

**IMPORTANT NOTICE REGARDING INDEPENDENT AGENT AND BROKER COMPENSATION**

---

For information about how Travelers compensates independent agents and brokers, please visit [www.travelers.com](http://www.travelers.com), or you may request a written copy from Marketing at One Tower Square, 2GSA, Hartford, CT 06183.

SAMPLE

## WHY YOU SHOULD REPORT LOSSES TO US PROMPTLY

---

Reporting new losses, claims, or potential claims to us promptly can be critical. It helps us to resolve covered losses or claims as quickly as possible and often reduces their overall cost. Prompt reporting:

- Better protects your interests.
- Helps us to try to resolve losses or claims more quickly and to everyone's satisfaction - yours, any claimant's and ours.
- Often reduces the overall cost of a loss or claim - losses or claims reported more than five days after they happen cost on average 35% more than those reported earlier.

Use the What To Do If You Have A Loss form that is a part of your policy to help you promptly report losses, claims, or potential claims. That form outlines the information that must normally be submitted as part of the reporting process. It describes the duties you and other persons or organizations protected under your policy have if your policy provides:

- *Property protection and there is a loss that may be covered under that protection; or*
- *Liability protection and an accident, act, error, event, incident, offense, or omission happens or is committed that may result in liability damages or other amounts which may be covered under that protection.*

---

To report losses, claims, or potential claims to us, we can be contacted easily and quickly through our Web site or by fax.

[WWW.STPAULTRAVELERS.COM](http://WWW.STPAULTRAVELERS.COM)

The St. Paul Travelers Companies, Inc. online site for reporting losses, claims, and potential claims has been designed to be as simple and user-friendly as possible. In fact, the site can even remember key information so that you don't have to continually re-enter the same data over and over again. If you report your loss, claim, or potential claim online, you will immediately receive a claim tracking number and be able to print a copy of the report for your records.

## DEDICATED FAX NUMBERS

For customers with *St. Paul Travelers policies* or *former Travelers policies*, please fax losses to: 1-877-QUIKFAX (1-877-784-5329)

For customers with *former St. Paul policies*, please fax losses to:

<b>Auto, Property or General Liability</b>	1-888-329-8734
<b>Transportation</b>	1-813-663-3980
<b>Public Sector</b>	1-800-PUBLICS (1-800-782-5427)
<b>Fast Food Program</b>	1-888-578-4554
<b>Lawyers Professional Liability</b>	1-651-310-3657
<b>Professional Liability/Errors And Omissions</b>	1-888-329-8734
<b>Workers Compensation</b>	1-888-487-3492 (Eastern U.S.) 1-877-288-2793 (Western U.S.)

**You can also report losses, claims or potential claims to us by phone, unless your policy requires written notice or reporting.**

**1-800-STPAUL1**

**(1-800-787-2851)**

When reporting a loss, claim, or potential claim by phone, our toll-free phone number is the only number you will need to know. Available 24 hours a day, seven days a week, our call center representatives will transmit your information to a claim representative who understands your business.

SAMPLE

This is a general description of how to report a loss, claim, or potential claim under your policy. This description does not replace or add to the terms of your policy. Your policy alone determines the scope of your insurance protection. Please read it carefully for complete information on your coverage. You should contact your agent or broker if you have any questions about your coverage.

**DISCLOSURE NOTICE**  
**TERRORISM RISK INSURANCE ACT OF 2002**

---

The certified acts of terrorism premium charge shown below is for coverage under this policy for insured losses covered by the Terrorism Risk Insurance Program established by the Terrorism Risk Insurance Act of 2002 (the Act). That Program applies to certain losses, if otherwise covered by your policy, that result from an "act of terrorism," as that term is defined in and certified under the Act (insured losses). This terrorism premium does not include any charges for the portion of insured losses covered by the federal government under the Act. The federal government shares in the payment of insured losses that exceed the statutorily established deductible paid by the insurance company providing the coverage, subject to the "Program Trigger" as defined under the Act. For calendar years up to and including 2006, the federal government's share is 90%; for calendar year 2007 the share is 85%.

If \$0 is shown below for the certified acts of terrorism premium charge, this policy provides such terrorism coverage for no premium charge.

