

32-0232-00
THE HOME LOAN AND INVESTMENT COMPANY
205 N 4TH ST
GRAND JUNCTION CO 81501-2522

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

PO BOX 30660 • LANSING, MI 48909-8160

Agency phone: 970-243-6600

01-11-2024

Owners Insurance Company

You can view your policy or change your paperless options at any time online at www.auto-owners.com .
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COTTONWOOD BLUFFS HOA
311 KAVA WAY
GRAND JUNCTION CO 81503-3153

RE: Policy 242332-74995895-24

Thank you for selecting Auto-Owners Insurance Group to serve your insurance needs! Feel free to contact your independent Auto-Owners agent with questions you may have. If you have questions your agent is unable to answer, please contact us at 517.323.1200.

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages and rates. Please take this opportunity to review your insurance needs with your Auto-Owners agent, and discuss which company and program may be most appropriate for you.

Auto-Owners Insurance Company was formed in 1916. Our A++ (Superior) rating by A.M. Best Company signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of six property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

***** IMPORTANT NOTICE *****
AUTO-OWNERS CYBER LIABILITY eRISK HUB®

Dear Policyholder,

Cyber Liability policyholders receive complimentary access to the Auto-Owners Cyber Liability eRisk Hub®. The Auto-Owners Cyber Liability eRisk Hub® is a website that contains information and technical resources to assist you in developing a cyber event response plan, providing information technology and data privacy training for your employees, and implementing cyber security and data privacy protections. Planning for a cyber or privacy event will help your company respond more efficiently in the event you suffer a cyber attack or data compromise, reducing the amount of time and cost associated with remediation.

Key Features of the Auto-Owners Cyber Liability eRisk Hub® Portal include:

- Online Training Modules
- Risk Management Tools
- News Center
- Learning Center
- eRisk Resources
- Incident Response Plan Roadmap

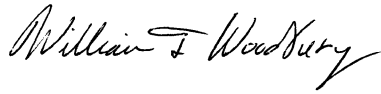
To access the Auto-Owners eRisk Hub®, visit www.eriskhub.com/auto-owners and enter access code 12116-771 on the registration page.

If you have any questions regarding your policy or this notice, please contact your Auto-Owners Insurance agency.

Tailored Protection Insurance Policy

Owners Insurance Company

In witness whereof, we, the Owners Insurance Company, have caused this policy to be issued and to be duly signed by our President and Secretary.

A handwritten signature in cursive script, reading "William F. Woodbury".

Secretary

A handwritten signature in cursive script, reading "Michael D. P. L.". The signature is stylized with a large, looped initial "M".

President

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

AGENCY THE HOME LOAN AND INVESTMENT COMPANY
32-0232-00 MKT TERR 086 970-243-6600

INSURED COTTONWOOD BLUFFS HOA

ADDRESS 311 KAVA WAY
GRAND JUNCTION CO 81503-3153

TAILORED PROTECTION POLICY DECLARATIONS

New Business Effective 01-10-2024

POLICY NUMBER 242332-74995895-24

Company Use 74-23-CO-2401

Company Bill

Policy Term

12:01 a.m. to 12:01 a.m.

01-10-2024 to 01-10-2025

55039 (11-87)

COMMON POLICY INFORMATION

Business Description: Hoa

Entity: Association

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	PREMIUM
COMMERCIAL GENERAL LIABILITY COVERAGE	\$440.00
MINIMUM PREMIUM ADJUSTMENT (GL)	\$321.00
TOTAL	\$761.00
PAID IN FULL DISCOUNT	\$18.00
TOTAL POLICY PREMIUM IF PAID IN FULL	\$743.00
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.	

Forms that apply to all coverage part(s) shown above (except garage liability, dealer's blanket, commercial automobile, if applicable):

55003 (07-12) 59390 (11-20)

Countersigned By: _____

Owners Ins. Co.

Issued 01-11-2024

AGENCY THE HOME LOAN AND INVESTMENT COMPANY
32-0232-00 MKT TERR 086

Company POLICY NUMBER 242332-74995895-24
Bill 74-23-CO-2401

INSURED COTTONWOOD BLUFFS HOA

Term 01-10-2024 to 01-10-2025

55040 (11-87)

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal And Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Assn Directors/Officers Errors and Omissions Agg	\$1,000,000
Assn Directors/Officers Errors and Omissions Occ	\$1,000,000
COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT	
Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	\$300,000 Any One Premises
Medical Payments	\$10,000 Any One Person
Hired Auto & Non-Owned Auto	\$1,000,000 Each Occurrence
Expanded Coverage Details See Form:	
Extended Watercraft	
Personal Injury Extension	
Broadened Supplementary Payments	
Broadened Knowledge Of Occurrence	
Additional Products-Completed Operations Aggregate	
Blanket Additional Insured - Lessor of Leased Equipment	
Blanket Additional Insured - Managers or Lessors of Premises	
Newly Formed or Acquired Organizations Extension	
Blanket Waiver of Subrogation	

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55885.

AUDIT TYPE: Non-Audited

Forms that apply to this coverage:

59350 (01-15)	55405 (07-08)	55826 (04-17)	55146 (06-04)	CG2106 (05-14)
CG2109 (06-15)	55091 (05-17)	55448 (05-17)	55447 (05-17)	55084 (06-04)
IL0021 (07-02)	59325 (12-19)	CG0001 (04-13)	IL0017 (11-85)	55513 (05-17)
IL0125 (11-13)	55029 (05-17)	CG2196 (03-05)	59319 (03-15)	CG2132 (05-09)
CG2147 (12-07)	55885 (05-17)	55581 (05-16)	55639 (12-14)	55641 (02-20)
59571 (10-18)	59390 (11-20)			

Owners Ins. Co.

Issued 01-11-2024

AGENCY THE HOME LOAN AND INVESTMENT COMPANY
32-0232-00 MKT TERR 086

Company POLICY NUMBER 242332-74995895-24
Bill 74-23-CO-2401

INSURED COTTONWOOD BLUFFS HOA

Term 01-10-2024 to 01-10-2025

LOCATION 0001 - BUILDING 0001**Location:** 311 Kava Way, Grand Junction, CO 81503-3153**Territory:** 002**County:** Mesa

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS	RATE	PREMIUM
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	00501	Prem/Op	Prem/Op Prem Included	Included	Included
Assn Directors/Officers Errors And Omissions	00811	Professional	Flat Charge 10		\$169.00
Homeowners &/Or Mobile Homeowners Associations - No Buildings Or Premises Owned Or Leased Except For Office Purposes. (Not-For Profit)	41670	Prem/Op Prod/Comp Op	Members 10 10	Each 1 2.886 .351	\$29.00 \$4.00

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0001 SUMMARY

	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390	\$2.00
LOCATION 0001	\$204.00

CYBER LIABILITY COVERAGE

**THIS FORM PROVIDES COVERAGE ON A CLAIMS-MADE AND
REPORTED BASIS.
PLEASE READ THE ENTIRE FORM CAREFULLY.**

THE LIMIT OF INSURANCE FOR ANY COVERAGE INDICATED BELOW APPLIES TO COVERED LOSSES AS DEFINED IN THE CYBER LIABILITY COVERAGE FORM.

ONLY COVERAGE UNDER INSURING AGREEMENTS A AND B BELOW ARE LIMITED TO LIABILITY FOR THOSE CLAIMS OR SUITS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE COVERAGE PERIOD, INCLUDING ANY APPLICABLE EXTENDED REPORTING PERIOD, AND REPORTED TO THE INSURER.

THE AGGREGATE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS UNDER THIS COVERAGE PART FOR INSURING AGREEMENTS A AND B ONLY SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE EXPENSES. AMOUNTS INCURRED FOR DEFENSE EXPENSES SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

IN THE EVENT OF A CYBER LIABILITY RELATED LOSS, PLEASE CONTACT YOUR AGENT AS SOON AS POSSIBLE. IF YOU CANNOT REACH YOUR AGENT AFTER NORMAL BUSINESS HOURS, CALL THE CYBER LIABILITY HOTLINE AT 1-877-800-5032.

Retroactive Date
Coverage Period

01-10-2024
01-10-2024 to 01-10-2025

Owners Ins. Co.

Issued 01-11-2024

AGENCY THE HOME LOAN AND INVESTMENT COMPANY
32-0232-00 MKT TERR 086

Company POLICY NUMBER 242332-74995895-24
Bill 74-23-CO-2401

INSURED COTTONWOOD BLUFFS HOA

Term 01-10-2024 to 01-10-2025

COVERAGE	DEDUCTIBLE	LIMIT	PREMIUM
CYBER AGGREGATE		\$ 50,000	
CYBER THIRD PARTY COVERAGE			
INSURING AGREEMENT A - Information Risk Liability and Communication Incident Liability	\$ 1,000	\$ 50,000	
INSURING AGREEMENT B - Privacy Administrative Awards and PCI DSS Assessments (including Defense)	\$ 1,000	\$ 50,000	
Privacy Administrative Awards - up to a maximum of:	\$ 1,000	\$ 5,000	
PCI DSS Assessments - up to a maximum of:	\$ 1,000	\$ 5,000	
Cyber Third Party Premium			\$ 140.00
CYBER FIRST PARTY COVERAGE			
INSURING AGREEMENT C - Data Loss Expenses	\$ 1,000	\$ 50,000	
Information Risk Expenses - up to a maximum of:	\$ 1,000	\$ 10,000	
Information Restoration Expenses - up to a maximum of:	\$ 1,000	\$ 10,000	
Notification Expenses	\$ 0	\$ 50,000	
INSURING AGREEMENT D - Personal Identity Recovery Expenses	\$ 1,000	\$ 50,000	
Information Risk Expenses - up to a maximum of:	\$ 1,000	\$ 10,000	
Information Restoration Expenses - up to a maximum of:	\$ 1,000	\$ 10,000	
Notification Expenses	\$ 0	\$ 50,000	
INSURING AGREEMENT E - Business Income and Extra Expense (Waiting period is 24 hours)		\$ 50,000	
INSURING AGREEMENT F - Computer and Funds Transfer Fraud	\$ 1,000	\$ 25,000	
INSURING AGREEMENT G - Telecommunications Theft Expense	\$ 1,000	\$ 10,000	
INSURING AGREEMENT H - Extortion Payments and Rewards	\$ 1,000	\$ 10,000	
INSURING AGREEMENT I - Fraudulent Impersonation	\$ 1,000	\$ 25,000	
Cyber First Party Premium			\$ 94.00
Total Cyber Premium			\$ 234.00
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390, 55826			\$2.00
CYBER LIABILITY PREMIUM			\$236.00

55029 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I - COVERAGES is amended.

1. COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is

amended. The following exclusion is added.

This insurance does not apply to:

Any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal, release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

2. COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions is amended.

The following exclusion is added.

This insurance does not apply to:

Any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal,

release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

3. COVERAGE C - MEDICAL PAYMENTS, 2.

Exclusions is amended. The following exclusion is added.

We will not pay expenses for "bodily injury":

For any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal, release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

All other policy terms and conditions apply.

**COMMERCIAL GENERAL LIABILITY
55084 (6-04)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED HOMEOWNERS ASSOCIATION MEMBERS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

A. SECTION II - WHO IS AN INSURED is amended to include as an additional insured each individual member of the insured Homeowners Association, but only with respect to liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that member's exclusive use or occupancy.

B. The following is added to SECTION III - LIMITS OF INSURANCE:

The limits of liability for the additional insured are those specified in the written contract or agreement between the insured and the Homeowners Association member, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

55447 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - ASSOCIATION BUILDING, CONSTRUCTION AND DEVELOPMENT ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- 1. SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is amended. The following exclusions are added.

This insurance does not apply to:

Any claim for "property damage" against any insured arising out of their activities as a builder or developer of real property, including but not limited to any claim for damages arising out of conflict of interest, self-dealing or conversion.

Any claim for "property damage" against any insured arising out of any defective, faulty or delayed construction, including but not limited to any claim for damages as a result of:

- (1) Faulty or incorrect design or plans;
- (2) Improper soil testing;
- (3) Negligent hiring, selection or retention of contractors;
- (4) Negligent construction supervision; or
- (5) Breach of warranty.

Any claim for "property damage" against any insured arising out of any damage, destruction or deterioration of any property owned by the association or a member unit owner of the association for which you are a director or officer.

- 2. SECTION I - COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions** is amended. The following exclusions are added.

This insurance does not apply to:

Any claim for "personal and advertising injury" against any insured arising out of their activities as a builder or developer of real property, including but not limited to any claim for damages arising out of conflict of interest, self-dealing or conversion.

Any claim for "personal and advertising injury" against any insured arising out of any defective, faulty or delayed construction, including but not limited to any claim for damages as a result of:

- (1) Faulty or incorrect design or plans;
- (2) Improper soil testing;
- (3) Negligent hiring, selection or retention of contractors;
- (4) Negligent construction supervision; or
- (5) Breach of warranty.

All other policy terms and conditions apply.

55885 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed:

SECTION III – LIMITS OF INSURANCE is amended.

The following provision is added.

Beginning with the effective date of this policy, we will provide twice the General Aggregate Limit (other than Products-Completed Operations), shown in the Declarations.

If this policy is written for more than one 12 month period, the General Aggregate Limit for each 12

month period shall never exceed twice the General Aggregate Limit shown in the Declarations. The General Aggregate Limit applies separately to each 12 month period starting with the beginning of the policy period shown in the Declarations.

