – Farm Property, Paragraph D. Covered Causes Of Loss – Special.
- f. If a state of emergency under California Law is declared and the residential property is located in any ZIP Code within or adjacent to the fire perimeter, as determined by California Law, we may not nonrenew this policy for one year, beginning from the date the state of emergency is declared, solely because the dwelling or other structure is located in an area in which a wildfire has occurred.

However, we may nonrenew:

- (1) If willful or grossly negligent acts or omissions by the Named Insured, or his or her representatives, are discovered that materially increase any of the risks insured against;
  - (2) If losses unrelated to the postdisaster loss condition of the property have occurred that would collectively render the risk ineligible for renewal; or
  - (3) If there are physical changes in the property insured against, beyond the catastrophe-damaged condition of the structures and surface landscape, which result in the property becoming uninsurable.
3. We are not required to send notice of nonrenewal in the following situations:
- a. If the transfer or renewal of a policy, without any changes in terms, conditions or rates, is between us and a member of our insurance group.
  - b. If the policy has been extended for 90 days or less, provided that notice has been given in accordance with Paragraph C.1.
  - c. If you have obtained replacement coverage, or if the first Named Insured has agreed, in writing, within 60 days of the termination of the policy, to obtain that coverage.
  - d. If the policy is for a period of no more than 60 days and you are notified at the time of issuance that it will not be renewed.
  - e. If the first Named Insured requests a change in the terms or conditions or risks covered by the policy within 60 days of the end of the policy period.
  - f. If we have made a written offer to the first Named Insured, in accordance with the timeframes shown in Paragraph C.1., to renew the policy under changed terms or conditions or at an increased premium rate, when the increase exceeds 25%.

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

## **COLORADO CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

- 2.** If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**B.** The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For 60 Days Or More**

- a.** If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:
  - (1)** Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
  - (2)** At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** A false statement knowingly made by the insured on the application for insurance; or
- (3)** A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

**C.** The following is added and supersedes any other provision to the contrary:

**NONRENEWAL**

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

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

D. The following condition is added:

**INCREASE IN PREMIUM OR DECREASE IN COVERAGE**

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

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

SAMPLE

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

## **COLORADO CHANGES – CIVIL UNION**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

**A. The term "spouse" is replaced by the following:**

Spouse or party to a civil union recognized under Colorado law.

**B. Under the Commercial Automobile Coverage Part, the term "family member" is replaced by the following and supersedes any other provisions to the contrary:**

"Family member" means a person related to:

1. The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
2. The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individuals endorsement is attached.

**C. With respect to coverage for the ownership, maintenance or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:**

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of your household, including a ward or foster child.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – COLORADO

### DEFINITIONS

Paragraph **A.** is replaced by the following:

**A.** In this Policy, "you" and "your" refer to the "named insured" shown in the Declarations and:

1. The spouse; or
2. A party who, with the "named insured", has entered into a civil union recognized under Colorado law;

if a resident of the same household.

"We", "us" and "our" refer to the company providing this insurance.

### CONDITIONS

Paragraph **A. Limit Of Liability** is replaced by the following:

#### **A. Limit Of Liability**

1. Our total liability under Coverage **L** from any one "occurrence" will not be more than the Limit Of Liability for Coverage **L** as shown in the Declarations. All "bodily injury" and "property damage" resulting from any one accident or from continuous or repeated exposure to substantially the same general harmful conditions shall be considered to be the result of one "occurrence".

2. Subject to Paragraph **1.**, our total liability under Coverage **L** for the value of services required to contribute to the rehabilitation of a child or minor for damages for which an "insured" is legally liable because of vicarious liability is \$10,000. This applies whether or not the vicarious liability is statutorily imposed, for the actions of a child or minor, if such vicarious liability is not otherwise excluded. This special limit does not increase the Coverage **L** – Limit Of Liability.
3. The Limit of Liability in **1.** above and the special limit in **2.** above apply regardless of the number of "insureds", claims made or persons injured.
4. Our total liability under Coverage **M** for all medical expense payable for "bodily injury" to one person as a result of one accident will be more than the Limit Of Liability for Coverage **M** as shown in the Declarations.

This condition does not apply with respect to damages arising out of "fungi", wet or dry rot, or bacteria when Endorsement **DL 24 71** is attached.

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – COLORADO

### PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

Paragraph **D. Death** is replaced by the following:

#### **D. Death**

If any person named in the Declarations, or:

1. The spouse, if a resident of the same household; or
2. A party who, with the "named insured", has entered into a civil union recognized under Colorado law, if a resident of the same household;

dies, the following will apply:

1. We insure the legal representative of the deceased, but only with respect to the premises and property of the deceased covered under the Policy at the time of death; and

#### 2. "Insured" includes:

- a. An "insured" who is a member of your household at the time of your death, but only while a resident of the "residence premises"; and
- b. With respect to your property, the person having proper temporary custody of the property until appointment and qualification of a legal representative.

All other provisions of this Policy apply.

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

## **COLORADO CHANGES**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM (CLAIMS-MADE VERSION)

A. Condition **10. Your Right To Claim And "Occurrence" Information** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

**10. Your Right To Claim And Occurrence Information**

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding general liability claims-made Coverage Part we have issued to you during the previous three years:

- a. A list or other record of each "occurrence", not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition (Section **IV**). We will include the date and brief description of the "occurrence" if that information was in the notice we received.
- b. A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable General Aggregate Limit and Products-Completed Operations Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

If we cancel or elect not to renew this Coverage Part, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named Insured within 60 days after the end of the policy period. In this case, we will provide this information within 30 days of receipt of the request.

We compile claim and "occurrence" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

B. **Section V – Extended Reporting Periods** is replaced by the following:

1. We will provide an Extended Reporting Period, as described below, if:
  - a. This Coverage Part is cancelled or not renewed; or
  - b. We renew or replace this Coverage Part with insurance that:
    - (1) Has a Retroactive Date later than the date shown in the Declarations of this Coverage Part; or
    - (2) Does not apply to "bodily injury", "property damage" or "personal and advertising injury" on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to claims for:
  - a. "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
  - b. "Personal and 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.

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

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period and lasts for:

- a. Five years with respect to claims because of "bodily injury" and "property damage" arising out of an "occurrence" reported to us, not later than 60 days after the end of the policy period, in accordance with Paragraph 2.a. of the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition in Section IV – Commercial General Liability Conditions;
- b. Five years with respect to claims because of "personal and advertising injury" arising out of an offense reported to us, not later than 60 days after the end of the policy period, in accordance with Paragraph 2.a. of the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition in Section IV – Commercial General Liability Conditions; and
- c. Sixty days with respect to claims arising from "occurrences" or offenses not previously reported to us.

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.

The Basic Extended Reporting Period does not apply if the Supplemental Extended Reporting Period is purchased.

4. The Basic Extended Reporting Period does not reinstate or increase the Limits of Insurance.
5. A Supplemental Extended Reporting Period of unlimited duration is available, but only by an endorsement and for an extra charge. This supplemental period starts with the end of the policy period.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The exposures insured;
- b. Previous types and amounts of insurance;
- c. Limits of Insurance available under this Coverage Part for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 200% of the annual premium for this Coverage Part.

This 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 Period starts.

6. If the Supplemental Extended Reporting Period is in effect, we will provide the separate aggregate limits of insurance described below, but only for claims first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limits of insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for each of the following limits of insurance for which a dollar amount has been entered:

General Aggregate Limit

Products-Completed Operations Aggregate Limit

Paragraphs 2. and 3. of Section III – Limits Of Insurance will be amended accordingly. The Personal and Advertising Injury Limit, the Each Occurrence Limit and the Damage To Premises Rented To You Limit shown in the Declarations will then continue to apply, as set forth in Paragraphs 4., 5. and 6. of that section.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS - FLORIDA

This endorsement modifies insurance provided under the following:

### PERSONAL LIABILITY COVERAGE FORM

In consideration of the premium charged, it is agreed that:

#### PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

##### E. Cancellation

Paragraphs 1, 2., 3. and 4. are deleted and replaced by the following:

##### 1. Cancellation By You

You may cancel this policy by:

- a. Returning it to us; or
- b. Giving us advance written notice of the date cancellation is to take effect.

##### 2. Cancellation By Us

##### a. For 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering at the last mailed address known to us to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for non payment of premium; or
- (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
  - (a) A material misstatement or misrepresentation; or
  - (b) A failure to comply with the underwriting requirements established by the insurer.

##### b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;
- (4) A substantial change in the risk covered by the policy; or
- (5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2. B.

##### 3. Other Cancellation Of Policies Provisions

If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 30 working days after the date cancellation takes effect, unless this is an audit policy.

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

- 4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

The following conditions are added:

#### **F. Nonrenewal**

a. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

b. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

#### **G. Renewal Notification**

If we elect to renew this policy, we will let you know, in writing:

1. Of our decision to renew this policy; and
2. The amount of renewal premium payable to us.

This notice will be delivered to you or mailed to you at your mailing address shown in the Declarations at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM (Corporate-Owned 1-4 Family)

In consideration of the premium charged, it is agreed that:

A. Condition A. **Cancellation** is deleted and replaced by the following:

#### A. Cancellation

##### 1. Cancellation By You

You may cancel this policy by:

- a. Returning it to us; or
- b. Giving us advance written notice of the date cancellation is to take effect.