The certified acts of terrorism premium charge shown below does not apply to any insuring agreement or coverage part in this policy for which you did not accept our offer, for a premium charge, of such terrorism coverage. If you did not accept our offer of such terrorism coverage, this policy contains one or more exclusions that apply to certified acts of terrorism under each such insuring agreement or coverage part.

The Act establishes a cap on our liability to pay for insured losses if the aggregate amount of insured losses under the Act exceeds \$100,000,000,000 during the applicable period for all insureds and all insurers combined. In that case, we will not be liable for the payment of any amount that exceeds such aggregate amount of \$100,000,000,000.

---

**Name of Insured:**

**Policy Number:**

**Effective Date:**

**Certified Acts Of Terrorism Premium Charge:**

**Processing Date:**

---

**INTRODUCTION**



This policy protects against a variety of losses. There are also some restrictions. We've written this policy in plain, easy-to-understand English. We encourage you to read it carefully to determine what is and what is not covered, as well as the rights and duties of those protected.

Policy Number:

In return for your premium, we'll provide the protection stated in this policy.

We, us, our, and ours mean **St. Paul Fire and Marine Insurance Company**. We're a capital stock company located in St. Paul, Minnesota.

The words you, your, and yours mean the insured named here, which is a/an

Your policy is composed of General Rules, an explanation of What To Do If You Have A Loss, one or more Coverage Summaries, and one or more Insuring Agreements explaining your coverage. It may also include one or more endorsements. Endorsements are documents that change your policy. The Policy Forms List shows all the forms included when this policy begins.

One of our authorized representatives will also countersign the policy.

This policy will begin on and will continue until

Your former policy number: is automatically replaced

Your premium for the policy period shown is:

However, please refer to the Premiums section of the General Rules to see how final premiums are determined.

SAMPLE

Our authorized representative is:

*Brian MacLean*  
President

Authorized Representative

Date

*[Signature]*  
Secretary

**Processing Date**

## POLICY FORM LIST

Here's a list of all forms included in your policy, on the date shown below. These forms are listed in the same order as they appear in your policy.

Title	Form Number	Edition Date
<b>Common Section</b>		
Important Notice Regarding Independent Agents and Brokers Compensation (Admitted)	ND044	(0805)
Why You Should Report a Loss to us Promptly	ND027	(0304)
Disclosure Notice Terrorism Risk Insurance Act of 2002	D0100	(0106)
Introduction (St. Paul Fire and Marine)	40800	(0587)
Policy Form List	40705	(0584)
General Rules	40701	(0803)
Schedule of Events	40502	(0180)
California Required Endorsement	40769	(1106)
What To Do If You Have A Loss	40814	(0803)
<b>Inland Marine</b>		
Third Party Property Damage Liability Coverage Summary	I0133	(1006)
Third Party Property Damage Liability Protection	I0134	(1006)
Miscellaneous Property Protection Coverage Summary	I0051	(0804)
Miscellaneous Property Protection - Entertainment	I0050	(1297)
Earth Movement Exclusion Endorsement	I0130	(0906)
Flood Exclusion Endorsement	I0131	(0906)
Virus or Bacteria Exclusion Endorsement	F0459	(0307)
<b>General Liability</b>		
Commercial General Liability Protection Coverage Summary	47110	(0196)
Commercial General Liability Protection	47500	(0101)
City of Los Angeles Department of Airports Additional Protected Person Endorsement	L0084	(1297)
Person or Organizations Required Under Contract or Agreement Endorsement - Additional Protected Persons	L0085	(1297)
Government Unit - Additional Protected Person	L0087	(1297)
Asbestos Exclusion Endorsement	G0468	(0302)
Unsolicited Communication Exclusion Endorsement	G0692	(0804)
Described Operations Limitation Endorsement	L0081	(1297)
Field of Entertainment Limitation Endorsement	L0077	(1297)
Informational Content Limitation Endorsement	L0072	(1297)
Aircraft, Claims or Suits by Named Insureds Against .....Endorsement	L0071	(0805)
Mobile Equipment Subject To Compulsory Or Financial Responsibility Insurance Laws or Scheduled Under Your Auto	G0719	(1204)
Mold, Other Fungi, or Bacteria Exclusion Endorsement	G0492	(0402)
Property Damage Change and Intellectual Property Exclusion Endorsement	G0467	(0701)
<b>Name of Insured</b>	<b>Policy Number</b>	<b>Effective Date</b>
		<b>Processing Date</b>