All other policy terms and conditions apply.

55639 (12-14)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CYBER LIABILITY COVERAGE PART

- A.** Paragraph **2.** of the **CANCELLATION** Common Policy Condition is deleted and replaced by the following:
- 2.** If this policy has been in effect for less than 60 days and is not a renewal policy, we may cancel this policy for any reason by mailing or delivering written notice stating the reason for cancellation to the first Named Insured at your last address shown in our records. This notice shall be mailed or delivered 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 for all other reasons.
- B.** The following is added to the **CANCELLATION** Common Policy Condition:
If this policy has been in effect for 60 days or more, or is a renewal:
- 1.** We may cancel this policy by mailing or delivering written notice stating the reason for cancellation to the first Named Insured at your last address shown in our records as follows:
 - 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 a reason stated below in **2.b.** and **c.**
 - 2.** We may cancel this policy only for one or more of the following reasons:
 - a.** Nonpayment premium;
 - b.** A false statement knowingly made by the insured on the application for insurance; or
 - c.** 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 Named Insured has notified us of the change and we accept such change.

- C.** The following is added:

NONRENEWAL

If we decided not to renew this policy, we shall mail or deliver to the first Named Insured written notice of nonrenewal at the last address shown in our records at least 45 days before the expiration date of the policy.

- D.** The following 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.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY PLUS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. EXTENDED WATERCRAFT LIABILITY

SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is amended. Exclusion **g.(2)** is deleted and is replaced by the following exclusion.

(2) A watercraft you do not own that is:

- (a)** Less than 50 feet long; and
- (b)** Not being used to carry persons or property for a charge;

2. HIRED AUTO AND NON-OWNED AUTO LIABILITY

Coverage for "bodily injury" and "property damage" liability provided under **SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, is extended as follows under this item, but only if you do not have any other insurance available to you which affords the same or similar coverage.

Coverage

We will pay those sums the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" arising out of the maintenance or use of an "auto":

- a.** You do not own;
- b.** Which is not registered in your name; or
- c.** Which is not leased or rented to you for more than ninety consecutive days and which is used in your business.

Exclusions

With respect to only **HIRED AUTO AND NON-OWNED AUTO LIABILITY**, the exclusions which apply to **SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, other than the Nuclear Energy Liability Exclusion Endorsement, do not apply. The following exclusions apply to this coverage.

This coverage does not apply to:

- a.** "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.** Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
- c. (1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a)** That are, or are contained in any property that is:
 - 1)** Being transported or towed by, handled or prepared for placement into or upon, or taken from the "auto";
 - 2)** Otherwise in the course of transit by you or on your behalf; or
 - 3)** Being disposed of, stored, treated or processed into or upon the "auto";
 - (b)** Before such "pollutants" or property containing "pollutants" are moved from the place they are accepted by you or anyone acting on your behalf for placement into or onto the "auto"; or
 - (c)** After such "pollutants" or property containing "pollutants" are removed from the "auto" to where they are delivered, disposed of or abandoned by you or anyone acting on your behalf.

Paragraph **c.(1)(a)** does not apply to "pollutants" that are needed or result from the normal mechanical, electrical or hydraulic functioning of the "auto" or its parts, if the discharge, release, escape, seepage, migration or dispersal of such "pollutants" is directly from a part of the "auto" designed to hold, store, receive or dispose of such "pollutants" by the "auto" manufacturer.

Paragraphs **c.(1)(b)** and **c.(1)(c)** do not apply, if as a direct result of maintenance or use of the "auto", "pollutants" or property containing "pollutants" which are not in or upon the "auto", are upset, overturned or damaged at any premises not owned by or leased to you. The discharge, release, escape, seepage, migration or dispersal of the "pollutants" must be directly caused by such upset, overturn or damage.

- (2) Any loss, cost or expense arising out of any:
 - (a) 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
 - (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".
- d. "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.
- e. "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) 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. However, if the insurance under this policy does not apply to the liability of the insured, it also does not apply to such liability assumed by the insured under an "insured contract".
 - (2) That the insured would have in the absence of the contract or agreement.
- f. "Property damage" to:
 - (1) Property owned or being transported by, or rented or loaned to any insured; or
 - (2) Property in the care, custody or control of any insured other than "property damage" to

a residence or a private garage by a private passenger "auto" covered by this coverage.

- g. (1) "Bodily injury" to:
 - (a) An "employee" of the insured arising out of and in the course of employment by the insured; or
 - (b) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **g.(1)(a)**.
- (2) This exclusion applies:
 - (a) Whether the insured may be liable as an employer or in any other capacity; and
 - (b) To any obligation to share damages with or repay someone else who must pay damages because of the injury.
- (3) This exclusion does not apply to:
 - (a) Liability assumed by the insured under an "insured contract".
 - (b) "Bodily injury" to any "employee" of the insured arising out of and in the course of his or her domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

Who Is An Insured

With respect to only this coverage, **SECTION II - WHO IS AN INSURED** is deleted and replaced by the following provision.

SECTION II - WHO IS AN INSURED

- a. Each of the following is an insured with respect to this coverage.
 - (1) You.
 - (2) Your partners if you are designated in the Declarations as a partnership or a joint venture.
 - (3) Your members if you are designated in the Declarations as a limited liability company.
 - (4) Your "executive officers" if you are designated in the Declarations as an organization other than a partnership, joint venture or limited liability company.
 - (5) Any person using the "auto" and any person or organization legally responsible for the use of an "auto" not owned by such person or organization, provided the actual use is with your permission.
- b. None of the following is an insured:
 - (1) Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" of such person injured in the course of employment.
 - (2) Any person using the "auto" and any person other than you, legally responsible for its use with respect to an "auto" owned or registered in the name of:

- (a) Such person; or
- (b) Any partner or "executive officer" of yours or a member of his or her household; or
- (c) Any "employee" or agent of yours who is granted an operating allowance of any sort for the use of such "auto".
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate.
- (4) The owner or lessee (of whom you are a sub-lessee) of a hired "auto" or the owner of an "auto" you do not own or which is not registered in your name which is used in your business or any agent or employee of any such owner or lessee.
- (5) Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

Additional Definitions

The following definition applies to only this coverage. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".

Limits of Insurance

With respect to only this coverage, **SECTION III - LIMITS OF INSURANCE** is deleted and replaced by the following provision.

SECTION III - LIMITS OF INSURANCE

- a. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - (1) Insureds;
 - (2) Claims made or "suits" brought; or
 - (3) Persons or organizations making claims or bringing "suits".
- b. We will pay damages for "bodily injury" or "property damage" up to the limits of liability shown in the Declarations for this coverage. Such damages shall be paid as follows:
 - (1) When Hired Auto and Non-Owned Auto Each Occurrence Limit is shown in the Declarations, such limit is the total amount of coverage and the most we will pay for all damages because of or arising out of all "bodily injury" and "property damage" in any one "occurrence".
 - (2) When Bodily Injury Hired Auto and Non-Owned Auto Each Occurrence Limit and Property Damage Hired Auto and Non-Owned Auto Each Occurrence Limit are shown in the Declarations:

- (a) The limit shown for Bodily Injury Hired Auto and Non-Owned Auto Each Occurrence is the total amount of coverage and the most we will pay for all damages because of or arising out of all "bodily injury" in any one "occurrence".
- (b) The limit shown for Property Damage Hired Auto and Non-Owned Auto Each Occurrence is the total amount of coverage and the most we will pay for all damages because of or arising out of all "property damage" in any one "occurrence".

3. BROADENED SUPPLEMENTARY PAYMENTS SUPPLEMENTARY PAYMENTS - COVERAGES A AND B, Paragraph 1.d. is amended.

The amount we will pay for the actual loss of earnings is increased from \$250 per day to \$400 per day.

4. ADDITIONAL PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT

If the endorsement, EXCLUSION - PRODUCTS COMPLETED OPERATIONS HAZARD, CG 21 04, is not attached to this policy, then the following provision is added to **SECTION III - LIMITS OF INSURANCE**.

Commencing with the effective date of this policy, we will provide one additional Products-Completed Operations Aggregate Limit, for each annual period, equal to the amount of the Products-Completed Operations Aggregate Limit shown in the Declarations. The maximum Products-Completed Operations Aggregate Limit for any annual period will be no more than two times the original Products-Completed Operations Aggregate Limit.

5. PERSONAL INJURY EXTENSION

- a. If the endorsement EXCLUSION - PERSONAL AND ADVERTISING INJURY, CG 21 38, is attached to this policy, then this provision, **5. PERSONAL INJURY EXTENSION**, does not apply.
- b. If the endorsement EXCLUSION - PERSONAL AND ADVERTISING INJURY, CG 21 38, is not attached to this policy, then under **SECTION V - DEFINITIONS, 14.** "Personal and advertising injury" is deleted and replaced by the following definition.
 - 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";
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- h. Discrimination, humiliation, sexual harassment and any violation of civil rights caused by such discrimination, humiliation or sexual harassment.

6. BROADENED KNOWLEDGE OF OCCURRENCE SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit is amended. The following condition is added.

Paragraphs a. and b. of this condition will not serve to deny any claim for failure to provide us with notice as soon as practicable after an "occurrence" or an offense which may result in a claim:

- a. If the notice of a new claim is given to your "employee"; and
- b. That "employee" fails to provide us with notice as soon as practicable.

This exception shall not apply to you or to any officer, director, partner, risk manager or insurance manager of yours.

7. DAMAGE TO PREMISES RENTED TO YOU

- a. **SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is amended.

- (1) The last paragraph is deleted and replaced by the following paragraph.
Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or water damage to premises 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 **7. DAMAGE TO PREMISES RENTED TO YOU, b. Limits of Insurance.**
- (2) The following additional exclusions apply to "property damage" arising out of water damage to premises rented to you or

temporarily occupied by you with permission of the owner.

- (a) "Property damage" to:

- 1) The interior of the premises caused by or resulting from rain or snow, whether driven by wind or not; or
- 2) Heating, air conditioning, plumbing or fire protection systems, or other equipment or appliances.

- (b) "Property damage" caused by or resulting from any of the following:

- 1) Mechanical breakdown, including bursting or rupture caused by centrifugal force;
- 2) Cracking, settling, expansion or shrinking;
- 3) Smoke or smog;
- 4) Birds, insects, rodents or other animals;
- 5) Wear and tear;
- 6) Corrosion, rust, decay, fungus, deterioration, hidden or latent defect or any quality in property that causes such property to destroy or damage itself; or
- 7) Water that flows or leaks from any heating, air conditioning, plumbing or fire protection system caused by or resulting from freezing, unless:
 - a) You make a reasonable effort to maintain heat in the building or structure; or
 - b) You drain the equipment and shut off the water supply if the heat is not maintained.

- (c) "Property damage" caused directly or indirectly by any of the following:

- 1) Water that backs up from a drain or sewer;
- 2) Mud flow or mudslide;
- 3) Volcanic eruption, explosion or effusion;
- 4) Any earth movement, such as earthquake, landslide, mine subsidence, earth sinking, earth rising or earth shifting;
- 5) Regardless of the cause, flood, surface water, waves, tides, tidal waves, storm surge, overflow of any body of water, or their spray, all whether wind driven or not; or
- 6) Water under the ground surface pressing on, or seeping or flowing through:
 - a) Walls, foundations, floors or paved surfaces;

- b) Basements, whether paved or not; or
- c) Doors, windows or other openings.
- (d) "Property damage" for which the insured is obligated to pay as damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of this contract or agreement.

b. Limits of Insurance

With respect to this coverage only, under **SECTION III - LIMITS OF INSURANCE**, Paragraph 6. is deleted and replaced by the following Paragraph.

6. The most we will pay under Coverage A for damages because of "property damage" to premises rented to you or temporarily occupied by you with permission of the owner arising out of or caused by fire, lightning, explosion, smoke and water damage is the amount shown in the Declarations under Damage to Premises Rented to You.

- c. **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance**, Paragraph b. is amended. The word fire is amended to include fire, lightning, explosion, smoke or water damage.

8. BLANKET ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

- a. (1) **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person or organization with whom you have agreed:
- (a) In a written contract or agreement, executed prior to loss, to name as an additional insured; or
 - (b) In an oral contract or agreement, executed prior to loss, to name as an additional insured only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insured.
- (2) This provision applies only with respect to liability for:
- (a) "Bodily injury";
 - (b) "Property damage"; or
 - (c) "Personal and advertising injury" caused in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.
- b. With respect to the insurance afforded to an additional insured, this insurance does not apply

to any "occurrence" which takes place after the equipment lease expires.

- c. The following provision is added to **SECTION III - LIMITS OF INSURANCE**.

The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the lessor, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

9. BLANKET ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES

- a. **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person or organization with whom you have agreed:
- (1) In a written contract or agreement, executed prior to loss, to name as an additional insured; or
 - (2) In an oral contract or agreement, executed prior to loss, to name as an additional insured only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insured

but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

- b. This provision is subject to the following additional exclusions.
- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
 - (2) Structural alterations, new constructions or demolition operations performed by or on behalf of the additional insured.
- c. The following provision is added to **SECTION III - LIMITS OF INSURANCE**.
- The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the manager or lessor of the premises, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

10. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

SECTION II - WHO IS AN INSURED is amended. Paragraph 3. is deleted and replaced by the following provision.