##### 2. Cancellation By Us

###### a. For 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering at the last mailed address known to us to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if we cancel for non-payment of premium; or
- (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

- (a) A material misstatement or misrepresentation; or

- (b) A failure to comply with the underwriting requirements established by the insurer.

###### b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy by mailing or delivering at the last mailing address known to us to the first Named Insured written notice of cancellation only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;
- (4) A substantial change in the risk covered by the policy; or
- (5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

- (b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph 2. B.

This notice will be delivered to you or mailed to you at your mailing address shown in the Declarations at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

### 3. Other Cancellation Of Policies Provisions

If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 30 working days after the date cancellation takes effect, unless this is an audit policy.

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

4. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will refund it within a reasonable time after the date cancellation takes effect.

The following conditions are added:

#### G. Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

#### H. Renewal Notification

If we elect to renew this policy, we will let you know, in writing:

1. Of our decision to renew this policy; and
2. The amount of renewal premium payable to us.

**ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – GEORGIA

### PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

Paragraphs 1., 2. and 2.a. of E. **Cancellation** are replaced by the following:

1. You may cancel this Policy at any time by:
  - a. Returning it to us; or
  - b. Giving us or our authorized agent advance notice of cancellation in one of the following ways:
    - (1) Orally;
    - (2) Electronically; or
    - (3) Mailing or delivering to us written notice;stating a future date on which the Policy is to be cancelled, subject to the following:
    - a. If only your interest is affected, the effective date of cancellation will be either the date:
      - (1) This Policy is returned to us;
      - (2) We receive your notice of cancellation; or
      - (3) Specified in the notice;whichever is later.

However, upon our receipt of your notice of cancellation, we may waive the requirement that the notice state the future effective date of cancellation, as provided in either 1.a.(1), 1.a.(2) or 1.a.(3) above, by confirming to you the date and time of cancellation.

- b. If by statute, regulation or contract, this Policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days' notice to you and the third party as soon as practicable after receiving your request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

- (1) 10 days from the date of mailing or delivering our notice; or
- (2) The effective date of cancellation stated in your notice to us.

- c. In the event of oral cancellation, we shall, within 10 days provide you, electronically or in writing, confirmation of such requested cancellation.

- d. We may require that you provide written, electronic or other recorded verification of the request for cancellation prior to such cancellation taking effect.

2. We may cancel this Policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you or mailed to you at your last known mailing address. A receipt provided by, or such other evidence of mailing as prescribed or accepted by, the U.S. Postal Service will be sufficient proof of notice.

- a. When you have not paid the premium, whether payable to us or to our agent, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.

Paragraph 4. is deleted.

Paragraph F. **Nonrenewal** is replaced by the following:

#### F. **Nonrenewal**

We may elect not to renew this Policy. We may do so by delivering to you, or mailing to you at your last known mailing address, written notice at least 30 days before the expiration date of this Policy.

A receipt provided by, or such other evidence of mailing as prescribed or accepted by, the U.S. Postal Service will be sufficient proof of notice.

The following condition is added:

#### G. **Our Right To Recompute Premium**

We established the premium for this Policy based on the statements you made in the application for insurance. We have the right to recompute the premium if we later obtain information which affects the premium we charged.

All other provisions of this Policy apply.

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **GEORGIA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A. Paragraph A.1. of the Cancellation Common Policy Condition is replaced by the following:**

**1.** The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation stating a future date on which the policy is to be cancelled, subject to the following:

**a.** If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.

**b.** If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days' notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

**(1)** 10 days from the date of mailing or delivering our notice; or

**(2)** The effective date of cancellation stated in the first Named Insured's notice to us.

**B. Paragraph A.5. of the Cancellation Common Policy Condition is replaced by the following:**

#### **5. Premium Refund**

**a.** If this policy is cancelled, we will send the first Named Insured any premium refund due.

**b.** If we cancel, the refund will be pro rata, except as provided in **c.** below.

**c.** If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.

**d.** If the first Named Insured cancels, the refund may be less than pro rata.

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

- C. The following is added to the **Cancellation** Common Policy Condition and supersedes any other provisions to the contrary:

If we decide to:

1. Cancel or nonrenew this policy; or
2. Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or
3. Change any policy provision which would limit or restrict coverage;

then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address known to us. Except as applicable as described in Paragraph D. or E. below, we will mail or deliver notice at least:

- a. 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
- c. 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

- D. The following provisions apply to insurance covering residential real property only provided under the:

Capital Assets Program (Output Policy) Coverage Part;

Commercial Property Coverage Part;

Farm Coverage Part;

if the named insured is a natural person.

With respect to such insurance, the following is added to the **Cancellation** Common Policy Condition and supersedes any provisions to the contrary except as applicable as described in Paragraph E.:

1. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by notifying the first Named Insured at least 10 days before the date cancellation takes effect.

2. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:

- a. Nonpayment of premium, whether payable to us or to our agent;
- b. Upon discovery of fraud, concealment of a material fact, or material misrepresentation made by or with the knowledge of any person insured under this policy in obtaining this policy, continuing this policy or presenting a claim under this policy;
- c. Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
- d. Upon the violation of any of the material terms or conditions of this policy by any person insured under this policy.

We may cancel by providing notice to the first Named Insured at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any of the reasons listed in b., c. or d. above.

- E. With respect to a policy that is written to permit an audit, the following is added to the **Cancellation** Common Policy Condition:

If you fail to submit to or allow an audit for the current or most recently expired term, we may cancel this policy subject to the following:

1. We will make two documented efforts to send you and your agent notification of potential cancellation. After the second notice has been sent, we have the right to cancel this policy by mailing or delivering a written notice of cancellation to the first Named Insured at least 10 days before the effective date of cancellation, but not within 20 days of the first documented effort.
2. If we cancel this policy based on your failure to submit to or allow an audit, we will send the written notice of cancellation to the first Named Insured at the last known mailing address by certified mail or statutory overnight delivery with return receipt requested.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS - KENTUCKY

### PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

#### E. Cancellation

Paragraph 2. is deleted and replaced by the following:

2. We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations or last known to us.

Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by letting you know at least 14 days before the date cancellation takes effect.
- b. When this policy has been in effect for 60 days or less, and is not a renewal with us, we may cancel for any reason by letting you know at least 14 days before the date cancellation takes effect.
- c. When this policy has been in effect for more than 60 days or at any time if it is a renewal with us, we may cancel only as set forth in Paragraph 2.a., or for one or more of the following reasons:
  - (1) Upon discovery of fraud or material misrepresentation made by, or with the knowledge of, the named insured in obtaining or continuing this policy, or in presenting a claim under this policy;
  - (2) Upon discovery of willful or reckless acts or omissions on the part of the named insured which increases any hazard insured against;
  - (3) Upon the occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;

- (4) If there is a violation of any local fire, health, safety, building or construction regulation or ordinance with respect to any insured property or the occupancy of such property which substantially increases any hazard insured against; or

- (5) If we are unable to reinsure the risk covered by the policy.

This can be done by letting you know at least 75 days before the date cancellation takes effect.

The following Condition is added:

#### F. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your address shown in the Declarations or last known to us, written notice at least 75 days before:

1. The expiration date of the policy, for a policy written for a term of one year or less; or
2. An anniversary date of the policy, for a policy written for a term of more than one year or for an indefinite term.

If we mail or deliver a renewal notice to you at least 30 days before the end of the policy period, stating the renewal premium and its due date, the policy will terminate without further notice unless the renewal premium is received by us or our authorized agent by the due date.

If this policy terminates because the renewal premium has not been received by the due date, we will, within 15 days, mail or deliver to you at your last known address a notice that the policy was not renewed and the date it was terminated.

Proof of mailing will be sufficient proof of notice.

All other provisions of this policy apply

This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## KENTUCKY CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:

**2. Cancellation Of Policies In Effect For 60 Days Or Less**

If this policy has been in effect for 60 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 14 days before the effective date of cancellation.

- B. The following is added to the **Cancellation** Common Policy Condition:

**7. Cancellation Of Policies In Effect For More Than 60 Days**

- a. If this policy has been in effect for more than 60 days or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Discovery of fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;

- (3) Discovery of willful or reckless acts or omissions on your part which increase any hazard insured against;

- (4) The occurrence of a change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;

- (5) A violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;

- (6) We are unable to reinsure the risk covered by the policy; or

- (7) A determination by the commissioner that the continuation of the policy would place us in violation of the Kentucky insurance code or regulations of the commissioner.