<b>Title</b>	<b>Form Number</b>	<b>Edition Date</b>
Employment-Related Practices Exclusion Endorsement	47153	(0901)
Injury to Participants in Athletic Programs or Activities Exclusion Endorsement	L0655	(0906)
Sexual Abuse Exclusion Endorsement	43928	(0101)
Liquor Liability Protection Coverage Summary	43885	(0986)
Liquor Liability Protection	43611	(1185)
Animal at Described Special Event Exclusion Endorsement	L0651	(0906)
Medical Expenses Exclusion Endorsement	G0167	(0696)
Described Special Event Limitation Endorsement	L0652	(0906)
Hazardous Activities Exclusion Endorsement	L0653	(0906)
Injury to Participants Exclusion Endorsement	L0654	(0906)
Waiver of Rights of Recovery Endorsement	43390	(1093)
Throwing, Kicking, or Launching of Objects Exclusion Endorsement	L0076	(0805)
Premises Damage Redefined Endorsement	L0664	(0906)
Your Products Redefined Endorsement	L0666	(1006)
Collapse Damage Exclusion Endorsement	43931	(0287)

#### **Automobile**

Auto Coverage Summary	44460	(0491)
Liability Protection For Autos You Don't Own	44471	(0491)
Commercial Auto Required Endorsement - California	44270	(1004)
Nonowned And Hired Auto Physical Damage Endorsement	A0100	(1297)
Auto Physical Damage Protection	44455	(0796)
Autos Rented By Employees Endorsement	A0173	(1299)
Mobile Equipment Subject to Compulsory or Financial Responsibility Insurance Laws Redefined as Autos Endt Liab Prot	A0308	(1204)
Republic of Mexico Auto Liability Coverage Endorsement	A0136	(0898)

<b>Name of Insured</b>	<b>Policy Number</b>	<b>Effective Date</b>	<b>Processing Date</b>
------------------------	----------------------	-----------------------	------------------------

## GENERAL RULES

This form contains various rules that apply to your policy. It and the rest of your policy should be read carefully to determine:

- the extent of the coverage provided by your policy; and
- the rights and duties of you and any other person or organization protected under your policy.

Table of Contents	Page	Policy Period
Special Rights And Duties Of The First Named Insured	1	Insuring agreements or endorsements in your policy begin on your policy's effective date
Policy Period	1	at 12:01 a.m. at the address shown for you
Policy Changes	1	in the Introduction of your policy. But if
Premiums	2	your policy replaces a policy that ends at
Estimates.	2	noon, rather than 12:01 a.m., coverage under
Additional or return premium.	2	your policy begins on your policy's
Your bill.	2	effective date at noon at such address.
Our Right To Inspect And Audit	3	
Cancellation	3	Insuring agreements or endorsements added
By the first named insured.	3	to your policy after your policy's effective
By us.	3	date begin on their respective effective
Return premium.	3	dates at 12:01 a.m. at the address shown for
Fraud And Misrepresentation	4	you in the Introduction of your policy.
If you commit fraud or		
misrepresentation.	4	Coverage under your policy ends on your
If other persons or organizations		
commit fraud or misrepresentation.	4	policy's expiration date at 12:01 a.m. at the
Unintentional errors or omissions.	4	address shown for you in the Introduction
Assignments And Transfers	4	of your policy. But if all or part of your
Lawsuits Against Us	5	policy is canceled for any reason before
If your policy provides property or		
other first-party protection.	5	that date, the canceled coverage will end on
If your policy provides liability		
protection.	5	the cancellation date at 12:01 a.m. at such
Recovering Damages From A Third Party	5	address.
Appraisal Of A Covered Loss Amount In		
Dispute Under Property Or Other First-		
Party Protection	5	<b>Policy Changes</b>
Bankruptcy Or Insolvency Of Any Person		
Or Organization Protected Under		
Liability Protection	6	Your policy contains all of the agreements
How Statutory Or Regulatory Law Affects		
Your Policy	6	between you and us concerning the coverage
		provided by your policy and can be changed
		only as described in this rule.
		We can make changes in our standard
		insurance policy forms from time to time.
		Such changes must conform to applicable
		law and may be filed with insurance
		regulatory authorities for approval.