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 180th 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.

11. BLANKET WAIVER OF SUBROGATION

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended. The following provision is added to **8. Transfer Of Rights of Recovery Against Others To Us**.

When you have agreed to waive your right of subrogation in a written contract, executed prior to loss, with any person or organization, we waive any right to recovery we may have against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

All other policy terms and conditions apply.

**COMMERCIAL GENERAL LIABILITY
55146 (6-04)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UPSET AND OVERSPRAY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed the coverage for "property damage" liability with respect to your operations is extended as follows:

1. COVERAGE

We will pay those sums which you become legally obligated to pay for "property damage" caused directly by immediate, abrupt and accidental:

- a. Upset, overturn or collision of your "mobile equipment" while transporting; or
- b. "Overspray" during your application or dispersal of

"pollutants" which are intended for and normally used in your operations. The operations must be in compliance with local, state, and federal ordinances and laws.

This is not an additional amount of insurance and does not increase the Limits of Insurance stated in the Declarations.

2. EXCLUSIONS

- a. With regard only to the coverage provided by this endorsement, Exclusion **f.** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is deleted and replaced by the following:

- f. Pollution**

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".

However, this paragraph does not apply to liability for damages because of covered "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.

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

This coverage does not apply to "overspray" resulting from aerial application or dispersal of "pollutants".

3. DEDUCTIBLE

Any deductible provision of the policy which is applicable to Property Damage Liability coverage applies to this coverage extension.

4. DEFINITIONS

The following definition applies in addition to those in the policy.

"Overspray" means spray, from a device specifically designed for spray application or dispersal, that goes beyond the entire area of intended application or dispersal.

All other policy terms and conditions apply.

55405 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or

b. The Program is renewed, extended or otherwise continued in effect:

(1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and

(2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.

2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism

endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
- a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or

- c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:

- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
- b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for "bodily injury", "property damage", "personal injury" or "advertising injury" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All "bodily injury", "property damage", "personal injury" or "advertising injury" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such

injury or damage. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

55448 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASSOCIATION DIRECTORS AND OFFICERS ERRORS AND OMISSIONS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. SECTION I - COVERAGES** is amended. The following coverage is added.

ASSOCIATION DIRECTORS AND OFFICERS ERRORS AND OMISSIONS COVERAGE

1. Insuring Agreement

We will pay those sums the insured becomes legally obligated to pay as "damages" because of any negligent act, error, omission or breach of duty directly related to the management of the premises, shown in the Declarations, which occurs during the policy period. We will settle, as we consider appropriate, any claim or "suit" for damages covered by this policy. We will defend any "suit" for damages covered by this policy at our expense, using attorneys of our choice. This agreement to settle or defend claims or "suits" ends when we have paid the limit of our liability.

2. Exclusions

This coverage does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury".
- b. Any transactions of any insured from which any insured gained any personal profit or advantage not shared equitably by the members of the association.
- c. Any failure to:
 - 1) Procure or maintain any insurance policy or bond; or
 - 2) Obtain proper amounts, forms, conditions or provisions of any insurance policy or bond.
- d. Violation of any civil rights law, whether federal, state or local ordinance, including but not limited to discrimination based on race, religion, sex or age.
- e. Any criminal or malicious act.
- f. Liability based upon any intentionally dishonest or fraudulent act, or any judgment based upon any intentionally dishonest or fraudulent act.

- g. To the liability of any insured to return salaries or bonuses received illegally or without the permission of association members.
- h. To any claims for which your officer or director receives indemnity from you or has a right to be indemnified by you.
- i. An actual or alleged error, omission or breach of duty, committed by any insured in the discharge of fiduciary duties, obligations or responsibilities imposed by the Employee Retirement Income Act of 1974 or any similar legislation.
- j. Any insured's failure to comply with any law concerning workers compensation, unemployment insurance, social security, disability benefits or any similar law.
- k. To any claim for "damages" made by you, your officers or your directors.
- l. Any claim or liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - 1) At or from any premises, site or location which is or was at any time owned or occupied by, 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 an insured may be legally responsible;
 - 4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or

- indirectly on any insured's behalf are performing operations:
- a) If the "pollutants" are brought on or to 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.
- m. 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, testing, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".
- n. Any claim or liability arising out of any nuclear reaction, nuclear radiation, or radioactive contamination, or to any act or condition relating to any of these.
- o. Any claim against any insured arising out of their activities as a builder or developer of real property, including but not limited to any claim for damages arising out of conflict of interest, self-dealing or conversion.
- p. Any claim against any insured arising out of any defective, faulty or delayed construction, including but not limited to any claim for damages as a result of:
- (1) Faulty or incorrect design or plans;
 - (2) Improper soil testing;
 - (3) Negligent hiring, selection or retention of contractors;
 - (4) Negligent construction supervision; or
 - (5) Breach of warranty.
- q. Any claim against any insured arising out of any damage, destruction or deterioration of any property owned by the association or a member unit owner of the association for which you are a director or officer.
- B. SECTION II - WHO IS AN INSURED** is deleted and replaced by the following provision for the purposes of this endorsement only.
- SECTION II - WHO IS AN INSURED**
Each of the following is an insured with respect to this coverage, but only to the extent set forth below:
- 1. Your directors and officers, but only while acting within the scope of their duties for you.
 - 2. You with respect to your liability for the negligent act, error, omission or breach of duty committed by an officer or director.
- C. SECTION III - LIMITS OF INSURANCE** is amended. The following provision is added for the purposes of this endorsement only.
- 1. The limit of insurance shown in the Declarations for this coverage:
 - a. Is the total of our liability for all "damages" for one or more persons as a result of any one negligent act, error, omission or breach of duty whether committed collectively or individually; and
 - b. Applies regardless of the number of insureds.
 - 2. The coverage provided by this endorsement is subject to a separate aggregate limit which is:
 - a. Shown in the Declarations; and
 - b. The most we will pay for all "damages" covered under this endorsement for any one policy period.
- D. SECTION V - DEFINITIONS** is amended. The following definition is added for the purposes of this endorsement only.
- "Damages" means only actual compensatory damages for loss suffered but does not include fines, taxes or any other cost or expense assessed against any insured.

All other policy terms and conditions apply.

55513 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYER'S LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is amended. Exclusion **e. Employer's Liability** is deleted and replaced by the following exclusion.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of any insured arising out of and in the course of employment by any insured; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **e.(1)**.

This exclusion applies:

- (1) Whether any insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

- B. SECTION II - WHO IS AN INSURED** is amended. Paragraph **1.** is deleted and replaced by the following paragraph for purposes of this endorsement only.

- 1. a.** If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) 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.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business.

- (4) 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.

- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

- b.** However, with respect to paragraphs **1.a.(1)** through **1.a.(5)**, no person is an insured for "bodily injury" or "personal and advertising injury":

(1) To:

- (a) You and your spouse if the Named Insured is an individual;
 - (b) Your members, your partners and their spouses if the Named Insured is a partnership or joint venture;
 - (c) Your members if the Named Insured is a Limited Liability Company;
 - (d) Your "executive officers" and directors if the Named Insured is other than a partnership, joint venture or limited liability company; or
 - (e) Your trustees if the Named Insured is a trust.
- (2) To an "employee" of any insured while in the course of his or her employment or performing duties related to the conduct of any insured's business.
 - (3) To any insured's "volunteer workers" while performing duties related to the conduct of any insured's business;
 - (4) To the spouse, child, parent, brother or sister of any "employee" or "volunteer worker" as a consequence of Paragraphs **1.b.(2)** or **(3)**.
 - (5) 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.b.(1), (2) and (3)**.

(6) Arising out of his or her providing or failing to provide professional health care services.

All other policy terms and conditions apply.

CYBER LIABILITY COVERAGE FORM

**INSURING AGREEMENTS A AND B PROVIDE COVERAGE
ON A CLAIMS-MADE AND REPORTED BASIS AND DEFENSE EXPENSES
ARE PAYABLE WITHIN THE LIMITS OF INSURANCE.
PLEASE READ THIS ENTIRE FORM CAREFULLY.**

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

For purposes of this Coverage Form only 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 Coverage Form. 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 IV - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION IX - DEFINITIONS**.

The descriptions in the headings of this Coverage Form and all applicable endorsements are solely for convenience and form no part of the terms and conditions of coverage.

SECTION I - INSURING AGREEMENTS

THIRD PARTY LIABILITY INSURING AGREEMENTS

1. a. Insuring Agreement A - Information Risk Liability And Communication Incident Liability

We will pay:

- (1) Those sums that the insured becomes legally obligated to pay as "damages"; and
- (2) "Defense expenses" because of an "information risk incident" or a "communication incident" to which this insurance applies.

b. Insuring Agreement B - Privacy Administrative Awards; Payment Card Industry Data Security Standards (PCI DSS) Assessments

(1) Privacy Administrative Awards

We will pay:

- (a) Those sums that the insured becomes legally obligated to pay as "privacy administrative awards"; and
- (b) "Defense expenses" because of a "privacy administrative claim" resulting from a violation of a "privacy regulation" to which this insurance applies.

(2) PCI DSS Assessments

We will pay:

- (a) Those sums that the insured becomes legally obligated to pay as a "PCI DSS assessment"; and

(b) "Defense expenses"

resulting from an "information risk incident" to which this insurance applies.

We will have the right and duty to defend the insured against any "suit" seeking "damages" under **Insuring Agreement A** because of an "information risk incident" or "communication incident". We will have the right and duty to defend the insured against any "privacy administrative claim" under **Insuring Agreement B**.

- 2. We may investigate and settle any "information risk incident", "communication incident" or "privacy administrative claim", however:
 - a. The amount we will pay for "damages", "privacy administrative awards", "PCI DSS assessments" or for "defense expenses" is limited as described in **SECTION V - LIMITS OF INSURANCE**; and
 - b. Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of "damages" and "defense expenses" under **Insuring Agreement A**, or "privacy administrative awards", "PCI DSS assessments" and "defense expenses" under **Insuring Agreement B**.
- 3. **Insuring Agreements A and B** apply to "claims" and "privacy administrative claims" first made against the insured during the "coverage period" or any applicable Extended Reporting Period if the

"claims" arise out of an "information risk incident", "communication incident" or violation of a "privacy regulation" that takes place:

- a. On or after the retroactive date, if any, shown in the Declarations; or
 - b. On or after the effective date of this Coverage Form; and
 - c. Before the end of the "coverage period".
4. We will deem each "information risk incident", "communication incident" or violation of a "privacy regulation" in a series of related incidents arising out of or in any way involving the same or related facts, circumstances, transactions or events to have been committed or taken place on the date the first of those "information risk incidents", "communication incidents" or violations of a "privacy regulation" were committed or took place.
- "Claims" for "information risk incidents", "communication incidents" or violations of a "privacy regulation" must be reported in writing to us during the "coverage period" or any applicable Extended Reporting Period we provide under **SECTION VII - EXTENDED REPORTING PERIODS** if such "information risk incidents", "communication incidents" or violations of a "privacy regulation":
- a. Take place within the "coverage territory"; and
 - b. Take place on or after the retroactive date, if any, shown in the Declarations and before the end of the "coverage period".
5. A "claim" or "privacy administrative claim" arising out of "information risk incidents", "communication incidents" or violation of "privacy regulations" received by any insured during the "coverage period" and reported to us within thirty (30) days after the end of the "coverage period" will be deemed to have been reported within the "coverage period". However, coverage does not apply to any "claim" or "suit" reported to us within this thirty (30) day period which are covered under any subsequent insurance or that would be covered under any other insurance but for the exhaustion of insurance applicable to such "claim" or "suit".

FIRST PARTY INSURING AGREEMENTS

1. Insuring Agreement C - Data Loss Expenses

We will pay "data loss expenses" to respond to and remediate an "information risk incident" that takes place during the "coverage period" and within the "coverage territory".

2. Insuring Agreement D - Personal Identity Recovery Expense

We will pay "personal identity recovery expenses" if there has been a "personal identity theft" that takes place during the "coverage period" and within the "coverage territory".

3. Insuring Agreement E - Business Income And Extra Expense

In the event of a necessary "suspension" of your "operations" caused by an "information risk incident" that takes place during the "coverage period" and within the "coverage territory", we will pay:

- a. The actual loss of "Business Income" you sustain during the "period of restoration".
- b. "Extra Expense" coverage if "Business Income" is payable under **a.** above. We will pay "Extra Expense" under this Coverage Form to:
 - (1) Avoid or minimize the "suspension" of your business and to continue your "operations"; or
 - (2) Minimize the "suspension" of your business if you cannot continue your "operations".
 We will only pay for "Extra Expense" after the date the "suspension" first began. Such expenses are included in and not in addition to the Business Income Limit of Insurance.
- c. Coverage for "Business Income" and "Extra Expense" will begin immediately unless a waiting period is shown in the Declarations. If a waiting period is shown in the Declarations, then coverage under **Insuring Agreement E** begins after the time shown as the waiting period.

Insuring Agreements C, D and E apply to "information risk incidents" or "personal identity thefts" that take place on or after the effective date of this Coverage Form; and before the end of the "coverage period". We will deem each "information risk incident" or "personal identity theft" in a series of related incidents or "thefts" arising out of or in any way involving the same or related facts, circumstances, transactions or events to have been committed or taken place on the date the first of those "information risk incidents" or "personal identity thefts" were committed or took place.