- b. If we cancel this policy based on Paragraph 7.a. above, we will mail or deliver a written notice of cancellation to the first Named Insured, stating the reason for cancellation, at least:
  - (1) 14 days before the effective date of the cancellation, if cancellation is for non-payment of premium; or
  - (2) 75 days before the effective date of the cancellation, if cancellation is for any reason stated in 7.a.(2) through 7.a.(7) above.
- C. The following is added and supersedes any provision to the contrary:

**NONRENEWAL**

- 1. For the purpose of this Condition:
  - a. Any policy period or term of less than six months shall be considered to be a policy period or term of six months; and
  - b. Any policy period or term of more than one year or any policy with no fixed expiration date shall be considered a policy period or term of one year.
- 2. If we elect not to renew this policy, we will mail or deliver written notice of nonrenewal, stating the reason for nonrenewal, to the first Named Insured shown in the Declarations, at the last mailing address known to us, at least 75 days before the expiration date of the policy period.

- 3. If notice of nonrenewal is not provided pursuant to this Condition, coverage under the same terms and conditions shall be deemed to be renewed for the ensuing policy period upon payment of the appropriate premium until you have accepted replacement coverage with another insurer, or until you have agreed to the nonrenewal.
- 4. If we mail or deliver a renewal notice to the first Named Insured at least 30 days before the end of the policy period, stating the renewal premium and its due date, the policy will terminate without further notice unless the renewal premium is received by us or our authorized agent by the due date.
- 5. If this policy terminates because the renewal premium has not been received by the due date, we will, within 15 days, mail or deliver to the first Named Insured at his last known address a notice that the policy was not renewed and the date it was terminated.
- 6. If notice is mailed, proof of mailing is sufficient proof of notice.

POLICY NUMBER:

IL 12 02 01 97

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

## KENTUCKY POLICY CHANGES

Effective Date of Change:

Change Endorsement No.:

Named Insured:

The following item(s):

|                                                               |                                                                     |
|---------------------------------------------------------------|---------------------------------------------------------------------|
| <input type="checkbox"/> Insured's Name                       | <input type="checkbox"/> Insured's Mailing Address                  |
| <input type="checkbox"/> Policy Number                        | <input type="checkbox"/> Company                                    |
| <input type="checkbox"/> Effective/Expiration Date            | <input type="checkbox"/> Insured's Legal Status/Business of Insured |
| <input type="checkbox"/> Payment Plan                         | <input type="checkbox"/> Premium Determination                      |
| <input type="checkbox"/> Additional Interested Parties:       | <input type="checkbox"/> Coverage Forms and Endorsements            |
| <input type="checkbox"/> Limits/Exposures                     | <input type="checkbox"/> Deductibles                                |
| <input type="checkbox"/> Covered Property/Located Description | <input type="checkbox"/> Classification/Class Codes                 |
| <input type="checkbox"/> Rates                                | <input type="checkbox"/> Underlying Insurance                       |

is (are) changed to read **{See Additional Page(s)}**:

The above amendments result in a change in the premium as follows:

|                          |                   |                          |                                    |                           |                       |
|--------------------------|-------------------|--------------------------|------------------------------------|---------------------------|-----------------------|
| <input type="checkbox"/> | <b>NO CHANGES</b> | <input type="checkbox"/> | <b>TO BE ADJUSTED<br/>AT AUDIT</b> | <b>ADDITIONAL PREMIUM</b> | <b>RETURN PREMIUM</b> |
|                          |                   |                          |                                    | \$                        | \$                    |
| Countersigned By:        |                   |                          |                                    |                           |                       |

(Authorized Agent)

**POLICY CHANGES ENDORSEMENT DESCRIPTION**

SAMPLE

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

## **SPECIAL PROVISIONS – NORTH CAROLINA**

### **PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS**

Under Condition **E. Cancellation**, Paragraph **2.** is replaced by the following:

- 2.** We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect and the precise reason for cancellation. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations or your last known address. Proof of mailing will be sufficient proof of notice.

- a.** If this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel this policy for any reason by mailing or delivering written notice of cancellation to you at least 15 days before the effective date of cancellation.
- b.** If this policy has been in effect for 60 days or more, or is a renewal with us, we may cancel this policy prior to the expiration of the policy term, or the anniversary date stated in the policy only for one or more of the following reasons:

- (1)** Nonpayment of premium;
- (2)** An act or omission by the "insured" or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy or presenting a claim under this policy;
- (3)** Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk;
- (4)** Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk;
- (5)** A fraudulent act against us by the "insured" or his or her representative that materially affects the insurability of the risk;

- (6)** Willful failure by the "insured" or his or her representative to institute reasonable loss control measures that materially affect the insurability of the risk after written notice by us;
- (7)** Loss of facultative reinsurance, or loss of or substantial changes in applicable reinsurance as provided in G.S. 58-41-30;
- (8)** Conviction of the "insured" of a crime arising out of acts that materially affect the insurability of the risk;
- (9)** A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina; or
- (10)** You fail to meet the requirements contained in our corporate charter, articles of incorporation or bylaws when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

We will mail or deliver written notice of cancellation to you at least 15 days before the effective date of cancellation if we cancel for any of the above reasons.

We will also send this notice to any designated mortgagee or loss payee, and the agent or broker of record, at their mailing addresses shown in the Declarations, or their last known addresses.

Failure to send this notice to:

- (a)** Any designated mortgagee or loss payee invalidates the cancellation only as to the mortgagee's or loss payee's interest.
- (b)** The agent or broker of record does not invalidate the cancellation.

(c) Cancellation for nonpayment of premium will not become effective if you pay the premium amount due before the effective date of cancellation.

(d) We may also cancel this policy for any reason not stated above provided we obtain your prior written consent.

The following Condition is added:

**F. Nonrenewal**

1. We may elect not to renew this policy. We may do so by mailing or delivering written notice of nonrenewal, and the precise reason for nonrenewal, to you at your mailing address shown in the Declarations or your last known address. This notice will be sent to you at least 45 days prior to the:

- a. Expiration of the policy if this policy has been written for one year or less; or
- b. Anniversary date of the policy if this policy has been written for more than one year or for an indefinite term.

We will also send this notice to any designated mortgagee or loss payee, and the agent or broker of record, at their mailing addresses shown in the Declarations, or their last known addresses.

Proof of mailing will be sufficient proof of notice.

Failure to send this notice to:

- (1) Any designated mortgagee or loss payee invalidates the nonrenewal only as to the mortgagee's or loss payee's interest.
  - (2) The agent or broker of record does not invalidate the nonrenewal.
2. We need not mail or deliver the notice of nonrenewal if you have:
- a. Insured property covered under this policy, under any other insurance policy;
  - b. Accepted replacement coverage; or
  - c. Requested or agreed to nonrenewal of this policy.

All other provisions of this policy apply.

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

## **NORTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
FARM UMBRELLA LIABILITY POLICY  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:**

### **2. Cancellation Requirements**

#### **a. Policies In Effect Less Than 60 Days**

If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1)** 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2)** 30 days before the effective date of cancellation if we cancel for any other reason.

#### **b. Policies In Effect More Than 60 Days**

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy prior to the:

- (1)** Expiration of the policy term; or
- (2)** Anniversary date,  
stated in the policy only for one or more of the following reasons:
  - (a)** Nonpayment of premium;

- (b)** An act or omission by the insured or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy or presenting a claim under this policy;
- (c)** Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk;
- (d)** Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk;
- (e)** A fraudulent act against us by the insured or his or her representative that materially affects the insurability of the risk;
- (f)** Willful failure by the insured or his or her representative to institute reasonable loss control measures that materially affect the insurability of the risk after written notice by us;

- (g) Loss of facultative reinsurance, or loss of or substantial changes in applicable reinsurance as provided in G.S. 58-41-30;
  - (h) Conviction of the insured of a crime arising out of acts that materially affect the insurability of the risk;
  - (i) A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina; or
  - (j) You fail to meet the requirements contained in our corporate charter, articles of incorporation or by-laws when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.
- We will mail or deliver written notice of cancellation to the first Named Insured at least:
- (i) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
  - (ii) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. Cancellation for nonpayment of premium will not become effective if you pay the premium amount due before the effective date of cancellation.
  - d. We may also cancel this policy for any reason not stated above provided we obtain your prior written consent.

**B.** The following provisions are added and supersede any other provisions to the contrary:

**1. Nonrenewal**

a. If we elect not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of nonrenewal at least 45 days prior to the:

- (1) Expiration of the policy if this policy has been written for one year or less; or
- (2) Anniversary date of the policy if this policy has been written for more than one year or for an indefinite term.

b. We need not mail or deliver the notice of nonrenewal if you have:

- (1) Insured property covered under this policy, under any other insurance policy;
- (2) Accepted replacement coverage; or
- (3) Requested or agreed to nonrenewal of this policy.

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

**2.** The written notice of cancellation or nonrenewal will:

- a. Be mailed or delivered to the first Named Insured and any designated mortgagee or loss payee at their addresses shown in the policy, or if not indicated in the policy, at their last known addresses; and
- b. State the reason or reasons for cancellation or nonrenewal.