### Special Rights And Duties Of The First Named Insured

When more than one insured is named in the Introduction of your policy, the first named insured has special rights and duties. Those rights and duties are explained in the following General Rules:

- Cancellation.
- Policy Changes.
- Premiums.

If we make any such change, while your policy is in effect, that:

- would broaden or extend the coverage your policy provides; and
  - can be legally added to your policy without increasing your premium;
- you'll automatically receive the benefit of the broadened or extended coverage beginning at:
- 12:01 a.m.; or

- noon, if coverage under your policy otherwise begins at that time;
- on the effective date of the change at the address shown for you in the Introduction of your policy.

If we make any such change before your policy begins and that change still applies to a standard insurance policy form which:

- is part of your policy when your policy begins; or
- is made part of your policy after your policy's effective date;

you'll automatically receive the benefit of that broadened or extended coverage beginning at the time and on the effective date that form is, or is made, part of your policy.

We don't have to provide any written notice, or a written form that's made part of your policy, for you to receive such benefits.

We can make other changes in your policy and, with our consent, the first named insured can make changes in your policy too. But such changes can be made only with a written form that:

- is made part of your policy; and
- is signed by us or one of our authorized representatives.

## Premiums

We compute the premium for your policy in accordance with our rules and rates which apply to your policy.

**Estimates.** All or part of your premium may be based on estimates.

If estimates are used, your policy will contain an endorsement, summary, or other form that shows:

- we used estimates; and
- when and how we'll compute your actual premium.

We'll compute your actual premium, when complete information is available, at the end of:

- the policy period;
- each one-year period that's part of the policy period, if the policy period is longer than one year; and
- any interim audit period that's shorter than one year, if an interim audit period applies during the policy period.

For each such period, we'll compute your actual premium in accordance with our rules and rates which apply to your policy and for that period.

If your actual premium is:

- more than the estimated premium you've paid, you'll owe us the difference; or
- less than the estimated premium you've paid, we'll return the difference;

except as described in the Additional or return premium section.

You must keep accurate records of the information we'll need to compute your actual premium. Your agent or broker can explain the type of records we'll need. The first named insured must mail, deliver, or otherwise give to us a copy of those records when we request them.

However, we don't have to request or use any records to compute your actual premium if we determine, in accordance with our rules and rates which apply to your policy, that your premium based on estimates is your actual premium.

**Additional or return premium.** We or your agent or broker will tell the first named insured about any additional or return premium for your policy.

However, we won't charge an additional premium, or refund a return premium, for any difference in premium of \$15 or less that results from:

- your actual premium being more or less than the estimated premium you've paid; or
- any change made in your policy, including any cancellation of all or part of your policy by you or us.

But we'll refund a return premium of \$15 or less for your policy if the first named insured requests that we do so. We'll apply this rule for waiving additional or return premiums separately each time your policy is changed.

In any event, your policy premium won't be less than the minimum policy premium we're allowed to charge in accordance with our rules and rates which apply to your policy.

**Your bill.** The first named insured:

- will be the one we'll bill for all premiums for your policy;
- is responsible for paying all premiums for your policy when due; and

- will be the one to whom we'll pay any return premium for your policy.

The due date for each premium owed us for your policy is the date shown as the due date on your bill for that premium.

If the first named insured is also the first named insured under:

- any other policy with us; or
- any policy with any of our affiliated insurance companies;

we may bill, under one statement, the premium for:

- your policy; and
  - any or all of those other policies;
- regardless of their type, what they cover, or their policy periods.

If we bill the premium for such policies under one statement:

- we may adjust your bill under that statement to reflect the total of any additional or return premium for any or all of those policies;
- we'll apply any partial payment of the minimum premium due under your bill proportionately to each of those policies unless the first named insured requests at the time of such payment that we apply it differently; and
- for any of those policies with a return premium, the first named insured may request that we refund such premium with a separate payment.

### Our Right To Inspect And Audit

You must allow us to inspect your property and operations during normal business hours while your policy is in effect.