4. Insuring Agreement F - Computer And Funds Transfer Fraud

- a. (1) We will pay for loss you sustain resulting directly from a fraudulent:
 - (a) Entry of "electronic data" into; or
 - (b) Change of "electronic data" within any "computer system" owned, leased or operated by you.
 This includes any entry or change made by an "employee" acting in good faith on a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Coverage Form.
- (2) However, we will only pay for such loss if such fraudulent entry or fraudulent change causes:

(a) "Money", "securities" or "other property" to be transferred, paid, deleted or delivered from your account at a "financial institution" or causes such account to be deleted; or

(b) Loss of or damage to manuscripts, drawings or records of any kind, the cost of reconstructing them or reproducing any information contained in them. The most we pay for any one "occurrence" is \$5,000. Such payments are included in and not in addition to the Limit of Insurance shown in the Declarations for **Insuring Agreement F**.

b. We will pay for loss you sustain resulting directly from a "fraudulent instruction".

c. (1) The insurance provided in this **Insuring Agreement F** is applicable only to acts committed or events occurring within the "coverage territory". **Insuring Agreement F** applies only to an "occurrence" of loss caused by a fraudulent entry, fraudulent change or "fraudulent instruction" that takes place:

(a) On or after the effective date of this Coverage Form; and

(b) Before the end of the "coverage period".

(2) We will deem all:

(a) Such entries, changes or "fraudulent instructions" in a series of related entries, changes or "fraudulent instructions"; and

(b) "Occurrences" of loss arising out of or in any way involving the same or related facts, circumstances, transactions or events to have been committed or taken place on the date the first of those "occurrences" of loss, entries, changes or instructions were committed or took place.

5. **Insuring Agreement G - Telecommunications Theft Expense**

We will pay "telecommunications theft expense" incurred by or on behalf of the insured because of "telecommunications theft" that takes place during the "coverage period" and within the "coverage territory". We will deem all "telecommunications thefts" arising out of or in any way involving the same or related facts, circumstances, transactions or events to have taken place on the date the first "telecommunications theft" took place.

6. **Insuring Agreement H - Extortion Payments and Rewards**

We will pay "extortion payments and rewards" incurred by or on behalf of the insured because of "extortion" that takes place during the "coverage period" and within the "coverage territory". We will deem all "extortions" arising out of or in any way involving the

same or related facts, circumstances, transactions or events to have taken place on the date the first "extortion" took place.

7. **Insuring Agreement I - Fraudulent Impersonation**

a. We will pay for loss you sustain resulting directly from your having, in good faith, transferred "money", "securities" or "other property" in reliance upon a "transfer instruction" purportedly issued by:

(1) An "employee", or any of your partners, "members", "managers", officers, directors or trustees, or you; or

(2) Your "customer" or "vendor" but which "transfer instruction" proves to have been fraudulently issued by an imposter without the knowledge or consent of the person in Paragraph (1) above, "customer" or "vendor".

b. (1) The insurance provided in this **Insuring Agreement I** is applicable only to acts committed or events occurring within the "coverage territory". **Insuring Agreement I** applies only to loss caused by "transfer instructions" that take place:

(a) On or after the effective date of this Coverage Form; and

(b) Before the end of the "coverage period".

(2) We will deem all "transfer instructions" in a series of related "transfer instructions" arising out of or in any way involving the same or related transactions to have been committed or taken place on the date the first of those instructions were committed or took place.

SECTION II - EXCLUSIONS

1. Exclusions applicable to all **Insuring Agreements**: This insurance does not apply to any "damages", "defense expenses", "claims" including "suits" or "privacy administrative claims" arising out of or in any way related to:

a. **Advertising Injury**
"Advertising injury".

b. **Bodily Injury**
"Bodily injury", including "bodily injury" to an "employee", and any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law.

c. **Contractual Liability**
An insured's assumption of liability in a contract or agreement. This exclusion does not apply to liability for "damages" an insured would have in the absence of such contract, agreement or a "PCI DSS assessment".

d. **Costs To Upgrade**
Costs to upgrade or improve your "computer system", network or website regardless of the reason.

e. Criminal Acts

Any criminal, dishonest, malicious or fraudulent act or any willful violation of any statute or regulation by an insured acting alone or in collusion with others.

f. Equitable Relief

Any form of "non-monetary relief" or equitable relief requiring the payment of "money", including restitution, consumer redress or disgorgement; and the cost of complying with any non-monetary or equitable relief. This exclusion does not apply to restitution to individuals where such restitution is part of a "privacy administrative award".

g. Fines And Penalties

Criminal or civil fines, penalties or assessments. This exclusion does not apply to any part of a "privacy administrative award" or a "PCI DSS assessment".

h. Force Majeure

- (1) An act of God;
- (2) Fire, smoke, explosion, lightning, hail, wind-storm, or any other act of nature;
- (3) Strike;
- (4) Riot;
- (5) Disruption, or failure of, or surge affecting any infrastructure service or utility supplied by a third party, including power, water, fuel, telecommunications, satellite or electronic connectivity;
- (6) Any unexplained or indeterminable failure, malfunction or slowdown of your "computer system" or network, including "electronic data" and the inability to access or properly manipulate the "electronic data"; or
- (7) Any failure, malfunction or slowdown in normal computer operation or network service or operation arising out of insufficient capacity to process transactions because of an overload of activity on your "computer system" or network. However, this exclusion does not apply to such failures, malfunctions or slowdowns if caused by an "information risk incident".

i. Governmental Action

Any action by a governmental authority including the seizure or destruction of property by order of governmental authority. This exclusion does not apply to actions brought by governmental authority acting solely in its capacity as a "customer" of the insured. This exclusion does not apply to a "privacy administrative proceeding".

j. Insured's Economic Loss

- (1) An insured's economic loss, including loss of purchase or sale price, royalties, share value, goodwill or damage to reputation;

- (2) Fees or charges paid to obtain a license or other rights to use intellectual property, a product or a service; or

- (3) Income or profits except as provided under **Insuring Agreement E.**

k. Insured Versus Insured

Any "claim" against an insured that is brought by, or on behalf of, any other insured. This exclusion does not apply to any "claim" arising out of an "information risk incident" involving the "personal information" of an "employee", former "employee" or any member of an "employee's" immediate family.

l. Intentional Misconduct

Intentional misconduct, including dishonest, fraudulent, malicious or criminal acts or omissions or any willful violation of any statute or regulation by an insured, provided that one insured person's knowledge of such misconduct will not be imputed to any other insured unless the person with knowledge is an "executive officer", information technology or network manager or their equivalent.

m. Knowing Violations

- (1) Any injury caused by any insured or at any insured's direction with the knowledge that the act would violate the rights of another; or
- (2) Any oral or written publication of material, if done by any insured or at any insured's direction with knowledge of its falsity.

n. Natural Causes Of Loss

Any loss arising out of:

- (1) Any earth movement such as an earthquake, landslide, mine subsidence or earth sinking, earth rising or earth shifting.
- (2) Volcanic action, explosion or effusion. Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
 - (a) Airborne volcanic blast or airborne shock waves;
 - (b) Ash, dust or particulate matter; or
 - (c) Lava flow.
- (3) (a) Regardless of the cause, flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
 - (b) Mudslide or mudflow;
 - (c) Water that backs up from a sewer or drain; or
 - (d) Water under the ground surface pressing on, or flowing or seeping through:
 - 1) Foundations, walls, floors or paved surfaces;
 - 2) Basements, whether paved or not; or
 - 3) Doors, windows or other openings.

- (4) Presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot.
- (5) Presence, growth, proliferation, spread or any activity of virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- (6) Insects, birds, rodents or other animals.
- (7) Dampness or dryness of atmosphere.
- (8) Changes in or extremes of temperature.
- (9) Rain, snow, ice or sleet.

o. Nuclear Energy

Any loss, damage, injury, contamination or other harm:

- (1) With respect to which an insured is also an insured under a nuclear energy liability policy issued by the 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;
- (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;
 - (b) The insured is or, had this Coverage Form 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; or
 - (c) Resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization;
- (3) Resulting from "hazardous properties" of "nuclear material" if:
 - (a) The "nuclear material":
 - 1) Is at any "nuclear facility" owned by, or operated by or on behalf of, an insured; or
 - 2) Has been discharged or dispersed therefrom;
 - (b) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured;
 - (c) The loss, damage, injury or harm 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"; or

- (d) Physical injury to tangible property that is a part of or located at, including all loss of use of that property, any "nuclear facility" that 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 such "nuclear facility".

p. Other Excluded Causes Of Loss

- (1) Vapor or gas.
- (2) Wear and tear.
- (3) Rust, corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.
- (4) Smog.
- (5) Settling, cracking, shrinking or expansion.
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force.
- (7) Marring or scratching.
- (8) Explosion of steam boilers, steam pipes, steam engines or steam turbines.
- (9) Continuous or repeated seepage or leakage of water.
- (10) Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment.
- (11) Collapse.
- (12) Faulty, inadequate or defective:
 - (a) Planning, zoning, development, surveying or siting;
 - (b) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading or compaction;
 - (c) Materials used in repair, construction, renovation or remodeling; or
 - (d) Maintenance of part or all of any property.
- (13) Any increase of loss caused by or resulting from:
 - (a) Delay in resuming "operations" resulting from interference by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. However, if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your "Business Income" during the "period of restoration" to the extent provided under **Insuring Agreement E**.

(14) Any "Extra Expense" caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(15) Any loss caused by bankruptcy, financial impairment or insolvency.

(16) Any other consequential loss.

q. Patent

Any "claim" or "suit" based upon, arising out of, any actual or alleged infringement, misappropriation, misuse, gaining, or taking of, or any inducement to infringe, misappropriate, misuse, gain, or take, any patent. In addition, this exclusion applies to any "claim" or "suit" that also alleges "advertising injury" or "personal injury".

r. Personal Injury

"Personal Injury". However this exclusion will not apply to "claims" for invasion or infringement of the right of privacy, including intrusion upon seclusion or secrecy, when such offense arises out of:

- (1) An "information risk incident";
- (2) A "communication incident"; or
- (3) A "privacy administrative claim".

s. Pollution

- (1) The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants";
- (2) A "claim" or "suit" by or on behalf of any governmental authority for loss, costs or expenses for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, testing for or assessing the effects of "pollutants"; or
- (3) Any demand, request, order or statutory or regulatory requirement that you or others test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

t. Prior Claim Or Prior Knowledge

- (1) Any fact, circumstance, transaction, "occurrence" or event that existed or was pending, before the effective date of this Coverage Form and which was the subject of:
 - (a) Any "claim", "privacy administrative claim" or any other form of demand to any insured;
 - (b) Any "suit", order, decree or judgment entered therein; or
 - (c) Any notice of a potential or actual "claim" or loss given under any other policy of insurance.
- (2) Any fact, circumstance, transaction, "occurrence" or event that existed or was pending,

before the effective date of this Coverage Form known to any insured or any of the insured's information technology or network managers or their equivalents to be reasonably likely to give rise to a "claim" or "privacy administrative claim" under this Coverage Form.

- (3) Any fact, circumstance, transaction, "occurrence" or event that existed or was pending, before the effective date of this Coverage Form with respect to **Insuring Agreements F and I**, if any insured under paragraph 1. of **SECTION IV - WHO IS AN INSURED** has knowledge of any information relevant to loss sustained under **Insuring Agreements F and I** and that knowledge is considered knowledge of every insured.

u. Prize Redemption

Actual or attempted redemption of tickets, coupons, prizes, or other goods or property in any contest, lottery, sweepstakes, promotion, or game of chance, or violation of any laws regulating these activities.

v. Property Damage

- (1) Physical injury to tangible property, including all loss of use of that property;
- (2) Damage to data as a result of physical injury to tangible property, including all loss of use of such data; and
- (3) Loss of use of tangible property that is not physically injured.

w. RICO

Any actual or alleged violation of the Racketeer Influenced And Corrupt Organizations Act (RICO) and its amendments, or similar provisions of any federal, state, or local statutory or common law.

x. Software Or Software Copyright

Any "communication incident" involving software, its source code or any other content of a software program, or piracy of computer code or software product.

y. Violation Of Labor Or Employment Law

Violation of any statutory or common law relating to employment, including any law relating to:

- (1) Employee benefits, including any liability arising out of the insured's failure to fulfill any responsibility, duty or obligation imposed by the Employee Retirement Income Security Act of 1974 (ERISA), Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Workers' Adjustment and Retraining Notification Act, Public Law 100-379 (1988) (WARN), Occupational Safety and Health Act (OSHA), National Labor Relations Act of 1947 (NLRA) any rules or

regulations of the foregoing promulgated thereunder, and amendments thereto or any similar provisions of any federal, state or local statutory or common law.

- (2) Any liability arising out of any obligation under the Fair Labor Standards Act, or any violations of any federal, state, local or foreign statutory law or common law that governs the same topic or subject and any rules, regulations and amendments thereto including any liability arising out of "claims" for unpaid wages or overtime pay for hours actually worked or labor actually performed by any "employee" of the insured, "recognized volunteers" and applicants for employment for improper payroll deductions.
- (3) Refusal to employ a person or termination of a person's employment or any employment-related practice, policy, act or omission, including but not limited to:
 - (a) Coercion, demotion, evaluation, re-assignment, discipline, defamation, harassment, breach of contract, humiliation or discrimination directed at a person;
 - (b) Criminal or civil action brought against a person by or at the direction of the insured directly or indirectly related to any offense described herein; or
 - (c) Anyone as a consequence of injury to a person at whom any of the employment-related practices described herein is directed.