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

## **SOUTH CAROLINA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** Except as otherwise provided in Paragraph **C.** of this endorsement, Paragraphs **2.** and **3.** of **Cancellation** Common Policy Condition are replaced by the following:
- 2.** We may cancel this policy by mailing or delivering to the first Named Insured and the agent, if any, written notice of cancellation at least:
    - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
    - b.** 30 days before the effective date of cancellation if we cancel for any other reason.
  - 3.** We will mail or deliver our notice to the first Named Insured's and agent's last known addresses.
- B.** The following is added to the **Cancellation** Common Policy Condition:
- 7. Cancellation Of Policies In Effect For 120 Days Or More**
- If this policy has been in effect for 120 days or more, or is a renewal or continuation of a policy we issued, we may cancel this policy only for one or more of the following reasons:
- a.** Nonpayment of premium;
  - b.** Material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
- c.** Substantial change in the risk assumed, except to the extent that:
- (1)** We had notice of the risk within the first 120 days of the policy period and this is not a renewal or continuation of a policy we issued; or
  - (2)** We should reasonably have foreseen the change or contemplated the risk in writing the policy;
- d.** Substantial breaches of contractual duties, conditions or warranties; or
- e.** Loss of our reinsurance covering all or a significant portion of the particular policy insured, or where continuation of the policy would imperil our solvency or place us in violation of the insurance laws of South Carolina.
- Prior to cancellation for reasons permitted in this Item **e.**, we will notify the Commissioner, in writing, at least 60 days prior to such cancellation and the Commissioner will, within 30 days of such notification, approve or disapprove such action.
- Any notice of cancellation will state the precise reason for cancellation.

- C. The following change applies only if Flood Coverage Endorsement **CP 10 65** or Flood Coverage **OP 10 04** is attached to this policy and supersedes any provision to the contrary:

Paragraph **2.b.** of **Cancellation** Common Policy Condition is replaced by the following:

- b. 45 days before the effective date of cancellation if we cancel for any other reason permissible under applicable law.

- D. The following is added and supersedes any provisions to the contrary:

**Nonrenewal**

1. We will not refuse to renew a policy issued for a term of more than one year, until expiration of its full term, if anniversary renewal has been guaranteed by additional premium consideration.
2. If we decide not to renew this policy, we will:
  - a. Mail or deliver written notice of nonrenewal to the first Named Insured and agent, if any, before:
    - (1) The expiration date of this policy, if the policy is written for a term of one year or less; or

- (2) An anniversary date of this policy, if the policy is written for a term of more than one year or for an indefinite term; and

- b. Provide at least 60 days' notice of nonrenewal.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's last known addresses. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Any notice of nonrenewal will state the precise reason for nonrenewal.

**This endorsement only applies to PART IV – OTHER COMMERCIAL LIABILITY COVERAGES**

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

## **TENNESSEE CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**A.** Paragraph 5. of the **Cancellation** Common Policy Condition is replaced by the following:

**5.** If this policy is cancelled, we will send the first Named Insured any premium refund due.

The refund will be pro rata if:

- a.** We cancel; or
- b.** The policy is cancelled at the request of a premium finance company that has financed this policy under a premium finance agreement.

The refund may be less than pro rata if the first Named Insured cancels the policy.

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

**B.** The following is added to the **Cancellation** Common Policy Condition:

#### **CANCELLATION OF POLICIES IN EFFECT FOR 60 DAYS OR MORE**

If this policy has been in effect for 60 days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- 1.** Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manual, justified by a physical change in the insured property or a change in its occupancy or use;

**2.** Your conviction of a crime increasing any hazard insured against;

**3.** Discovery of fraud or material misrepresentation on the part of either of the following:

- a.** You or your representative in obtaining this insurance; or
- b.** You in pursuing a claim under this policy;

**4.** Failure to comply with written loss control recommendations;

**5.** Material change in the risk which increases the risk of loss after we issued or renewed insurance coverage;

**6.** Determination by the insurance commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state;

**7.** Your violation or breach of any policy terms or conditions; or

**8.** Other reasons that are approved by the insurance commissioner.

Notice of cancellation will state the reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary:

**NONRENEWAL**

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured and agent, at least 60 days before the expiration date unless:
  - a. We have offered to issue a renewal policy; or
  - b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the **Premiums** Common Policy Condition:

Whenever an insurance policy which is financed with a premium finance company is cancelled, the insurer shall return, within 30 days after the effective date of the cancellation, whatever gross unearned premiums are due under the insurance policy directly to the premium finance company for the account of the first Named Insured.

SAMPLE

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

## **SPECIAL PROVISIONS – TEXAS**

### **PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS**

**E. Cancellation** is replaced by the following:

#### **E. Cancellation**

1. You may cancel this Policy at any time by notifying us of the date cancellation is to take effect. We will send you any refund due when the Policy is returned to us.
2. We may cancel this Policy by mailing or delivering to you written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.
  - a. When this Policy has been in effect for 60 days or less, we may cancel this Policy for any reason.
  - b. If this Policy has been in effect more than 60 days or if it is a renewal or continuation of a Policy issued by us, we may cancel only for one or more of the following reasons:
    - (1) Failure to pay premiums when due;
    - (2) An increase in hazard within your control which would produce an increase in the rate.
3. If we cancel, our notice to you will state that if the refund is not included with the notice, it will be returned on demand.
4. We may not cancel this Policy solely because you are an elected official.

The following conditions are added:

#### **G. Refusal To Renew**

1. We may not refuse to renew this Policy solely because you are an elected official.
2. If we refuse to renew this Policy, we must deliver to you, or mail to you at your mailing address shown on the Declarations page and any mortgagee named on the Declarations page, written notice of our refusal to renew not later than the 60th day before the date on which this Policy expires. If notice is delivered or mailed later than the 60th day before the date on which the Policy expires, the coverage shall remain in effect until the 61st day after the date on which the notice is delivered or mailed. Proof of mailing will be sufficient notice. If we fail to give you proper notice of our decision not to renew, you may require us to renew the Policy. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

#### **H. Notice Of Offer To Settle Or Of Settlement Of Claim**

1. We will notify you in writing of any initial offer to settle a claim against you under this coverage. We will give you notice within 10 days after the date the offer is made.
2. We will notify you in writing of any settlement of a claim against you under this coverage. We will give you notice within 30 days after the date of the settlement.

All other provisions of this Policy apply.

POLICY NUMBER:

IL 12 06 04 03

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

## TEXAS POLICY CHANGES

Effective Date of Change:

Change Endorsement No.:

Named Insured:

The following item(s):

|                          |                                       |                          |                                            |
|--------------------------|---------------------------------------|--------------------------|--------------------------------------------|
| <input type="checkbox"/> | Insured's Name                        | <input type="checkbox"/> | Insured's Mailing Address                  |
| <input type="checkbox"/> | Policy Number                         | <input type="checkbox"/> | Company                                    |
| <input type="checkbox"/> | Effective/Expiration Date             | <input type="checkbox"/> | Insured's Legal Status/Business of Insured |
| <input type="checkbox"/> | Additional Interested Parties         | <input type="checkbox"/> | Premium Determination                      |
| <input type="checkbox"/> | Limits/Exposures                      | <input type="checkbox"/> | Coverage Forms and Endorsements            |
| <input type="checkbox"/> | Covered Property/Location Description | <input type="checkbox"/> | Deductibles                                |
| <input type="checkbox"/> | Rates                                 | <input type="checkbox"/> | Classification/Class Codes                 |

is (are) changed to read **{See Additional Page(s)}**:

The above amendments result in a change in the premium as follows:

|                          |                   |                          |                                    |                           |                       |
|--------------------------|-------------------|--------------------------|------------------------------------|---------------------------|-----------------------|
| <input type="checkbox"/> | <b>NO CHANGES</b> | <input type="checkbox"/> | <b>TO BE ADJUSTED<br/>AT AUDIT</b> | <b>ADDITIONAL PREMIUM</b> | <b>RETURN PREMIUM</b> |
|                          |                   |                          |                                    | \$                        | \$                    |
| Countersigned By:        |                   |                          |                                    |                           |                       |

(Authorized Agent)

| POLICY CHANGES ENDORSEMENT DESCRIPTION                                   |
|--------------------------------------------------------------------------|
| <div data-bbox="449 678 1172 1398" data-label="Text"><p>SAMPLE</p></div> |

#### REMOVAL PERMIT

If this policy includes the Commercial Property Coverage Part, or the Capital Assets Program (Output Policy) Coverage Part with all property scheduled on the Scheduled Location Endorsement **OP 14 01**, the following applies with respect to that Coverage Part:

If Covered Property is removed to a new location that is described on this Policy Change, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of this Policy Change; after that, this insurance does not apply at the previous location.

## SPECIAL PROVISIONS – VIRGINIA

### LIABILITY COVERAGES

Under Coverage L – Personal Liability, item 1. is deleted and replaced by the following:

1. Pay up to our limit of liability for the damages for which the "insured" is legally liable; and

### EXCLUSIONS

#### 1. Coverage L – Personal Liability and Coverage M – Medical Payments to Others:

Under item e. following the caption "This exclusion does not apply to:", item (2) and item (4)(c) are deleted and replaced by the following:

- (2) A motorized land conveyance designed for recreational use off public roads and not subject to motor vehicle registration, or a golf cart or snowmobile; provided that it is:
  - (a) Not owned by an "insured"; or
  - (b) Owned by an "insured" and on an "insured location".
- (5) A motorized land conveyance in dead storage on an "insured location".