However, we aren't required to:

- make any such inspection; or
- guarantee that your property or operations are safe, or conform to any code, law, regulation, or standard;

except as required by any applicable state or municipal code, law, regulation, or standard for the certification of boilers, pressure vessels, or elevators.

This rule also applies to any person or organization that makes insurance inspections, surveys, reports, or recommendations for us.

You also must allow us to examine, audit, and make copies of your financial books and records that relate to the coverage provided by your policy at any time up to three years after your policy ends.

### Cancellation

**By the first named insured.** The first named insured can cancel all or part of your policy at any time before your policy's expiration date with an advance notice of cancellation to us or one of our authorized representatives.

To cancel, the first named insured:

- must deliver to us or one of our authorized representatives; or
- must mail to us, if such delivery isn't possible;

your policy, or the part of your policy to be canceled, and must provide the date the cancellation will be effective.

**By us.** We can cancel all or part of your policy at any time before your policy's expiration date.

If we cancel, the first named insured:

- is responsible for receiving the cancellation notice from us for you; and
- will be the one to whom we'll mail or deliver the cancellation notice.

Also, we'll mail or deliver the cancellation notice to the first named insured at least:

- 10 days, if we're canceling for nonpayment of premium; or
- 30 days, if we're canceling for any other reason;

before the date the cancellation will be effective.

If the cancellation notice is mailed, proof of mailing to the first named insured's last mailing address known to us will be considered proof that the first named insured received such notice.

**Return premium.** We'll compute, in accordance with our rules and rates which apply to your policy, the cancellation return premium, if any, on a pro rata basis. But for a cancellation by the first named insured, we may compute any such premium on less than a pro rata basis.

As soon as possible, we'll refund any cancellation return premium, except as

described in the Additional or return premium section of the Premiums section, to the first named insured.

However, the cancellation will be effective regardless of whether or not we've made or offered such a refund.

### **Fraud And Misrepresentation**

**If you commit fraud or misrepresentation.** If, before or after a loss, you:

- hide any important information from us;
  - mislead, lie to, or defraud us; or
  - attempt any such actions;
- about any matter concerning the coverage provided by your policy, we can consider your policy to be void for you and all other persons and organizations protected under your policy.

We'll consider such fraud or misrepresentation committed by any of the following to also be committed by you:

- Your spouse if you're an individual.
- Any of your partners or co-venturers, or their spouses, if you're a partnership or joint venture.
- Any of your members or managers if you're a limited liability company.
- Any of your trustees if you're a trust.
- Any of your shareholders if you're a professional association.
- Any of your appointed or elected officials if you're a public entity or tribal government.
- Any of your directors or executive officers if you're a corporation or an other organization.

**If other persons or organizations commit fraud or misrepresentation.** If, before or after a loss, any person or organization protected under your policy, other than you and the persons and organizations described in the last paragraph of the If you commit fraud or misrepresentation section:

- hides any important information from us;
  - misleads, lies to, or defrauds us; or
  - attempts any such actions;
- about any matter concerning the coverage provided by your policy, we can consider your policy to be void for only that person or organization.

We'll consider such fraud or misrepresentation committed by any of the

following to also be committed by any such organization protected under your policy:

- Any of its partners or co-venturers if that organization is a partnership or joint venture.
- Any of its members or managers if that organization is a limited liability company.
- Any of its trustees if that organization is a trust.
- Any of its shareholders if that organization is a professional association.
- Any of its appointed or elected officials if that organization is a public entity or tribal government.
- Any of its directors or executive officers if that organization is a corporation or an other organization.

**Unintentional errors or omissions.** We won't consider errors or omissions that are unintended by:

- you; and
- all other persons and organizations protected under your policy that are described in the last paragraph of the If you commit fraud or misrepresentation section and commit such errors or omissions;

to be fraud or misrepresentation as described in that section.

Also, we won't consider errors or omissions that are unintended by:

- all other persons and organizations protected under your policy; and
- all persons and organizations described in the last paragraph of the If other persons or organizations commit fraud or misrepresentation section;

that commit such errors or omissions to be fraud or misrepresentation as described in that section.