This exclusion **y.(3)(a)-(c)** applies:

- 1) Whether the insured may be liable as an employer or in any other capacity;
- 2) Whether the offense is alleged to arise out of the employment during the course or scope of employment, outside the course or scope of employment or after termination of employment;
- 3) Whether directly or indirectly related to a person's prospective, current or past employment; and
- 4) To any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

z. Violation Of Consumer Or Trade Law

Violation of any statutory or common law relating to:

- (1) Antitrust, including restraint of trade, price fixing and monopolization;

- (2) Consumer protection, including:
 - (a) The CAN-SPAM Act of 2003;
 - (b) The Fair and Accurate Credit Transaction Act;
 - (c) The Fair Credit Reporting Act; and
 - (d) The Telephone Consumer Protection Act
 and any amendments of or additions to such laws;
- (3) The unauthorized collection of "personal information" or "corporate information", including laws relating to the content of privacy policies. However, this exclusion does not apply to "privacy administrative claims";
- (4) Deceptive business or trade practices;
- (5) False advertising;
- (6) The offer, sale, purchase, trading or valuation of "securities"; or
- (7) Violation of any "securities" law including, but not limited to, the Securities Act of 1933 or the Securities Exchange Act of 1934 and their amendments.

aa. War

- (1) Undeclared or civil war or civil unrest;
- (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 government authority in hindering or defending against any of these.

bb. Infrastructure Failure

Failure or interruption of or damage to any electrical power supply network or telecommunication network not owned and operated by the insured including, but not limited to, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

2. Additional exclusions also applicable to Insuring Agreements F, G and I:

This insurance does not apply to any loss under **Insuring Agreements F, G and I:**

a. Acts Committed By You, Your Partners, Co-Venturers Or Your Members

Resulting from a "theft", "fraudulent instruction", fraudulent "transfer instruction", "telecommunications theft" or any other dishonest act committed by:

- (1) You; or
- (2) Any of your partners, co-venturers or "members" whether acting alone or in collusion with other persons.
- b. Acts Committed By Your Employees Learned Of By You Prior To The Coverage Period**
Caused by an "employee" if the "employee" had also committed "theft", "fraudulent instruction", fraudulent "transfer instruction", "telecommunications theft" or any other dishonest act prior to the effective date of this insurance and you or any of your partners, "members", "managers", "executive officers", directors or trustees, not in collusion with the "employee", learned of such "theft", "fraudulent instruction", fraudulent "transfer instruction", "telecommunications theft" or dishonest act prior to the "coverage period".
- c. Acts Committed By Your Employees, Managers, Directors, Trustees Or Representatives**
Resulting from "theft", "fraudulent instruction", fraudulent "transfer instruction", "telecommunications theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:
 - (1) Whether acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
- 3. Additional exclusions also applicable to Insuring Agreements F and I:**
This insurance does not apply to any loss under **Insuring Agreements F and I:**
 - a. Confidential Or Personal Information**
Resulting from:
 - (1) The disclosure of confidential or "personal information"; or
 - (2) The use of confidential or "personal information".
 - b. Data Security Breach**
Resulting from fees, costs, fines, penalties and other expenses incurred by you which are related to the access to or disclosure of another person's or organization's confidential or "personal information".
 - c. Indirect Loss**
That is an indirect result of an "occurrence" covered by this insurance including loss resulting from:
 - (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property";
 - (2) Payment of "damages" for indirect loss for which you are legally liable; or
 - (3) Payment of costs, fees or other expenses you incur in establishing either the existence

or the amount of loss under **Insuring Agreements F or I.**

- 4. Additional exclusions also applicable to Insuring Agreement F:**
This insurance does not apply to any loss under **Insuring Agreement F:**
 - a. Authorized Access**
Resulting from a fraudulent:
 - (1) Entry of "electronic data" or "computer program" into; or
 - (2) Change of "electronic data" or "computer program" within any "computer system" owned, leased or operated by you or by a person or organization with authorized access to that "computer system", except when such entry or change is made by an "employee" acting in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Coverage Form.
 - b. Credit Card Transactions**
Resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.
 - c. Exchanges Or Purchases**
Resulting from the giving or surrendering of property in any exchange or purchase.
 - d. Fraudulent Instructions**
Resulting from an "employee" or "financial institution" acting upon any instruction to:
 - (1) Transfer, pay or deliver "money", "securities" or "other property"; or
 - (2) Debit or delete your account which instruction proves to be fraudulent, except when such entry or change is made by an "employee" acting in good faith, upon a "fraudulent instruction" received from a computer software contractor who has a written agreement with you to design, implement or service "computer programs" for a "computer system" covered under this Coverage Form and when covered under **Insuring Agreement F b.**
 - e. Inventory Shortages**
Resulting from an inventory shortage if proof of its existence or amount is dependent upon:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.

SECTION III - SUPPLEMENTAL PAYMENTS - INSURING AGREEMENTS A AND B

We will pay with respect to any "claim" or "privacy administrative claim" we investigate or settle, or any "suit" against the insured we defend under **Insuring Agreements A and B** only:

1. All expenses, other than "defense expenses", that we incur.
2. 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.
3. 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.
4. The cost of appeal bonds for a covered "suit" or "privacy administrative proceeding" if we exercise our right to bring that appeal. However, we have no obligation to apply for or furnish such appeal bond.
5. Up to \$250 per day in actual lost earnings incurred by an insured because of time taken off from work at our request and in support of our investigation or defense of a "claim", "suit" or "privacy administrative proceeding", subject to a maximum amount of \$5,000 per "claim", "suit" or "privacy administrative proceeding".

These payments will not reduce the Limits of Insurance.

SECTION IV - WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse or "domestic partner" are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership, joint venture or co-venture, you are an insured. Your "members" or your partners, and their spouses or "domestic partners" 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 "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), only while performing duties related to the conduct of your business and only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

- b. Any organization you newly acquire, form or merge into, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or a majority interest if that organization has no other similar insurance and you:
 - (1) Created or acquired such organization after the inception of this policy;
 - (2) Notified us in writing within ninety (90) days of that creation or acquisition;
 - (3) Obtain our written consent; and
 - (4) Agreed to any premium adjustment or coverage revision that we required to continue coverage for such organization.

However, there is no coverage prior to the date of such transaction or for any "claim" or "privacy administrative claim" arising out of or in any way related to an "information risk incident", "communication incident" or violation of a "privacy regulation" or series of related incidents that occurred prior to the date of such transaction.

- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.
3. No person or organization is an insured:
 - a. With respect to the conduct of any current or past partnership, joint venture, co-venture or limited liability company that is not shown as a Named Insured in the Declarations; or
 - b. After the date you cease to own, directly or indirectly, a majority interest in such entity.

SECTION V - LIMITS OF INSURANCE

1. The **CYBER AGGREGATE** Limit of Insurance shown in the Declarations is the most we will pay during any one "coverage period" including Extended Reporting Period (if applicable) for the sum of:
 - a. "Damages" and "defense expenses" under **Insuring Agreement A - Information Risk Liability And Communication Incident Liability**;
 - b. "Privacy administrative awards", "PCI DSS assessments" and "defense expenses" under **Insuring Agreement B - Privacy Administrative Awards; Payment Card Industry Data Security Standards (PCI DSS) Assessments**;
 - c. "Data loss expenses" under **Insuring Agreement C - Data Loss Expenses**;

- d. "Personal identity recovery expenses" under **Insuring Agreement D - Personal Identity Recovery Expense**;
 - e. "Business Income" and "Extra Expense" under **Insuring Agreement E - Business Income And Extra Expense**;
 - f. Loss under **Insuring Agreement F - Computer And Funds Transfer Fraud**;
 - g. "Telecommunications theft expense" under **Insuring Agreement G - Telecommunications Theft Expense**;
 - h. "Extortion payments and rewards" under **Insuring Agreement H - Extortion Payments And Rewards**; and
 - i. Loss under **Insuring Agreement I - Fraudulent Impersonation**.
2. The Limit of Insurance shown in the Declarations for each separate **Insuring Agreement** is the most we will pay during any one "coverage period" including Extended Reporting Period (if applicable) regardless of the number of:
- a. Insureds;
 - b. "Information risk incidents";
 - c. "Communication incidents";
 - d. "Personal identity thefts";
 - e. "Suspensions";
 - f. "Claims" made or "suits" brought;
 - g. "Privacy administrative claims" made;
 - h. "Privacy administrative awards";
 - i. "PCI DSS assessments";
 - j. Persons or organizations making "claims" or "privacy administrative claims" or filing "suits";
 - k. Changes, entries, instructions or "occurrences" under **Insuring Agreement F - Computer And Funds Transfer Fraud**;
 - l. "Telecommunication thefts";
 - m. "Extortions"; or
 - n. Fraudulent "transfer instructions".
3. Subject to Paragraphs 1. and 2. above:
- a. The limit shown in the Declarations under **Insuring Agreement A - Information Risk Liability And Communication Incident Liability** is the most we will pay for "damages" and "defense expenses" because of all "information risk incidents" and "communication incidents" that take place during the "coverage period" for all "claims" resulting therefrom that are first made against you and reported during the "coverage period" or any applicable Extended Reporting Period.
 - b. The limit shown in the Declarations is the most we will pay for liability under **Insuring Agreement B - Privacy Administrative Awards; Payment Card Industry Data Security Standards (PCI DSS) Assessments** for all "defense expenses" for "privacy administrative claims" first made against you and reported during the "coverage period" or any applicable Extended Reporting Period, "privacy administrative awards", "PCI DSS assessments" and "defense expenses". However, the most we will pay for:
 - (1) "Privacy administrative awards" is the limit shown in the Declarations.
 - (2) "PCI DSS assessments" is the limit shown in the Declarations.
 - c. The limit shown in the Declarations is the most we will pay under **Insuring Agreement C - Data Loss Expenses** for all "data loss expenses" from "information risk incidents" that take place during the "coverage period". However, the most we will pay for:
 - (1) "Information risk expenses" is the limit shown in the Declarations.
 - (2) "Information restoration expenses" is the limit shown in the Declarations.
 - (3) Notification expenses is the limit shown in the Declarations.
 - d. The limit shown in the Declarations is the most we will pay under **Insuring Agreement D - Personal Identity Recovery Expense** for all "personal identity thefts" that take place during the "coverage period". However, the most we will pay for:
 - (1) "Information risk expenses" is the limit shown in the Declarations.
 - (2) "Information restoration expenses" is the limit shown in the Declarations.
 - (3) Notification expenses is the limit shown in the Declarations.
 - e. The limit shown in the Declarations is the most we will pay under **Insuring Agreement E - Business Income And Extra Expense** for all losses sustained because of "suspensions" caused by all "information risk incidents" that take place during the "coverage period". We will pay no more for "Business Income" and "Extra Expense" combined than the Limit of Insurance shown in the Declarations for **Insuring Agreement E - Business Income And Extra Expense**.
 - f. The limit shown in the Declarations is the most we will pay under **Insuring Agreement F - Computer And Funds Transfer Fraud** for all losses sustained because of fraudulent entries, fraudulent changes or "fraudulent instructions" that take place during the "coverage period".
 - g. The limit shown in the Declarations is the most we will pay under **Insuring Agreement G - Telecommunications Theft Expense** for the sum of all "telecommunications theft expenses" that take place during the "coverage period".

- h. The limit shown in the Declarations is the most we will pay under **Insuring Agreement H - Extortion Payments And Rewards** for the sum of all "extortions" that take place during the "coverage period".
 - i. The limit shown in the Declarations is the most we will pay under **Insuring Agreement I - Fraudulent Impersonation** for all losses sustained because of fraudulent "transfer instructions" that take place during the "coverage period".
4. In the event that "data loss expenses" and "personal identity recovery expenses" are both payable for an "information risk incident" resulting in a "personal identity theft", the highest limit shown in the Declarations for **Insuring Agreement C - Data Loss Expenses** or **Insuring Agreement D - Personal Identity Recovery Expenses** is the most we will pay for any "data loss expense" and "personal identity recovery expense" that arises out of the "personal identity theft".
 5. No other obligation or liability to pay sums or perform acts or services are covered unless explicitly provided for under **SECTION III - SUPPLEMENTAL PAYMENTS**.

With respect to Paragraphs 1. through 4. above, payments for "defense expenses" will reduce the Limits of Insurance and are not in addition to the Limit of Insurance shown in the Declarations for **Insuring Agreements A - Information Risk Liability And Communication Incident Liability** and **B - Privacy Administrative Awards; Payment Card Industry Data Security Standards (PCI DSS) Assessments**.

SECTION VI - DEDUCTIBLE

You are responsible for the Deductible Amount shown in the Declarations for each **Insuring Agreement**, if any. In the event more than one **Insuring Agreement** is applicable, only the single highest Deductible Amount will apply.