Under item f., item (1) following the caption "Watercraft:" is deleted and replaced by the following:

- (1) With inboard or inboard-outdrive motor power of more than 50 horsepower owned by an "insured".

Under item g., the last paragraph is deleted and replaced by the following:

An aircraft means any contrivance used or designed for flight, except model aircraft.

### ADDITIONAL COVERAGES

#### 1. Claim Expenses. Paragraphs b. and c. are deleted and replaced by the following:

- b. Premiums on appeal bonds required in a suit we defend; premiums on bonds to release attachments in a suit we defend, but not for bond amounts greater than the limit of liability for Coverage L; and the cost of bail bonds required of the "insured" because of an accident arising out of the use of any vehicle covered by this policy, not to exceed \$250 per bail bond. We need not apply for or furnish any such bonds;

- c. Reasonable expenses incurred by an "insured" at our request, including actual loss of earnings (but not loss of other income) and vacation time or other benefit loss up to \$50 per day, for assisting us in the investigation or defense of a claim or suit;

Under 3. **Damage to Property of Others**, item d.(3) is deleted and replaced by the following:

- (3) The ownership, maintenance, or use of aircraft, watercraft or motor vehicles or all other motorized land conveyances.

This exclusion does not apply to:

- (a) A snowmobile, golf cart; or
- (b) Any motorized land conveyance designed for recreational use off public roads, not subject to motor vehicle registration.

### CONDITIONS

#### 6. Suit Against Us. The following paragraph is added:

Any person or organization or their legal representative who has secured such judgment or written agreement against the "insured" shall be entitled to recover under this policy to the extent of the insurance afforded under this policy.

#### 8. Other Insurance – Coverage L – Personal Liability is deleted and replaced by the following:

8. **Other Insurance – Coverage L – Personal Liability.** If a loss covered by this policy is also covered by other insurance, we will pay only the proportion of the loss that the limit of liability that applies under this policy bears to the total amount of insurance covering the loss. However, with respect to "bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, loading or unloading of any motor vehicle or watercraft to which this policy applies, this insurance under Coverage L – Personal Liability shall be excess insurance over any other valid and collectible insurance available to the "insured".

All other provisions of this policy apply.

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

## **UTAH CHANGES**

This endorsement modifies insurance provided under the following:

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

**A. Any Condition titled:**

Duties In the Event of An Electronic Data Incident  
Duties in the Event of Occurrence, Offense, Claim or Suit  
Duties in the Event of Occurrence, Claim or Suit  
Duties in the Event of Injury, Claim or Suit  
Duties in the Event of A Pollution Incident, Claim or Suit  
Duties In the Event of A Claim Or Suit Or A Defect Or Product Withdrawal  
Insured's Duties in the Event of a Loss  
Duties in the Event of An Underground Storage Tank Incident

requiring notice to us is amended to include:

"Notice to our authorized representative is notice to us".

**B. The Legal Action Against Us Condition does not apply.**

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

## **UTAH CHANGES – LOSS INFORMATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM ("claims-made" version only)

Condition **10.**, YOUR RIGHT TO CLAIM AND "OCCURRENCE" INFORMATION of COMMERCIAL GENERAL LIABILITY CONDITIONS (Section **IV**) is replaced by the following:

**10. Your Right To Claim and "Occurrence" Information.**

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding general liability claims-made Coverage Part we have issued to you during the previous three years:

- a.** A list or other record of each "occurrence" not previously reported to any other insurer of which we were notified in accordance with paragraph **2.a.** of the Duties in the Event of Occurrence, Offense, Claim or Suit Condition (Section **IV**). We will include the date and brief description of the "occurrence" if that information was in the notice we received;
- b.** A list or other record of:
  - (1)** Closed claims where payment was allowed, including date of "occurrence", type of loss and amount of payments; and
  - (2)** Open claims, including date of "occurrence", type of loss and amount of payments, if any; and
- c.** A summary, by policy year, of payments made and amounts reserved, stated separately, under any applicable General Aggregate Limit and Products/Completed Operations Limit.

Amounts reserved are based on our judgment. They are subject to change and do not reflect ultimate settlement values.

You must not disclose this information to any claimant or claimant's representative without our consent.

If we cancel or elect not to renew this Coverage Part, we will provide this information to the first Named Insured no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from you. This information will be provided within 30 days of receipt of the request, and will be provided only one time during any twelve month period. Requests for loss information received more than three years after policy termination will not be honored.

We compile claim and "occurrence" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

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

## **UTAH CHANGES – COMMON-INTEREST ASSOCIATIONS**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Section II – Who Is An Insured** is amended to include the following as an insured:

Each individual unit-owner or each individual lot-owner of the insured association, but only with respect to liability arising out of:

1. the unit-owner's or lot-owner's ownership interest in the common elements and facilities;
2. the unit-owner's or lot-owner's membership in the association; and
3. maintenance, repair, or replacement of common elements and facilities.

- B. The following paragraph is added to Section IV – Commercial General Liability Conditions:**

#### **Acts Or Omissions By Unit-Owners Or Lot-Owners**

No act or omission by any unit-owner or lot-owner, unless acting within the scope of the unit-owner's or lot-owner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy.

- C. The following is added to Paragraph 8. Transfer Of Rights Of Recovery Against Others To Us (Section IV – Commercial General Liability Conditions):**

We waive any rights, which the Transfer Of Rights Of Recovery Against Others To Us Condition may give us against:

- a. any unit-owner or lot-owner; and
- b. any person residing with the unit-owner or lot-owner, if the unit-owner resides in the unit or lot-owner resides on the lot.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – UTAH

### PERSONAL LIABILITY ADDITIONAL POLICY CONDITIONS

Paragraph 2. of **E. Cancellation** is replaced by the following:

2. We may cancel this Policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. The cancellation notice may be delivered to you or mailed through first class mail to your last address known to us.

Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by letting you know at least 10 days before the date cancellation takes effect.
- b. When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
- c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if:

- (1) There has been a material misrepresentation;

- (2) The risk has changed substantially since the Policy was issued, unless we could have reasonably foreseen the change or contemplated the risk in writing the Policy; or

- (3) There has been a substantial breach of a contractual duty, condition or warranty.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

- d. When this Policy is written for a period of more than one year or for an indefinite term, we may cancel for any of the reasons stated in Paragraph 2.c. at anniversary by letting you know at least 30 days before the date cancellation takes effect.

Paragraph **F. Nonrenewal** is replaced by the following:

### **F. Nonrenewal**

We may elect not to renew this Policy. If we elect not to renew, we will let you know in writing at least 30 days before the expiration date of the Policy. The nonrenewal notice may be delivered to you or mailed through first class mail to your last address known to us. Proof of mailing will be sufficient proof of notice.

All other provisions of this Policy apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## SPECIAL PROVISIONS – UTAH

### EXCLUSIONS

Paragraph **B.** is replaced by the following:

#### **B. "Watercraft Liability"**

1. Coverages **L** and **M** do not apply to:
  - a. Any "watercraft liability" arising out of any watercraft owned by an "insured" for which security is required under the Utah Financial Responsibility Motorboat Owners and Operators Act.
  - b. Any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
    - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
    - (2) Rented to others;
    - (3) Used to carry persons or cargo for charge; or
    - (4) Used for any "business" purpose.
2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
  - a. Is stored;
  - b. Is a sailing vessel:
    - (1) With auxiliary power of 50 horsepower or less, or without auxiliary power, that is less than 26 feet in overall length and owned by an "insured";
    - (2) With or without auxiliary power, that is less than 26 feet in overall length and not owned by an "insured"; or
    - (3) With or without auxiliary power, that is 26 feet or more in overall length and not owned by or rented to an "insured".
  - c. Is not a sailing vessel and is powered by:
    - (1) An inboard or inboard-outdrive engine or motor, including those that power a water jet pump, of:
      - (a) 50 horsepower or less and not owned by an "insured"; or
      - (b) More than 50 horsepower and not owned by or rented to an "insured".
    - (2) One or more outboard engines or motors with:
      - (a) 25 total horsepower or less; or
      - (b) More than 25 horsepower if the outboard engine or motor is not owned by an "insured".

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

#### **Under E. Coverage L – Personal Liability And Coverage M – Medical Payments To Others:**

Paragraph **8.** is replaced by the following:

#### **8. Controlled Substance**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a controlled substance(s). Controlled substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

### CONDITIONS

Under **C. Duties After "Occurrence"**, the following is added to Paragraph **1.**:

One means you may use to give written notice is mailing the notice to us, postage prepaid, through first-class mail deposited in a United States Post Office.

Under **C. Duties After "Occurrence"**, the following is added to Paragraph **5.**:

One means you may use to send the statement of loss is mailing it to us, postage prepaid, through first-class mail deposited in a United States Post Office.