### **Assignments And Transfers**

Neither you nor any other person or organization protected under your policy can assign, transfer, or otherwise turn over, your interest in it without consent from us in a written form that's made part of your policy.

However, if you're an individual named insured and you die:

- your legal representatives will have your rights and duties under your policy, but only while acting within the scope of their duties as your legal representatives; and

- until such legal representatives are appointed, any person or organization that properly has temporary custody of your property will have your rights and duties concerning that property under your policy.

### **Lawsuits Against Us**

No person or organization can sue us to recover under your policy unless all of your policy's terms have been fully complied with.

**If your policy provides property or other first-party protection.** Any suit to recover on a loss under any property or other first-party protection provided by your policy must begin within two years after the date on which the direct physical loss or damage occurred to the property that's required to sustain such loss or damage for the loss to be covered under that protection.

**If your policy provides liability protection.** No person or organization can sue us to recover on a loss under any liability protection provided by your policy until the amount of the liability of a person or organization protected for that loss under your policy has been finally decided either by a judgment or by a written agreement signed by:

- us;
- the person or organization protected under your policy; and
- the person or organization making a claim or bringing a suit for the loss.

Once liability has been so determined, that person or organization making the claim or bringing the suit may be able to recover under your policy, up to the limit of coverage that applies. But such person or organization can't sue us directly or join us in a suit against that person or organization protected under your policy until liability has been so determined.

### **Recovering Damages From A Third Party**

You or other persons or organizations protected under your policy may also be able to recover from others all or part of any loss for which we make a payment.

Any such right of recovery, and the proceeds of any settlement or judgment that may result from the exercise of that right, belongs to us.

For that reason, you and all other persons and organizations that:

- are protected under your policy; and
- are, or may be, involved in a loss for which we make, or may make, a payment; must do all that's possible after the loss to:
  - preserve for us any such right of recovery or any such proceeds; and
  - cooperate with us in any attempt to exercise any such right of recovery.

However, before any loss, you or any other person or organization protected under your policy may waive its right of recovery for the loss without our consent.

If we exercise our right of recovery under your policy and we recover more than we've paid, the excess amount will belong to the person or organization protected under your policy that had the loss. But we'll first deduct our recovery expenses from any such amount recovered by us.

### **Appraisal Of A Covered Loss Amount In Dispute Under Property Or Other First-Party Protection**

If your policy provides property or other first-party protection and you and we can't agree on the amount of a loss covered under that protection, the following procedure will be used to settle the dispute:

1. Either you or we will make a written demand for an appraisal of the covered loss amount in dispute.
2. Within 30 days of the demand, you and we will each select a competent and impartial appraiser and notify the other of the selection.
3. The appraisers will select a competent and impartial umpire. If they can't agree on an umpire, either of them may request that the selection be made by a judge of a court having jurisdiction.
4. The appraisers will each state separately their appraisal of the covered loss amount in dispute. If they can't agree on that amount, they'll submit their appraisals to the umpire. The umpire's agreement to one of those appraisals will be binding.
5. You'll pay the fees of your appraiser. We'll pay the fees of our appraiser. Other costs of the appraisal, including

the fees of the umpire, will be shared equally by you and us.

**Bankruptcy Or Insolvency Of Any Person Or Organization Protected Under Liability Protection**

If your policy provides liability protection, the bankruptcy or insolvency of:

- any person or organization protected under that liability protection; or
  - any estate of that person;
- won't relieve us of our obligations under such liability protection.

However, if such liability protection contains an exclusion or other coverage limitation for loss that results from such bankruptcy or insolvency, this rule doesn't change or eliminate that exclusion or other coverage limitation.

**How Statutory Or Regulatory Law Affects Your Policy**

Any part of your policy that conflicts with any requirement of statutory or regulatory law which applies is automatically changed to conform to that law.

SAMPLE

## Schedule of Events

---

---

SAMPLE

## CALIFORNIA REQUIRED ENDORSEMENT

This endorsement changes your policy to comply with, or otherwise respond to, California law.

Therefore, each change made by this endorsement applies only to the extent:

- required by California statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside California, each change that's made to comply with California statutory or regulatory law applies only if, and to the extent, your policy provides coverage for:

- a loss of or to, or that results from, property in California; or
  - a loss that results from your operations in, or which affect, California;
- and such statutory or regulatory law applies to such coverage.