SECTION VII - EXTENDED REPORTING PERIODS

1. You will have the right to the Extended Reporting Periods described immediately below in the event that:
 - a. You or we cancel this Coverage Form or your entire policy for any reason other than non-payment of premium;
 - b. You or we refuse to renew this Coverage Form or your entire policy;
 - c. We renew this Coverage Form with a retroactive date later than the retroactive date shown in the Declarations; or
 - d. We renew or replace this coverage with coverage that does not apply to an "information risk

- incident", "communication incident" or "privacy administrative claim" on a claims-made basis.
2. Extended Reporting Periods do not extend the "coverage period" or change the scope of coverage provided. They only apply to covered "information risk incidents", "communication incidents" or violations of a "privacy regulation" under **Insuring Agreements A and B** that take place on or after the retroactive date, if any, shown in the Declarations and before the end of the "coverage period". Once in effect, the Extended Reporting Periods may not be canceled.
 3. An Automatic Extended Reporting Period of thirty (30) days after the effective date of cancellation or nonrenewal is automatically provided at no additional premium. During this time you may give to us written notice of "claims" first made against the insureds during said Automatic Extended Reporting Period for any "information risk incidents", "communication incidents" or violation of "privacy regulations" that take place before the end of the "coverage period" and are otherwise covered by this Coverage Form. Any coverage provided by this Coverage Form for "claims" or "privacy administrative claims" first made during the Automatic Extended Reporting Period is excess over any other valid insurance available to you.
 4. A Supplemental Extended Reporting Period is available to purchase for a term of twelve (12) months for an extra charge. During this time you may give to us written notice of "claims" first made against the insureds during any applicable Extended Reporting Period for any "information risk incident", "communication incident" or violation of a "privacy regulation" that takes place before the end of the "coverage period" and are otherwise covered by this Coverage Form.
The Supplemental Extended Reporting Period starts when the Automatic Extended Reporting Period ends. To obtain a Supplemental Extended Reporting Period you must:
 - a. Request the Supplemental Extended Reporting Period in writing within thirty (30) days of the effective date of cancellation or nonrenewal of this Coverage Form; and
 - b. Pay the additional premium due within thirty (30) days after the end of the "coverage period". We will determine the additional premium in accordance with our rules and rates. The additional premium will not exceed 200% of the annual premium charged for claims-made coverages of this Coverage Form.
 5. Any coverage provided by this Coverage Form for "claims" or "privacy administrative claims" first made and reported during the Supplemental Extended

Reporting Period is excess over any other valid insurance available to you.

6. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any "claim" or "privacy administrative claim" to which this Coverage Form applies.
7. Extended Reporting Periods do not apply to **Insuring Agreements C, D, E, F, G, H or I**.

SECTION VIII - CONDITIONS

The following Conditions supersede any similar Conditions when provided by us in this policy.

1. Assignment

Interest in this Coverage Form may not be assigned to another without our written consent. Such written consent will not be unreasonably withheld.

2. Appraisal

For losses under **Insuring Agreement E**, if we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss.

In this event, each party will select a competent and impartial appraiser. The two appraisers will select a competent and impartial umpire within a reasonable amount of time. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the "claim".

3. Bankruptcy

Your bankruptcy or the bankruptcy of your estate if you are a sole proprietor, will not relieve us of our obligations under this Coverage Form, except to the extent the loss is excluded under **SECTION II - EXCLUSIONS 1.p.(15)**.

4. Concealment, Misrepresentation Or Fraud

This insurance is void in any case of fraud by you as it relates to this insurance at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This insurance; or
- b. A "claim" under this insurance.

5. Discovery Period For Loss

With respect to **Insuring Agreements C, D, E, F, G, H and I**, we will pay only for covered loss discovered no later than sixty (60) days from the end of the "coverage period". If this insurance or any of its coverages are canceled or terminated as to any

insured, loss sustained by that insured is covered only if discovered no later than sixty (60) days from the date of that cancellation or termination.

6. Duties In The Event Of Claims, Expenses, Incidents, Losses And Suits

You must:

- a. For "claims", "privacy administrative claims" or "suits" under **Insuring Agreements A and B**, notify us promptly and in writing of all relevant facts concerning any incident known to you or any of your "executive officers", information technology or network managers, or their equivalents that is reasonably likely to give rise to a "claim", "suit", loss or "privacy administrative claim" under this Coverage Form, as well as any existing "claim" or "suit" or "privacy administrative claim" providing:
 - (1) A description of the "information risk incident" or "communication incident";
 - (2) How, when and where it occurred;
 - (3) Identification with available contact information of all witnesses and involved persons;
 - (4) A description of any likely or actual resulting loss; and
 - (5) Such additional information as we reasonably request.
- b. For loss under **Insuring Agreements C, D, E, F, G, H and I** notify us in writing as soon as possible but no later than thirty (30) days after you discover the "information risk incident", "personal identity theft", "suspension" of your "operations", "telecommunications theft", "extortion," fraudulent "transfer instruction", "fraudulent instruction", entry or change.
- c. Cooperate with us or anyone designated by us in the investigation and settlement of the "claim", "suit" or loss.
- d. Send us copies of any demands, notices, summonses or legal papers, received in connection with the "claim", "suit" or loss.
- e. Authorize us to obtain records and other information.
- f. For losses under **Insuring Agreements C and D**, the insured must send to us, within sixty (60) days after our request, receipts, bills or other records that support his or her "claim" for "personal identity recovery expenses".
- g. For losses under **Insuring Agreements E, F, G, H and I** send us a signed, sworn proof of loss containing the information we request to investigate the "claim". You must do this within sixty (60) days after our request. We will supply you with the necessary forms.
- h. Notify law enforcement officials in the event of a:
 - (1) "Data loss expense";
 - (2) "Personal identity theft";

- (3) Loss under **Insuring Agreement E** if a law may have been broken;
- (4) Loss under **Insuring Agreement F**;
- (5) Loss under **Insuring Agreement G**;
- (6) Loss under **Insuring Agreement H**; or
- (7) Loss under **Insuring Agreement I**.

- i. Submit to examination under oath at our request while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the "claim", including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- j. Assist us, upon our request, in the enforcement of all rights against any person or organization that may be liable to an insured for "claims" and losses under this coverage.

7. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this Coverage Form at any time during the "coverage period" and up to three (3) years afterward.

8. Inspections And Surveys

We have the right but are not obligated to:

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

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not undertake to perform the duty of any person or organization to comply with laws, regulations, codes or standards. This Condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

9. Joint Insured

With respect to **Insuring Agreements F, G and I** only:

- a. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- b. If any insured, or partner, "member" or "executive officer" of that insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.
- c. An "employee" of any insured is considered to be an "employee" of every insured.
- d. If this insurance or any of its coverages are canceled as to any insured, loss sustained by that insured is covered only if it is discovered by you no later than sixty (60) days from the date of

that cancellation. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by that insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- e. We will not pay more for loss sustained by more than one insured than the amount we would pay if all such loss had been sustained by one insured.
- f. Payment by us to the first Named Insured for loss sustained by any insured shall fully release us on account of such loss.

10. Legal Action Against Us

No one may bring a legal action against us under this policy unless:

- a. There has been full compliance with all of the terms of this policy.
- b. For any "claim" under **Insuring Agreement A**, the insured's obligation to pay has been finally determined by adjudication or written agreement between the insured, the claimant(s) and us.
- c. For any "privacy administrative claim" under **Insuring Agreement B**, the insured's obligation to pay has been finally determined by adjudication or written agreement between the insured, the litigating governmental unit(s) and us.
- d. For any "data loss expenses" under **Insuring Agreement C**, the insured has given us notice within thirty (30) days of a "data loss" and has brought its action within two (2) years of the date of the "data loss".
- e. For any "personal identity recovery expenses" under **Insuring Agreement D**, the insured has given us notice within thirty (30) days of a "personal identity theft" and has brought its action within two (2) years of the date of the "personal identity theft".
- f. For any loss sustained under **Insuring Agreement E**, the insured has given us notice within thirty (30) days of a "suspension", filed proof of loss and has brought its action within two (2) years of the date of the "suspension".
- g. For any losses under **Insuring Agreement F**, the insured has given us notice within thirty (30) days of loss caused by a fraudulent entry, fraudulent change or "fraudulent instruction", filed proof of loss with us and brought its action within two (2) years from the date you discovered the loss.
- h. For any losses under **Insuring Agreement G**, the insured has given us notice within thirty (30) days of loss caused by "telecommunications theft", filed proof of loss with us and brought its

action within two (2) years from the date you discovered the loss.

- i. For any losses under **Insuring Agreement H**, the insured has given us notice within thirty (30) days of loss caused by "extortions", filed proof of loss with us and brought its action within two (2) years from the date of loss.
- j. For any losses under **Insuring Agreement I**, the insured has given us notice within thirty (30) days of loss caused by a fraudulent "transfer instruction", filed proof of loss with us and brought its action within two (2) years from the date of loss.

No person or organization will have any right under this policy to join us as a party to any action against an insured, nor will an insured implead us into any such action.

11. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within forty-five (45) days prior to or during the "coverage period", the broadened coverage will immediately apply to this insurance.

12. Loss Sustained During Prior Insurance

With respect to **Insuring Agreements F, G and I**:

- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
- b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:
 - (1) This insurance as of its effective date; or
 - (2) The prior insurance had it remained in effect.

13. Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate

With respect to **Insuring Agreements F, G and I**, if any loss is covered:

- a. Partly by this insurance; and
 - b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

14. Loss Determination For Insuring Agreement E Under **Insuring Agreement E**:

- a. The amount of "Business Income" loss will be determined based on:
 - (1) The Net Income of the business before the "information risk incident" occurred;
 - (2) The likely Net Income of the business if no "information risk incident" had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business because of favorable business conditions caused by the impact of the "information risk incident" on "customers" or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the "information risk incident"; and
 - (4) Other relevant sources of information, including:
 - (a) Your financial records and accounting procedures;
 - (b) Bills, invoices and other vouchers; and
 - (c) Deeds, liens or contracts.
- b. The amount of "Extra Expense" will be determined based on:
 - (1) All necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no "information risk incident" had occurred. We will deduct from the total of such expenses:
 - (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - (b) Any "Extra Expense" that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
 - (2) Necessary expenses that reduce the "Business Income" loss that otherwise would have been incurred.

15. Loss Determination Under Insuring Agreements F and I

Under **Insuring Agreements F and I**:

- a. Subject to the applicable Limits of Insurance provision we will pay for:
 - (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "money" issued by that country; or

- (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - 1) Value of the "securities" at the close of business on the day the loss was discovered; or
 - 2) Limit of Insurance.
- (3) Loss of "other property" for not more than the:
 - (a) Actual cash value of the property on the day the loss was discovered; or
 - (b) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it. If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.
- b. We may, at our option, pay for loss of "other property":
 - (1) In the "money" of the country in which the loss occurred; or
 - (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
- c. If we recover any property covered under **15.a.** above, at your option, we may return such property to you. We will pay any recovery expenses, subject to the Limit of Insurance for **Insuring Agreement F** or **Insuring Agreement I**, whichever applicable. We will also pay any expenses to repair such property, subject to the Limit of Insurance for **Insuring Agreement F** or **Insuring Agreement I**, whichever applicable. However, before we return such property or pay for the repair of such property, you must first return

to us the amount we paid to you for such property.

16. Loss Payment Under Insuring Agreement E

For losses under **Insuring Agreement E**, we will pay for covered loss within thirty (30) days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Form and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

17. Loss Payment Under Insuring Agreements F, G and I

We will not pay more for loss sustained by more than one insured than the amount we would pay if all the loss had been sustained by one insured.

18. Non-Cumulation Of Limit Of Insurance

Regardless of the number of years that insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or "coverage period" to "coverage period".

19. No Voluntary Payments

The insured will not, except at its own cost, admit liability, voluntarily make a payment, assume any obligation, or incur any expense without our prior consent.

20. Other Insurance

a. For Insuring Agreements A, B, C, D and E:

- (1) If any covered loss is covered by other insurance, then this Coverage Form will apply only in excess of the other insurance.
- (2) If two or more coverages of this insurance apply to the same loss, payment will be made under the coverage that pays you the most. We will not pay more than the actual amount of loss or more than the highest Limit of Insurance that applies, whichever is less and subject to the Aggregate Limit of Insurance.

- b. With respect to **Insuring Agreements F, G, H and I**, this insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any Deductible Amount, not recoverable or recovered under the other insurance or indemnity. However, this insurance will not apply to the amount of loss that is more than the applicable Limit of Insurance shown in the Declarations.

21. Other Insurance Issued By Us

If this Coverage Form or any other policy or Coverage Form or Part issued by us or a company affiliated with us apply to the same loss or damage, the coverage of this Coverage Form shall be primary.

22. Ownership Of Property; Interests Covered

With respect to **Insuring Agreements F and I**, the property covered is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

23. Premiums

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

24. Records

With respect to **Insuring Agreements F and I**, you must keep records of all covered "money", "securities" and "other property" so we can verify the amount of any loss.

25. Representations

By accepting this Coverage Form you agree:

- a. The statements contained in the application for this Coverage Form are accurate and complete; and
- b. We have issued this Coverage Form in reliance upon your representations.

26. Resumption Of Operations

For "suspensions" of "operations" under **Insuring Agreement E**, if you intend to continue your business, you must resume all or part of your "operations" as quickly as possible. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

27. Services

The following conditions apply to any services provided by us or our designees under **Insuring Agreements C and D**:

- a. All services may not be available or applicable to all individuals. For example, insureds who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- b. We do not warrant or guarantee that our services will end or eliminate all problems associated with a "personal identity theft" or "data loss", or prevent future "personal identity thefts" or "data loss".
- c. We reserve the right to deny coverage or service if, after investigation, we determine that a covered "information risk incident" or "personal identity theft" has not occurred.