Failure to submit the statement of loss within 60 days does not invalidate your claim, if you show that it was not reasonably possible to do so and also show that you submitted the statement to us as soon as reasonably possible.

All other provisions of this Policy apply.

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

## **SPECIAL PROVISIONS – UTAH**

### **SECTION I – CONDITIONS**

#### **C. Duties After Loss**

Paragraph 1. is replaced by the following:

1. Give prompt notice to us or our agent. One means you may use to fulfill this requirement is mailing the notice to us, postage prepaid, through first-class mail deposited in the United States Post Office;

The following is added to Paragraph 7.:

One means you may use to send the requested proof of loss is mailing it to us, postage prepaid, through first-class mail deposited in the United States Post Office.

Failure to submit the requested proof of loss within 60 days does not invalidate your claim, if you show that it was not reasonably possible to do so and also show that you submitted the proof of loss to us as soon as reasonably possible.

Paragraph H. **Suit Against Us** is replaced by the following:

#### **H. Suit Against Us**

No action can be brought against us unless there has been full compliance with all of the terms under Section I of this Policy and the action is started within three years after the date of loss.

Paragraph J. **Loss Payment** is replaced by the following:

#### **J. Loss Payment**

We will adjust all losses with you. We will pay you unless some other person is named in the Policy or is legally entitled to receive payment. Loss will be payable within 30 days after we receive your proof of loss and:

1. Reach an agreement with you;
2. There is an entry of a final judgment; or
3. There is a filing of an appraisal award with us.

Paragraph R. **Concealment Or Fraud** is replaced by the following:

#### **R. Concealment Or Fraud**

We provide coverage to no "insureds" under this Policy if, whether before or after a loss, an "insured" has:

1. Concealed or misrepresented any fact upon which we rely, and that concealment or misrepresentation is either material or made with intent to deceive; or
2. Concealed or misrepresented any fact, and the fact misrepresented contributes to the loss.

(This is Condition Q. in Form HO 00 04 and Condition O. in Form HO 00 14.)

### **SECTION II – EXCLUSIONS**

Paragraph B. is replaced by the following:

#### **B. Watercraft Liability**

1. Coverages E and F do not apply to:

- a. Any "watercraft liability" arising out of any watercraft owned by an "insured" for which security is required under the Utah Financial Responsibility Motorboat Owners and Operators Act.
- b. Any "watercraft liability" if, at the time of an "occurrence", the involved watercraft is being:
  - (1) Operated in, or practicing for, any prearranged or organized race, speed contest or other competition. This exclusion does not apply to a sailing vessel or a predicted log cruise;
  - (2) Rented to others;
  - (3) Used to carry persons or cargo for charge; or
  - (4) Used for any "business" purpose.

2. If Exclusion **B.1.** does not apply, there is still no coverage for "watercraft liability" unless, at the time of the "occurrence", the watercraft:
- a. Is stored;
  - b. Is a sailing vessel:
    - (1) With auxiliary power of 50 horsepower or less, or without auxiliary power, that is less than 26 feet in overall length and owned by an "insured";
    - (2) With or without auxiliary power that is less than 26 feet in overall length and not owned by an "insured"; or
    - (3) With or without auxiliary power that is 26 feet or more in overall length and not owned by or rented to an "insured"; or
  - c. Is not a sailing vessel and is powered by one or more engines or motors, including those that power a water jet jump, totaling:
    - (1) 25 horsepower or less; or
    - (2) More than 25 horsepower; and
      - (a) Not owned by an "insured"; or
      - (b) Are outboard engines or motors not owned by an "insured".

Horsepower means the maximum power rating assigned to the engine or motor by the manufacturer.

**E. Coverage E – Personal Liability And Coverage F – Medical Payments To Others**

Paragraph 8. **Controlled Substance** is replaced by the following:

**8. Controlled Substance**

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a controlled substance or any "cannabis" regardless of whether such "cannabis" is considered a controlled substance. Controlled substances include but are not limited to cocaine, LSD, and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional.

(This is Exclusion 9. in Endorsement **HO 24 73.**)

**SECTION II – CONDITIONS**

**C. Duties After Occurrence**

The following is added to Paragraph 1.:

One means you may use to give written notice is mailing the notice to us, postage prepaid, through first-class mail deposited in the United States Post Office.

The following is added to Paragraph 5.:

One means you may use to send the statement of loss is mailing it to us, postage prepaid, through first-class mail deposited in the United States Post Office.

Failure to submit the statement of loss within 60 days does not invalidate your claim, if you show that it was not reasonably possible to do so and also show that you submitted the statement to us as soon as reasonably possible.

**SECTIONS I AND II – CONDITIONS**

**C. Cancellation**

Paragraph 2. is replaced by the following:

2. We may cancel this Policy as stated below by letting you know in writing of the date cancellation takes effect. The cancellation notice may be delivered to you or mailed through first-class mail to your last address known to us. Proof of mailing will be sufficient proof of notice.
- a. When you have not paid the premium, we may cancel at any time, with the reason for cancellation, by letting you know at least 10 days before the date cancellation takes effect.

- b. When this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by letting you know at least 10 days before the date cancellation takes effect.
- c. When this Policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel if:
  - (1) There has been a material misrepresentation;
  - (2) The risk has changed substantially since the Policy was issued, unless we could have reasonably foreseen the change or contemplated the risk in writing the Policy; or
  - (3) There has been a substantial breach of a contractual duty, condition or warranty.This can be done by letting you know at least 30 days before the date cancellation takes effect.
- d. When this Policy is written for a period of more than one year or for an indefinite term, we may cancel for any of the reasons stated in Paragraph 2.c. at anniversary by letting you know at least 30 days before the date cancellation takes effect.

Paragraph **D. Nonrenewal** is replaced by the following:

**D. Nonrenewal**

We may elect not to renew this Policy. If we elect not to renew, we will let you know in writing at least 30 days before the expiration date of the Policy. The nonrenewal notice may be delivered to you or mailed through first-class mail to your last address known to us. Proof of mailing will be sufficient proof of notice.

All other provisions of this Policy apply.

**MICROORGANISM EXCLUSION (Absolute)**

This Policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to:

mold, mildew, fungus, spores or other microorganism of any type, nature, or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

This Exclusion applies regardless whether there is

- (i) any physical loss or damage to insured property;
- (ii) any insured peril or cause, whether or not contributing concurrently or in any sequence;
- (iii) any Loss of use, occupancy, or functionality; or (iv) any action required, including but not limited to repair, replacement, removal, cleanup, abatement, disposal, relocation, or steps taken to address medical or legal concerns.

This Exclusion replaces and supersedes any provision in the Policy that provides insurance, in whole or in part, for these matters.

LMA 5018

14/09/2005

Form approved by Lloyd's Market Association

SAMPLE

**Sanctions Limitation Clause**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations' resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100A

5 October 2023

SAMPLE

## **SERVICE OF SUIT CLAUSE (U.S.A.)**

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the (Re)Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any 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 in the United States.

It is further agreed that service of process in such suit may be made upon:

**Lloyd's America, Inc.  
Attention: Legal Department  
280 Park Avenue, East Tower, 25th Floor  
New York, NY 10017**

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and Underwriters will abide by the final decision of such Court in respect of that suit, or of any Appellate Court in the event of an appeal.

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

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes, if applicable, as provided for in any arbitration provision within this (re)insurance. Where there is an arbitration provision within this (re)insurance, the provisions of this Clause shall operate as an aid to compelling or enforcing such arbitration or arbitral award only and not as an alternative to any arbitration provision for resolving disputes arising out of this (re)insurance.

LMA5020A

07/04/2025

**APPLICABLE LAW (U.S.A.)  
(NOT FOR USE WITH ARBITRATION CLAUSE)**

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the Service of Suit Clause (U.S.A.)

LMA5021A

07/04/2025

SAMPLE

### **Fraudulent Claim Clause**

If the (re)insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this contract shall become void and all claim hereunder shall be forfeited.

LMA5062

4 September 2006

SAMPLE

## COMMUNICABLE DISEASE EXCLUSION

(For use on liability policies)

1. Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

LMA5396

17 April 2020

## **PROPERTY CYBER AND DATA ENDORSEMENT**

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
  - 1.1 Cyber Loss, unless subject to the provisions of paragraph 2;
  - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
- 3 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.
- 4 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- 5 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

### **Definitions**

- 6 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 7 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 8 Cyber Incident means:
  - 8.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 8.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

9 Computer System means:

9.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.

10 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

11 Data Processing Media means any property insured by this Policy on which Data can be stored but not the Data itself.

LMA5400

11 November 2019

SAMPLE

### **PROPERTY CYBER AND DATA EXCLUSION**

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

1.1 Cyber Loss;

1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.

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

- 3 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

#### **Definitions**

- 4 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

- 5 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

- 6 Cyber Incident means:

6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

- 7 Computer System means:

7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility,

owned or operated by the Insured or any other party.