### Table of Contents

Cancellation	1
Fraud And Misrepresentation	2
Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection	3
Registered Domestic Partner	3
Property Protection - Actual Cash Value	3
Property Protection - Replacement Cost	3
Other Terms	4

submitting a claim under this policy, we'll send notice at least 10 days before coverage will end. If we're canceling for any other reason we'll send notice at least 30 days before coverage will end. The notice will state the reason for cancellation.

**How we can cancel policies in effect more than 60 days.** If your policy has been in effect more than 60 days, or is a continuous or renewal policy, we can cancel only for the following reasons:

1. *Nonpayment of premium.* We can cancel if the first named insured fails to pay any premium or premium installment when due. This includes any installment of premium that was from a previous policy we issued that was due during the current policy period.
2. *Fraud or misrepresentation .* We can cancel if we discover that any person insured by this policy has committed fraud or made a material misrepresentation, either in obtaining this policy or in submitting a claim under this policy.
3. *Conviction of a crime.* We can cancel if you are convicted of a crime that increases any hazard you're insured against.
4. *Negligent acts.* We can cancel if we discover that you have committed a willful or extremely negligent act or omission that increases any hazard you're insured against.
5. *Failure to follow loss control requirements.* We may cancel if you or your representative fail to follow reasonable loss control requirements that

### Cancellation

The Cancellation section of the General Rules is replaced by the following.

You can cancel this policy in whole or in part at any time.

**How you can cancel.** To cancel this policy or any of its insuring agreements, you must deliver the policy, or the part you want canceled, to us or to any of our authorized agents. If this isn't possible, notify us by mail and include the date you want the policy or individual insuring agreement canceled. You'll get a refund for the unused premium, less a charge for early cancellation.

**How we can cancel policies in effect 60 days or less.** If your policy has been in effect 60 days or less, and is not a renewal or continuous policy, we can cancel for any reason during this period. If we do, we'll mail or deliver a notice of cancellation to the first named insured. If we're canceling because of nonpayment of premium or because we discovered that any person insured by this policy has committed fraud either in obtaining this policy or in

you agreed to follow in order for us to issue your policy or give you certain premium rates.

6. *Determination by the Insurance Commissioner.* We can cancel this policy if the Commissioner Of Insurance determines that continuing this policy would put us in violation of California insurance laws, or jeopardize our being solvent. We can also cancel if the Insurance Commissioner determines that any loss of or change in our reinsurance affecting this policy would threaten our financial position.

7. *Change in the risk.* We can cancel if, after we have issued or renewed your policy, a change occurs in the risk we're protecting that increases the hazard we're insuring against. But this doesn't apply to a change that was expected or foreseen by us when we issued your policy. Nor does this apply if:

- the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance code; and
- the change in risk involves one or more losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured.

If we cancel for nonpayment of premium or fraud or misrepresentation as described above, we'll mail a cancellation notice at least 10 days before coverage will end. If we cancel for any other reason, we'll mail or deliver the notice to the first named insured and the agent who sold this policy at least 30 days before coverage will end. The notice will state the exact reason for cancellation.

**Nonrenewal.** If we decide not to renew or continue this policy, we'll mail a notice to the first named insured at least 60 days but not more than 120 days before the end of the policy period. The notice will show the reason for nonrenewal.

But we won't refuse to renew or continue this policy because of losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured if the insured is an educational, religious, or other non-profit organization, as

described in Section 676.10(a) of the California Insurance Code.

If state law requires us to give additional notices or changes our notice requirements, we will provide such additional notices or changes as needed.

If we offer to renew or continue your policy and you don't accept, the policy will expire at the end of the policy period. If we offer to renew your policy, and you fail to pay the required premium when due, we'll consider this to mean that you don't accept our offer.

If we fail to send proper notice of nonrenewal and you obtain other insurance, this policy will end on the date the other insurance takes effect.

**Mailing the notice.** Mailing the cancellation or nonrenewal notice to the first named insured's and agent's last address known to us will be considered proof you were notified.