28. Subrogation

In the event of any payment under this Coverage Form, we will be subrogated to the extent of such payment to you and to your rights of recovery. You will execute all papers required and will do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring "suit" in your name. Any recoveries, less the cost of obtaining them, will be distributed as follows:

- a. To you, until you are reimbursed for any loss you sustain that exceeds the sum of the applicable Aggregate Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the payment under this Coverage Form; and
- c. Then to you, until you are reimbursed for that part of the payment equal to the Deductible Amount, if any.

29. 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 are a sole proprietor and 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.

30. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them. If the "claim" paid is less than the agreed loss because of any deductible or other limiting terms, the recovery is prorated between you and us based on the interest of each in the loss. This Condition only applies if we pay for a loss and then payment is made by those responsible for the loss.

SECTION IX - 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. Only that part of a website that is about your goods, products or services for the purposes of

- attracting "customers" or supporters is considered an "advertisement".
2. "Advertising injury" means injury arising out of one or more of the following offenses:
 - a. 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 in your "advertisement";
 - b. Oral or written publication, in any manner, of material that violates a person's right of privacy in your "advertisement";
 - c. The use of another's advertising idea in your "advertisement"; or
 - d. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
 3. "Bodily injury" means physical injury, sickness, disease, or pain, and injury, shock, humiliation, distress or mental or emotional anguish; or death resulting from any such physical injury, sickness, disease or pain.
 4. "Business Income" means the:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.
 5. "By-product material" has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof.
 6. "Claim" means a written demand or "suit" for "damages".
 7.
 - a. "Communication incident" means any of the following committed or allegedly committed by the Named Insured in "media communication" on the "named insured's website":
 - (1) Infringement, dilution or violation of any right to a trademark, trade name, service mark, service name, trade dress, title, slogan or logo, in your "operation", except in your "advertisement";
 - (2) Copyright infringement or plagiarism, in your "operation" except in your "advertisement"; or
 - (3) Misappropriation of name or likeness or violation of the right of privacy in your "operation" except in your "advertisement".
 - b. For the offenses listed above in a.(1), (2) and (3), "communication incident" does not include any offense if committed:
 - (1) By an insured whose business includes:
 - (a) Advertising, broadcasting, publishing or telecasting;
 - (b) Designing or determining content of websites for others; or
 - (c) Providing Internet search, access or content services; or
 - (2) By an insured who conducts business in or on an electronic chat room, bulletin board or similar interactive site on the Internet on which others may post content where the insured hosts, owns or exercises control over that site.
 - c. "Communication incident" does not include any:
 - (1) Patent infringement or "theft";
 - (2) Copying, misappropriation, display or publication of any trade secret;
 - (3) Any infringement of copyright, trademark or service mark of software or software technology; or
 - (4) Data, sounds, images or similar matter incorporated into or otherwise part of the "named insured's website".
 8. "Computer program" means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enable the computer or devices to receive, process, store or send "electronic data".
 9. "Computer system" means any insured's:
 - a. Computers, including Personal Digital Assistants (PDAs) and other transportable or handheld devices, electronic storage devices and related peripheral components;
 - b. Systems and applications software; and
 - c. Related communications networks by which "electronic data" is collected, transmitted, processed, stored or retrieved.
 10. "Corporate information" means confidential and proprietary information of others that is in the care, custody or control of any insured or "service provider".
 11. "Coverage period" means the period for this Coverage Form shown in the Declarations. This period ends on the earlier of the expiration date of the policy term shown in the Declarations or the effective date of cancellation of this Coverage Form. If you became an insured under this Coverage Form after the effective date, the "coverage period" begins on the date you became an insured.
 12. "Coverage territory" means:
 - a. For **Insuring Agreements A and B**: anywhere in the world, provided that a "suit" on the merits is brought in the United States of America (including its territories and possessions), Puerto Rico or Canada.
 - b. For **Insuring Agreements C, D, E, F, G, H and I**: only acts committed or events occurring within:
 - (1) The United States of America (including its territories and possessions);

- (2) Puerto Rico; or
 - (3) Canada.
13. "Customer" means an entity or individual to whom you sell goods or provide services under a written contract.
14. "Damages" means judgments, settlements or other monetary amounts which an insured is legally obligated to pay on account of a covered "claim". "Damages" does not include:
- a. "Defense expenses";
 - b. License fees or royalties of any kind;
 - c. The amount of liquidated "damages" awarded pursuant to a contract or agreement that exceeds the amount of "damages" for which the insured would have liability in the absence of such contract or agreement; or
 - d. Punitive "damages", unless such "damages" are insurable under the applicable law.
15. "Data loss" means an unauthorized or accidental disclosure or loss of "corporate information" or "personal information" in the care, custody or control of:
- a. An insured; or
 - b. A "service provider" to which you have directly or indirectly turned over such information for any reason.
16. "Data loss expense" means the following expenses incurred by us to pay professionals we choose, direct and authorize, at our sole discretion as a result of an "information risk incident":
- a. "Information risk expenses";
 - b. The expenses incurred in notifying those whose information was affected to the extent required by applicable "privacy regulations"; and
 - c. "Information restoration expense".
- "Data loss expense" does not include "defense expenses" or compensation, fees, benefits, overhead or internal charges of any insured.
- "Data loss expense" does not include "personal identity recovery expense".
17. "Defense expense" means the following costs and expenses, where reasonable and necessary and incurred at our direction or with our prior written consent, to defend or investigate a "claim", "suit" or "privacy administrative proceeding" against an insured:
- a. Attorney fees;
 - b. Expert fees;
 - c. Court, arbitration or mediation costs; and
 - d. Other expenses we determine are reasonable and necessary to defend the insured.
- "Defense expenses" do not include "data loss expenses".
18. "Domestic partner" means any natural person legally recognized as a domestic or civil union partner under the provisions of any:
- a. Applicable federal, state or local law; or
 - b. Formal benefits program established by you.
19. "Electronic data" means information stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment.
20. "Employee":
- a. Includes:
 - (1) Full and part-time workers or interns;
 - (2) "Leased workers"; and
 - (3) For purposes of this Coverage Form only, "temporary workers" only for acts within the scope of their employment by you.
 - b. Also includes for **Insuring Agreements F, G and I** only:
 - (1) Any natural person while in your service and for thirty (30) days after termination of service; and
 - (2) Whom you compensate directly by salary, wages or commissions; or
 - (3) Whom you have the right to direct and control while performing services for you; or
 - (4) Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you.
 - c. Does not include any:
 - (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director or trustee except while performing acts coming within the scope of the usual duties of an "employee".
21. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
22. "Extortion" means the actual or attempted obtaining of "money" or "other property" from an insured through an actual or threatened "network security incident".
23. "Extortion payments and rewards" means the following:
- a. Payment to one who commits "extortion" or payment of a reward to a person who provides information that leads to the identification and arrest of one who commits "extortion", provided:
 - (1) You reported the "extortion" to law enforcement or regulatory agencies;
 - (2) You did not notify any person or entity of the existence of the coverage in **Insuring Agreement H**;

- (3) The person who commits the "extortion" is not an insured;
 - (4) Any reward for information is not paid to an insured or anyone engaged by you in connection with the "extortion"; and
 - (5) The amount of any reward we pay will not exceed the demand by or the amount paid to the person who commits the "extortion".
- b. Payment of expenses within the first six (6) months following an "extortion" provided by a public relations or crisis management firm for restoring your reputation.
24. "Extra Expense" means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no "information risk incident".
25. "Financial institution" means:
- a. A bank, savings bank, savings and loan association, trust company, credit union or similar depository institution;
 - b. An insurance company; or
 - c. A stock brokerage firm or investment company.
26. "Fraudulent instruction" means:
- a. With regard to **Insuring Agreement F a.**:
A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under **Insuring Agreement F**, which instruction in fact was fraudulently issued by your computer software contractor.
 - b. With regard to **Insuring Agreement F b.**:
 - (1) A computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic instruction directing a "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", and such instruction purports to have been issued by you, but which in fact was fraudulently issued by someone else without your knowledge or consent.
 - (2) A written instruction issued to a "financial institution" directing the "financial institution" to debit your "transfer account" and to transfer, pay or deliver "money" or "securities" from that "transfer account", through an electronic funds transfer, and such instruction purports to have been issued by you, but which in fact was issued, forged or altered by someone else without your knowledge or consent.
27. "Fungi" means any type or form of fungus, including, but not limited to, any mold, mildew, mycotoxins, spores, scents or by-products produced or released by any type or form of fungus.
28. "Hazardous properties" means radioactive, toxic or explosive properties.
29. "Information restoration expense" means the expense for adjustment, completion, correction, recollection, recreation, repair, replacement, reproduction, or restoration of data as a result of an "information risk incident". If the data cannot be reasonably restored or recollected, then this expense will be limited to the cost incurred to reach such determination.
- "Information restoration expense" does not include:
- a. The expense of restoring computer hardware, applications, programs or software;
 - b. The cost of updating, upgrading, enhancing, replacing or improving your data or "computer system";
 - c. The cost of identifying, removing or remediating "computer program" errors or vulnerabilities;
 - d. Loss of economic, monetary, market value, or any diminution in value of any data, trade secret, patent, copyright, trademark, trade dress or other intellectual property;
 - e. The expense of researching or developing any intellectual property; or
 - f. The cost of replacing funds, currency, "securities", accounts, bills, evidences of debt, "money", valuable papers, records, abstracts, deeds, manuscripts or other financial debt, credit, bond or equity instruments or documents.
30. "Information risk expenses" means the following:
- a. Consulting services to assist you with compliance with federal, state, local and foreign notification requirements;
 - b. A toll-free telephone line for persons with questions about the insured's "data loss";
 - c. Assistance placing fraud alerts on individual credit files with the major credit bureaus;
 - d. Assistance correcting an individual's credit and other records. This also includes reasonable and necessary expenses to restore control over the individual's personal identity;
 - e. Expenses within the first six (6) months following a "data loss" provided by a public relations or crisis management firm for restoring your reputation; or
 - f. Remediation of a "data loss" within the first six (6) months following discovery of such "data loss", including providing:
 - (1) Forensic analysis of the nature, extent and severity of the "data loss" and the number and identities of persons affected;
 - (2) Legal counsel regarding how to respond to the "data loss"; and

- (3) Proactive monitoring services consisting of a credit report, credit monitoring and monitoring of fraud in public records for those whose "personal information" or "corporate information" was disclosed or lost.
- 31.** "Information risk incident" means:
- "Data loss"; and
 - A "network security incident".
- 32.** "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".
- 33.** "Manager" means a natural person serving in a directorial capacity for a limited liability company.
- 34.** "Media communication" means the broadcast, dissemination, or publication by the Named Insured to the general public of any words, sounds, numbers, images, or graphics in electronic form, provided that "media communication" does not include any broadcast, dissemination, or publication of words, pictures, sounds, numbers, images, or graphics in any application, program, software, code, or script.
- 35.** "Member" means an owner of a limited liability company represented by its membership interest who if a natural person, may also serve as a "manager".
- 36.** "Money" means:
- Government issued currency, coins and bank notes in current use and having a face value;
 - Travelers checks and money orders held for sale to the public; and
 - Deposits in your account at a "financial institution".
- 37.** "Named insured's network" means any network of computers owned, leased or operated by the Named Insured or a "service provider" in support of "operations". "Named insured network" does not include that part of a network that relates in any way to the infrastructure, services or utilities supplied by a third party, including telecommunications, the Internet, or other electronic connectivity services, water or fuel.
- 38.** "Named insured's website" means a website that is operated and owned by the Named Insured or operated on behalf of the Named Insured by a third party pursuant to a written contract.
- 39.** "Network security incident" means:
- The inability of authorized persons or organizations to access or use the "named insured's network" resulting from a malicious attack on the "named insured's network".
 - This includes an attack designed to overwhelm the "named insured's network" in order to prevent or interfere with authorized users from gaining access to such network through the internet.
 - This does not include "network security incidents" caused by the insured, insured's "operations" or a "service provider";
- Access or use of the "named insured's network" by unauthorized persons or authorized persons for unauthorized purposes;
 - Transmission of a virus or malware by:
 - You; or
 - A "service provider" when the virus or malware is transmitted in connection with the work done for the insured; or
 - Any type of malicious code that damages or destroys the "named insured's network" or "electronic data" regardless of how it was enacted, introduced or obtained.
- 40.** "Non-monetary relief":
- Means declaratory, injunctive or other equitable relief.
 - Does not include restitution, consumer redress, disgorgement or any other form of equitable relief requiring the payment of "money", nor does it include the cost of complying with any declaratory, injunctive or other equitable relief.
- 41.** "Nuclear facility" means:
- Any "nuclear reactor";
 - Any equipment or device designed or used for:
 - Separating the isotopes of uranium or plutonium;
 - Processing or utilizing "spent fuel"; or
 - Handling, processing or packaging "waste";
 - 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; or
 - 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.
- 42.** "Nuclear material" means "source material", "special nuclear material" or "by-product material".
- 43.** "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.
- 44.** "Occurrence" means:
- An individual act or event;
 - The combined total of all separate acts or events whether or not related; or