- 8 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

LMA5401

11 November 2019

## CYBER and DATA - EXCLUSION

(for attachment to US General Liability and Excess Liability forms)

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy does not apply to any actual or alleged loss, damage, liability, claim, fine, penalty, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:
  - 1.1 **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**; or
  - 1.2 **Data Breach**; or
  - 1.3 other loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss of, damage to, corruption of, inability to access or inability to manipulate or theft of any **Electronic Data**, including any amount pertaining to the value of such **Electronic Data**;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 For the avoidance of doubt, this policy does not cover notification costs, crisis consultancy costs, credit monitoring expenses, replacement of actual credit or payment cards, forensic expenses, public relations expenses or legal advice and services arising out of or in connection with a **Data Breach**.

### Definitions

- 3 **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
- 4 **Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System**.
- 5 **Cyber Incident** means:
  - 5.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System**; or
  - 5.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System**.
- 6 **Data Breach** means:
  - 6.1 the theft, loss, access to, acquisition of, or unauthorized or unlawful use or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit or payment card information, health information, biometric data or any other type of non-public information; involving access to, processing of, use of or operation of any **Computer System** or
  - 6.2 the violation of any statute, regulation, common-law, or any other law regulating or protecting access to, collection, use or disclosure of, or failure to protect any non-public confidential or personal information in the form of **Electronic Data**.

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

LMA5532

17 December 2020

SAMPLE

## LLOYD'S CCPA PRIVACY POLICY

### UNDERWRITERS AT LLOYD'S, LONDON

This CCPA Privacy Policy explains how Certain Underwriters at Lloyd's, London ("we" or "us") collect, use, and disclose personal information subject to the California Consumer Privacy Act ("CCPA"), as amended (including by the California Privacy Rights Act). "Personal information" is information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular California resident ("consumer") or household. This CCPA Privacy Policy also describes the privacy rights of California consumers and how they can exercise those rights.

The CCPA may apply to personal information we collect in connection with providing products or services to businesses and providing products or services to individuals. The CCPA does not apply to certain types of information, such as information subject to the Gramm-Leach-Bliley Act ("GLBA") or the Fair Credit Reporting Act ("FCRA"). This means that this CCPA Privacy Policy may not apply to personal information that we collect about individuals who seek, apply for, or obtain insurance products or services for personal, family, or household purposes.

### PERSONAL INFORMATION WE COLLECT

We may collect, and in the past 12 months, may have collected, the categories of personal information described below from the sources described below. Some of this personal information may be subject to GLBA or FCRA.

#### Directly From You

We may collect, and in the past 12 months may have collected, the following categories of personal information about you that you include in your application or other forms that you submit, or that you otherwise provide to us:

- [Personal identifiers, such as name, postal address, email address, policy number, or account number
- Customer records information, such as financial information or phone number
- Protected information, such as gender, age, or marital status
- Commercial information, such as records of personal property and insurance products or services purchased or obtained, purchasing or consuming histories, or transaction or account information
- Professional or employment related information, such as work history
- Education information, such as school and date of graduation
- Sensitive personal information, such as Social Security number, driver's license number, or passport number; financial account information; racial or ethnic origin; religious beliefs; health insurance information or other information about health; and sexual orientation]

#### From Our Affiliates and Third Parties

We may collect the following categories of personal information about you from our affiliates and other third parties, such as agents, brokers, consumer reporting agencies, or loss adjusters:

- [Personal identifiers, such as name, postal address, email address, policy number, or account number

- Customer records information, such as financial information or phone number
- Protected information, such as gender, age, or marital status
- Commercial information, such as information about your transactions with our affiliates or other parties (e.g., balances and payment history), records of personal property and insurance products or services purchased or obtained, purchasing or consuming histories, transaction or account information, credit-worthiness, claims history, or credit history
- Professional or employment related information, such as work history
- Education information, such as school and date of graduation
- Sensitive personal information, such as Social Security number, driver's license number, or passport number; financial account information; racial or ethnic origin; religious beliefs; health insurance information or other information about health; and sexual orientation]

We may also draw inferences from the personal information we collect directly from you or from our affiliates and third parties.

## HOW WE USE PERSONAL INFORMATION

The purposes for which we use personal information depend on our relationship or interaction with a specific California consumer. We may use, and in the past 12 months may have used, personal information to underwrite your insurance policy and evaluate claims under your policy; to operate and manage our business; to provide and maintain our insurance products and services; to verify your identity; to detect and prevent fraud; for vendor management purposes; to operate, manage, and maintain our business, such as developing and marketing our products and services; to conduct research and data analysis; to prepare for or complete a corporate transaction; to comply with applicable laws; to respond to civil, criminal, or regulatory lawsuits or investigations; to exercise our rights or defend against legal claims; to resolve complaints and disputes; to perform compliance activities; and to perform institutional risk control.

## PERSONAL INFORMATION WE DISCLOSE

We may disclose, and in the past 12 months may have disclosed, each of the categories of personal information described in "Personal Information We Collect" for the purposes described in "How We Use Personal Information" to the following categories of third parties:

- Affiliates
- Agents
- Brokers
- Service providers, such as loss adjusters, fraud prevention services, and software providers
- Entities involved in a corporate transaction
- Regulatory and law enforcement agencies
- Attorneys, auditors, and other business partners

In the past 12 months, we did not sell or share personal information, as the terms "sell" and "share" are defined under the CCPA.

We use and disclose sensitive personal information only for the following purposes: (i) to perform services or provide goods reasonably expected by an average consumer; (ii) to prevent, detect, and investigate security incidents; (iii) to resist malicious or illegal actions directed at us and prosecute those

responsible; (iv) to ensure the physical safety of individuals; (v) for short-term, transient use, including non-personalized advertising; (vi) to perform internal services; (vii) to verify, maintain, or improve the quality or safety of our products or services; and (viii) for purposes that do not infer characteristics about you.

## RETENTION OF PERSONAL INFORMATION

In general, we retain personal information for as long as needed to fulfil the purposes described in this CCPA Privacy Policy or as needed to comply with our legal obligations. For example, we retain personal information to underwrite insurance policies and evaluate claims, to operate, manage, analyze, and improve our business, and to exercise and defend our rights and comply with our legal obligations.

## YOUR RIGHTS

You may have certain rights under the CCPA. These rights are subject to certain conditions and exceptions. Your rights under the CCPA may include:

- **Right to Request to Know.** You have the right to request to know the following information about our practices: (i) the categories of personal information we collected about you; (ii) the categories of sources from which we collected the personal information about you; (iii) the categories of third parties with whom we disclose personal information, (iv) the categories of personal information we sold or disclosed about you and the categories of third parties to whom we sold or disclosed that particular category of personal information; (v) our business or commercial purpose for collecting, selling, or sharing your personal information; and (vi) the specific pieces of personal information we collected about you.

You may exercise your right to request to know twice a year, free of charge. If we are unable to fulfil your request to know, we will let you know the reason why. Please note, in response to a request to know, we are prohibited from disclosing your Social Security number; driver's license number or other government-issued identification number; financial account number; any health insurance or medical identification number; an account password, security questions and answers; or unique biometric data generated from measurements or technical analysis of human characteristics.

- **Right to Request to Delete.** You have the right to request that we delete the personal information that we have collected from you. We may deny your request under certain circumstances, such as if we need to retain your personal information to comply with our legal obligations or if retaining the information is necessary to complete a transaction for which your personal information was collected. If we deny your request to delete, we will let you know the reason why.
- **Right to Request to Correct.** You have the right to request that we correct inaccurate personal information that we maintain about you. We may reject your request under certain circumstances, such as we determine that the contested information is more likely than not accurate based on the totality of the circumstances.
- **Right to Non-Discrimination.** If you choose to exercise any of these rights, we will not discriminate against you in any way.

If you, or your authorized agent, would like to make a request to know, request to delete, or request to correct, contact us at 1-888-746-16056 or emailing us at [information@ciuiins.com](mailto:information@ciuiins.com).

We will take steps to verify your identity before processing your request to know, request to delete, or request to correct. We will not fulfil your request unless you have provided sufficient information for us to reasonably verify that you are the individual about whom we collected personal information. We may request additional information about you so that we can verify your identity, such as your name, email address, and phone number. We will only use additional personal information you provide to verify your identity and to process your request.

You may use an authorized agent to submit your rights request. When we verify your agent's request, we may both verify your identity and request a signed document from your agent that authorizes the agent to make the request on your behalf. To protect your personal information, we reserve the right to deny a request from an agent that does not submit proof that they have been authorized by you to act on your behalf. You may also make a consumer request on behalf of your minor child.

#### UPDATES TO PRIVACY NOTICE

We may change or update this CCPA Privacy Policy from time to time. If we make material changes to this CCPA Privacy Policy, we will provide you with an updated copy of the policy.

#### CONTACTING US

If you have any questions or concerns about this CCPA Privacy Policy or would like to learn more about how we protect your privacy, please contact the agent or broker through whom you purchased this insurance policy at [response].