- c. A series of acts or events whether or not related committed by a person acting alone or in collusion with other persons, or not committed by any person, during the "coverage period".
- 45.** "Operations" means your business activities occurring at your premises.
- 46.** "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include "computer programs", "electronic data" or any property specifically excluded under this Coverage Form.
- 47.** "PCI DSS assessment":
- a. Means a monetary fine or penalty a Named Insured is legally obligated to pay under the terms of a merchant agreement between that insured and a credit or debit card company, processor, "financial institution" or independent service operator in order to allow the insured to accept credit or debit cards, prepaid cards or other payment cards for payments or fees, but only if the fine or penalty is a direct result of:
 - (1) The insured's failure to comply with published Payment Card Industry Data Security Standards; and
 - (2) A covered "information risk incident".
 - b. Does not include:
 - (1) Any subsequent fines or penalties for continued noncompliance with published Payment Card Industry Data Security Standards; or
 - (2) Any charge backs, discount fees, interchange fees, service related fees or charges or any other amounts owed under a merchant agreement.
- 48.** "Period of restoration" means the period of time that:
- a. Begins:
 - (1) Immediately following the "information risk incident", however, if a waiting period is shown in the Declarations, then after such period following the "information risk incident" for "Business Income"; or
 - (2) Immediately following the "information risk incident" for "Extra Expense" coverage; and
 - b. Ends on the earlier of:
 - (1) The date and time when your "operation" is resumed;
 - (2) The date and time when the "electronic data" is restored; or
 - (3) Ninety (90) days after the date and time of the "information risk incident".
- The expiration date of this Coverage Form will not shorten or cause the "period of restoration" to terminate.
- 49.** "Personal identity recovery expenses":
- a. Means the following expenses incurred by us to pay professionals we choose, direct and authorize, at our sole discretion, as a result of a "personal identity theft":
 - (1) "Information risk expenses".
 - (2) The expenses incurred in notifying those whose information was affected to the extent required by applicable "privacy regulations".
 - (3) "Information restoration expenses".
 - b. Does not include:
 - (1) "Defense expenses" or compensation, fees, benefits, overhead or internal charges of any insured.
 - (2) "Data loss expense".
- 50.** "Personal identity theft" means the fraudulent use of "personal information" of an individual insured. "Personal identity theft" only applies to an individual person. It does not apply to fraudulent use of any business name or any other method of identifying a business or its activity.
- 51.** "Personal information":
- a. Means an individual's first name or first initial and last name in combination with one or more of the following data elements for such individual but only when neither the name nor data element is encrypted:
 - (1) Social Security Number;
 - (2) Driver's license number or non-driver identification card number;
 - (3) Account number, credit card number or debit card number in combination with any required security code, access code or password that would permit access to the individual's financial account;
 - (4) Information regarding medical history, mental or physical condition, medical treatment or diagnosis by a health care professional;
 - (5) Health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual or any information in the individual's application and claims history, including any appeals records; or
 - (6) User name or e-mail address, in combination with a password or security question and answer that would permit access to an online account.
 - b. Does not include publicly available information that is lawfully made available to the general public from federal, state or local government records.
- 52.** "Personal injury" means other than "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; or
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy.
- 53. "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.
- 54. "Privacy administrative award"** means:
- a. Any fine or penalty;
 - b. Restitution to individuals; or
 - c. "Non-monetary relief"
- awarded against an insured in an administrative or regulatory proceeding brought by a federal, state, local, foreign or other governmental authority for the insured's violation of a "privacy regulation".
- 55. "Privacy administrative claim"** means a written demand to an insured by a federal, state, local, foreign or other governmental authority in an administrative or regulatory proceeding seeking a "privacy administrative award".
- 56. "Privacy administrative proceeding"** means any administrative or regulatory proceeding by a federal, state, local, foreign or other governmental authority investigating an alleged violation of a "privacy regulation".
- 57. "Privacy regulation"** means any federal, state, local, foreign or other governmental law relating to the collection, maintenance, use or disclosure of, or notification regarding "corporate information" or "personal information", including the following:
- a. Gramm-Leach-Bliley Act;
 - b. Health Information Technology for Economic and Clinical Health Act (HITECH);
 - c. Health Insurance Portability and Accountability Act (HIPAA);
 - d. State security breach notification laws; and
 - e. Section 5(a) of the Federal Trade Commission Act, but solely for alleged unfair or deceptive acts or practices in or affecting commerce in the use of "personal information".
- 58. "Recognized volunteer"** means an uncompensated individual who volunteers labor or services to you, but only when performing such labor or services at the request of and under the direction of you.
- 59. "Securities"** means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you
- but does not include "money".
- 60. "Service provider"**:
- a. Means any entity with whom the Named Insured has entered into a written contract or agreement to provide a service to support the "named insured network".
 - b. Does not include any entity that provides power, communication services, water or other utility services.
- 61. "Source material"** has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- 62. "Special nuclear material"** has the meaning given it in the Atomic Energy Act of 1954 or in any law amendatory thereof.
- 63. "Spent fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
- 64. "Suit"** means a civil proceeding in a court of law or equity, or an arbitration or other alternative dispute resolution proceeding seeking "damages".
- 65. "Suspension"** means the slowdown or cessation of your business activities because of a covered "information risk incident".
- 66. "Telecommunications theft"** means the fraudulent gaining of access to outgoing long distance telephone service through infiltration and manipulation of your "telecommunications services" by a person or organization other than an insured.
- 67. "Telecommunications theft expense"** means the reasonable and necessary amounts charged for "telecommunications services" incurred that are directly attributable to "telecommunications theft".
- 68. "Telecommunications services"** means telephone, fax, data or computer transmission services provided to you by others.
- 69. "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.
- 70. "Theft"** means the unlawful taking of property to the deprivation of the Named Insured.
- 71. "Transfer account"** means an account maintained by you at a "financial institution" from which "money" or "securities" can be transferred, paid or delivered by means of:

- a. Computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic instructions; or
 - b. Written instructions establishing the conditions under which such transfers are to be initiated by such "financial institution" through an electronic funds transfer system.
- 72. "Transfer instruction" means an instruction directing you to transfer "money", "securities" or "other property".
- 73. "Vendor" means an entity or individual from whom you purchase goods or receive services under a written contract.
- 74. "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".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES

This endorsement modifies insurance provided under the following:

CYBER LIABILITY COVERAGE PART

A. SECTION VII - EXTENDED REPORTING PERIODS, 3. and 4. are deleted and replaced by the following.

- 3.** An Automatic Extended Reporting Period of sixty (60) days after the effective date of cancellation or nonrenewal is automatically provided at no additional premium. During this time you may give to us written notice of "claims" first made against the insureds during said Automatic Extended Reporting Period for any "information risk incidents", "communication incidents" or violation of "privacy regulations" that take place before the end of the "coverage period" and are otherwise covered by this Coverage Part. Any coverage provided by this Coverage Part for "claims" or "privacy administrative claims" first made during the Automatic Extended Reporting Period is excess over any other valid insurance available to you.
- 4.** A Supplemental Extended Reporting Period of two (2) years is available to purchase for an extra charge. During this time you may give to us written notice of "claims" first made against the insureds during any applicable Extended Reporting Period for any "information risk incident", "communication incident" or violation of a "privacy regulation" that takes place before the end of the "coverage period" and are otherwise covered by this Coverage Part.
The Supplemental Extended Reporting Period starts when the Automatic Extended Reporting Period ends. To obtain a Supplemental Extended Reporting Period you must:
 - a.** Request the Supplemental Extended Reporting Period in writing within sixty (60) days of the effective date of cancellation or nonrenewal of this Coverage Part; and
 - b.** Pay the additional premium due within sixty (60) days after the end of the "coverage period".

We will determine the additional premium in accordance with our rules and rates. The additional premium will not exceed 200% of the annual premium charged for claims-made coverages of this Coverage Part.

B. SECTION VIII - CONDITIONS is amended.

- 1.** The following Condition is added.

Your Right To Claim Information

We will provide the Named Insured shown in the Declarations the following information relating to this coverage for the last three (3) years or the "coverage period" of our coverage, whichever is shorter.

- a.** A list or other record of each "claim", not previously reported to any other insurer, of which we were notified in accordance with paragraph **6. Duties In The Event Of Claims, Expenses, Incidents, Losses And Suits** under **SECTION VIII - CONDITIONS**. We will include the date and brief description of the "claim" if that information was in the notice we received.
- b.** A summary by policy year and of payments made. This will include:
 - (1)** All closed "claims" and incurred losses; and
 - (2)** All open "claims", amounts reserved and paid amounts. Amounts reserved are based on our judgment. They are subject to change and do not reflect ultimate settlement values.

We will provide this information only if we receive a written request from the Named Insured within sixty (60) days after the end of the Cyber Liability "coverage period". In this case, we will provide this information within thirty (30) days of receipt of the request.

We compile "claim" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the

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.

2. **2. Appraisal** is deleted and replaced by the following.

2. Appraisal

For losses under **Insuring Agreement E**, if we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a fair, competent and impartial appraiser. The two appraisers will select a fair, competent and

impartial umpire within a reasonable amount of time. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the "claim".

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

CYBER LIABILITY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
 - b. The Program is renewed, extended or otherwise continued in effect:
 - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
 - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".
3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to

provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.
"Terrorism" means activities against persons, organizations or property of any nature:
 1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- C. The following exclusion is added:
Exclusion Of "Terrorism"
We will not pay any loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All coverage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or

damage. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or

4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

All other policy terms and conditions apply.

COMMERCIAL GENERAL LIABILITY
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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 attorneys' 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 attorneys' 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 even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above. However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of 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 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 seven 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 side-track 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. However, this exclusion does not apply to liability for damages because of "bodily injury". 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. Recording And Distribution Of Material Or Information In Violation Of Law

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

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

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

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

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**1. Insuring Agreement**

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

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

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

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

2. Exclusions

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another

and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, 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, in any manner, 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, Trade-mark 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 web sites 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. Recording And Distribution Of Material Or Information In Violation Of Law

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

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

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:
- 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";
 - This insurance applies to such liability assumed by the insured;
 - 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";
 - 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;
 - 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
 - The indemnitee:
 - Agrees in writing to:
 - Cooperate with us in the investigation, settlement or defense of the "suit";
 - Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - Notify any other insurer whose coverage is available to the indemnitee; and
 - Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - Provides us with written authorization to:
 - Obtain records and other information related to the "suit"; and
 - 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

- If you are designated in the Declarations as:
 - 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.
 - 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.
 - 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.
 - 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.
 - A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- Each of the following is also an insured:
 - 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:
 - "Bodily injury" or "personal and advertising injury":
 - 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;
 - 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 Paragraph (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.

(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 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, bylaws 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 where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- 15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
 - 16. "Products-completed operations hazard":
 - a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.
 - 17. "Property damage" means:
 - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

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

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

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

- 18.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 20.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

- a.** Means:
 - (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
 - (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b.** Includes:
 - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2)** The providing of or failure to provide warnings or instructions.
- c.** Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

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

Damages arising out of:

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

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

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

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

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

COMMERCIAL GENERAL LIABILITY
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2.

Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

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:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent that spread of the disease; or
- d. Failure to report the disease to authorities.

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

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

This exclusion applies:

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

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

This insurance does not apply to:

"Personal and advertising injury" to:

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

This exclusion applies:

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

COMMERCIAL GENERAL LIABILITY
CG 21 96 03 05

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

- 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.

COMMERCIAL GENERAL LIABILITY
CG 21 09 06 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** 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 that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

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

This Paragraph **g.(2)** 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 (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge;
- (c) 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;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
 - (i) 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 where it is licensed or principally garaged; or
 - (ii) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

- B. The following exclusion is added to Paragraph 2.**

Exclusions of Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". 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 offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
 - b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- C. The following definition is added to the **Definitions** section:
"Unmanned aircraft" means an aircraft that is not:
- 1. Designed;
 - 2. Manufactured; or
 - 3. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.

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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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COLORADO CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
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 and is not a renewal policy, we may cancel this policy for any reason by mailing or delivering written notice stating the reason for cancellation to the first Named Insured at your last mailing address known to us. This notice shall be mailed or delivered 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 for all other reasons.
- B.** The following is added to the CANCELLATION Common Policy Condition:
If this policy has been in effect for 60 days or more, or is a renewal:
- 1.** We may cancel this policy by mailing or delivering written notice stating the reason for cancellation to the first Named Insured at your last mailing address known to us. This notice shall be mailed or delivered 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 a reason stated below in 2.b. through 2.d.
 - 2.** We may cancel this policy only for one or more of the following reasons:
 - a.** Nonpayment of premium;
 - b.** The license of the insured health care provider has been suspended or revoked by the appropriate state regulatory authority;
 - c.** A false statement knowingly made by the insured on the application for insurance; or
 - d.** 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 supercedes any other provision to the contrary:
NONRENEWAL
If we decide not to renew this policy, we shall mail or deliver written notice stating the reason for non-renewal to the first Named Insured at your last mailing address known to us, at least 45 days before the expiration date of the policy.
- 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.

All other policy terms and conditions apply.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
 - a. the Secretary of Homeland Security; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

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. EXAMINATIONS 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

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

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

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

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

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.

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

1. The insurance does not apply:

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

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

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

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

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

within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

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

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

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act 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.