Effective Date: [response]

LMA9191A  
17 August 2023

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## **LLOYD'S PRIVACY POLICY STATEMENT**

### **UNDERWRITERS AT LLOYD'S, LONDON**

The Certain Underwriters at Lloyd's, London want you to know how we protect the confidentiality of your non-public personal information. We want you to know how and why we use and disclose the information that we have about you. The following describes our policies and practices for securing the privacy of our current and former customers.

### **INFORMATION WE COLLECT**

The non-public personal information that we collect about you includes, but is not limited to:

- Information contained in applications or other forms that you submit to us, such as name, address, and social security number
- Information about your transactions with our affiliates or other third-parties, such as balances and payment history
- Information we receive from a consumer-reporting agency, such as credit-worthiness or credit history

### **INFORMATION WE DISCLOSE**

We disclose the information that we have when it is necessary to provide our products and services. We may also disclose information when the law requires or permits us to do so.

### **CONFIDENTIALITY AND SECURITY**

Only our employees and others who need the information to service your account have access to your personal information. We have measures in place to secure our paper files and computer systems.

### **RIGHT TO ACCESS OR CORRECT YOUR PERSONAL INFORMATION**

**You have a right to request access to or correction of your personal information that is in our possession.**

### **CONTACTING US**

If you have any questions about this privacy notice or would like to learn more about how we protect your privacy, please contact the agent or broker who handled this insurance. We can provide a more detailed statement of our privacy practices upon request.

06/03

LSW1135B

## SEVERAL LIABILITY NOTICE

The subscribing insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligations.

08/94  
LSW1001 (Insurance)

SAMPLE

**NOTICE:**

- 1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED “NONADMITTED” OR “SURPLUS LINE” INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT THAT APPLY TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. THE INSURER SHOULD BE LICENSED EITHER AS A FOREIGN INSURER IN ANOTHER STATE IN THE UNITED STATES OR AS A NON-UNITED STATES (ALIEN) INSURER. YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR “SURPLUS LINE” BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER 1-800-927-4357. ASK WHETHER OR NOT THE INSURER IS LICENSED AS A FOREIGN OR NON-UNITED STATES (ALIEN) INSURER AND FOR ADDITIONAL INFORMATION ABOUT THE INSURER. YOU MAY ALSO CONTACT THE NAIC’S INTERNET WEB SITE AT [WWW.NAIC.ORG](http://WWW.NAIC.ORG).**
- 5. FOREIGN INSURERS SHOULD BE LICENSED BY A STATE IN THE UNITED STATES AND YOU MAY CONTACT THAT STATE’S DEPARTMENT OF INSURANCE TO OBTAIN MORE INFORMATION ABOUT THAT INSURER.**
- 6. FOR NON-UNITED STATES (ALIEN) INSURERS, THE INSURER SHOULD BE LICENSED BY A COUNTRY OUTSIDE OF THE UNITED STATES AND SHOULD BE ON THE NAIC’S INTERNATIONAL**

**INSURERS DEPARTMENT (IID) LISTING OF APPROVED  
NONADMITTED NON-UNITED STATES INSURERS. ASK YOUR  
AGENT, BROKER, OR “SURPLUS LINE” BROKER TO OBTAIN MORE  
INFORMATION ABOUT THAT INSURER.**

- 7. CALIFORNIA MAINTAINS A LIST OF APPROVED SURPLUS LINE  
INSURERS. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON  
THAT LIST, OR VIEW THAT LIST AT THE INTERNET WEB SITE OF  
THE CALIFORNIA DEPARTMENT OF INSURANCE:**

**[WWW.INSURANCE.CA.GOV](http://WWW.INSURANCE.CA.GOV) .**

- 8. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE  
POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY,  
EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE  
WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED  
TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU  
DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR  
YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE,  
YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE  
DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL  
COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY  
BROKER’S FEE CHARGED FOR THIS INSURANCE WILL BE  
RETURNED TO YOU**

**Date: .....**

**Insured: .....**

**07/11**

**LSW1146D**

**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE -  
PHYSICAL DAMAGE - DIRECT**

This policy does not cover any loss or damage arising directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination however such nuclear reaction nuclear radiation or radioactive contamination may have been caused \* NEVERTHELESS if Fire is an insured peril and a Fire arises directly or indirectly from nuclear reaction nuclear radiation or radioactive contamination any loss or damage arising directly from that Fire shall (subject to the provisions of this policy) be covered EXCLUDING however all loss or damage caused by nuclear reaction nuclear radiation or radioactive contamination arising directly or indirectly from that Fire.

\* NOTE. - If Fire is not an insured peril under this policy the words "NEVERTHELESS" to the end of the clause do not apply and should be disregarded.

NMA1191

07/05/1959

SAMPLE

### **CANCELLATION CLAUSE**

NOTWITHSTANDING anything contained in this Insurance to the contrary this Insurance may be cancelled by the Assured at any time by written notice or by surrendering of this contract of insurance. This Insurance may also be cancelled by or on behalf of the Underwriters by delivering to the Assured or by mailing to the Assured, by registered, certified or other first class mail, at the Assured's address as shown in this Insurance, written notice stating when, not less than 30 (thirty) days thereafter, the cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice and this Insurance shall terminate at the date and hour specified in such notice.

If this Insurance shall be cancelled by the Assured the Underwriters shall retain the customary short rate proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the customary short rate proportion of any minimum premium stipulated herein whichever is the greater.

If this Insurance shall be cancelled by or on behalf of the Underwriters the Underwriters shall retain the pro rata proportion of the premium hereon, except that if this Insurance is on an adjustable basis the Underwriters shall receive the earned premium hereon or the pro rata proportion of any minimum premium stipulated herein whichever is the greater.

Payment or tender of any unearned premium by the Underwriters shall not be a condition precedent to the effectiveness of Cancellation but such payment shall be made as soon as practicable.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

NMA 1331  
20/04/1961

## U.S.A. & CANADA

### LAND, WATER AND AIR EXCLUSION

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure land (including but not limited to land on which the insured property is located), water or air, howsoever and wherever occurring, or any interest or right therein.

### SEEPAGE AND/OR POLLUTION AND/OR CONTAMINATION EXCLUSION

Notwithstanding any provision to the contrary within the Policy of which this Endorsement forms part (or within any other Endorsement which forms part of this Policy), this Policy does not insure:

- (a) any loss, damage, cost or expense, or
- (b) any increase in insured loss, damage, cost or expense, or
- (c) any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term "any kind of seepage or any kind of pollution and/or contamination" as used in this Endorsement includes (but is not limited to):

- (a) seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- (b) the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

## DEBRIS REMOVAL ENDORSEMENT

THIS ENDORSEMENT CONTAINS PROVISIONS WHICH MAY LIMIT OR PREVENT RECOVERY UNDER THIS POLICY FOR LOSS WHERE COSTS OR EXPENSES FOR DEBRIS REMOVAL ARE INCURRED.

Nothing contained in this Endorsement shall override any Seepage and/or Pollution and/or Contamination Exclusion or any Radioactive Contamination Exclusion or any other Exclusion applicable to this Policy.

Any provision within this Policy (or within any other Endorsement which forms part of this Policy) which insures debris removal is cancelled and replaced by the following:

- 1) In the event of direct physical damage to or destruction of property, for which Underwriters hereon agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay (hereinafter referred to as "Damage or Destruction"), this Policy also insures, within the Sum Insured, subject to the limitations and method of calculation below, and to all the other terms and conditions of the Policy, costs or expenses;
  - (a) which are reasonably and necessarily incurred by the Assured in the removal, from the premises of the Assured at which the Damage or Destruction occurred, of debris which results from the Damage or Destruction; and
  - (b) of which the Assured becomes aware and advises the amount thereof to Underwriters hereon within one year of the commencement of such Damage or Destruction.
- 2) In calculating the amount, if any, payable under this Policy for loss where costs or expenses for removal of debris are incurred by the Assured (subject to the limitations in paragraph 1 above):
  - (a) the maximum amount of such costs or expenses that can be included in the method of calculation set out in (b) below shall be the greater of US\$25,000 (twenty-five thousand dollars) or 10% (ten percent) of the amount of the Damage or Destruction from which such costs or expenses result; and
  - (b) the amount of such costs or expenses as limited in (a) above shall be added to:
    - (i) the amount of the Damage or Destruction; and
    - (ii) all other amounts of loss, which arise as a result of the same occurrence, and for which Underwriters hereon also agree to pay, or which but for the application of a deductible or underlying amount they would agree to pay; and

the resulting sum shall be the amount to which any deductible or underlying amount to which this Policy is subject and the limit (or applicable sub-limit) of this Policy, shall be applied.

## **TERRORISM EXCLUSION ENDORSEMENT**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement 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 endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

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

08/10/01

NMA2920

### **Biological or Chemical Materials Exclusion**

It is agreed that this Insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

NMA2962

06/02/2003

SAMPLE

## **WAR AND CIVIL WAR EXCLUSION CLAUSE**

Notwithstanding anything to the contrary contained herein this Policy does not cover Loss or Damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

**1/1/38**

N.M.A. 464