### Fraud And Misrepresentation

If your policy provides property protection, the following replaces the first paragraph of the:

- If you commit fraud or misrepresentation; and
- If other persons or organizations commit fraud or misrepresentation;

sections of the General Rules, but only for that property protection.

For a loss caused by fire, we can deny coverage under the property protection provided by your policy for any person or organization protected under your policy that, before or after that loss, commits fraud, or intentionally conceals or misrepresents a material fact or circumstance, concerning:

- that property protection;
- a claim under that property protection;
- the covered property involved in that loss; or
- that person's or organization's interest in that covered property.

For a loss caused by a covered cause of loss other than fire, we can consider the property protection provided by your policy to be void for all persons and organizations

protected under your policy if, before or after that loss, any such person or organization commits fraud, or intentionally conceals or misrepresents a material fact or circumstance, concerning:

- that property protection;
- a claim under that property protection;
- the covered property involved in that loss; or
- the interest of any person or organization protected under your policy in that covered property.

### **Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection**

The following is added to the Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection section of the General Rules and changes that section as described.

The Appraisal Of A Covered Property Loss Amount In Dispute Under Property Or Other First-Party Protection section applies only if both you and we agree to a request for an appraisal. No demand can be made for an appraisal.

### **Registered Domestic Partner**

Wherever the term spouse is used in any insuring agreement that is included in this policy, it is replaced by the phrase spouse or registered domestic partner under California law.

### **Property Protection - Actual Cash Value**

If your policy includes property or inland marine insurance, the following is added to any insuring agreement that is an open policy and that uses the term actual cash value.

For a total loss of a covered building or structure we'll figure actual cash value as the fair market value of such building or structure.

For a partial loss of a covered building or structure, we'll figure actual cash value as the amount it would cost to repair, rebuild or replace such building or structure, less a fair and reasonable amount for deterioration or depreciation of the components of such building or structure that are normally

subject to repair or replacement during its useful life, and based upon the condition of the property at the time of the loss or damage.

For a partial or total loss to covered property other than a building or structure, we'll figure actual cash value as the amount it would cost to repair or replace such covered property at the time of loss or damage with material of like kind and quality, less an amount for deterioration, depreciation, or obsolescence.

*Open policy* means an insuring agreement in which the value of the subject matter is not agreed upon, but is left to be ascertained in case of loss. This definition is in accordance with Section 411 of the California Insurance Code.

### **Property Protection - Replacement Cost**

If your policy includes property or inland marine insurance, the following applies to any insuring agreement that is an open policy.

The Replacement cost, Property insured for replacement cost, or similarly titled section in the Rules For Loss Adjustment section of the insuring agreement is deleted and replaced by the following:

**Replacement cost.** For property covered on a replacement cost basis, we'll pay the necessary cost to repair or replace the lost or damaged property without deduction for depreciation. But we won't pay more than the least of the following:

- The amount you actually spend that's necessary to repair the damage.
- The amount you actually spend that's necessary to replace the lost or damaged property with new property of similar kind and quality that's used for the same purpose.
- The limit of coverage that applies to the lost or damaged property.

We won't pay on a replacement cost basis until lost or damaged property has actually been repaired or replaced. But, if you have reported a covered loss and have complied with all other related policy terms and conditions, we will pay on an actual cash value basis. If this payment does not exhaust the limit of coverage that applies, then we will pay the difference between the actual cash value and the replacement cost,

up to the limit of coverage that applies, if the lost or damaged property is repaired or replaced:

- Within 12 months after our payment of the actual cash value; or
- Within 24 months after our payment of the actual cash value if the loss or damage is related to a state of emergency as described in Section 8558 of the Government Code.

We can extend the above time periods for good cause.

Regardless of the above, we can still deny the claim for any valid reason or restrict any payment if we suspect fraud.

If a covered building is rebuilt at a new location, we'll only pay the amount that would have been spent if the building had been rebuilt at the original location.

We won't consider the enforcement of any ordinance, regulation, or law governing the use, construction, repair, or demolition of any property, including removal of debris, to be a part of the cost of repair or replacement.

#### **Other Terms**

All other terms of your policy remain the same.

SAMPLE

## WHAT TO DO IF YOU HAVE A LOSS

This form applies if:

- your policy provides any property or other first-party protection and there's a loss that may be covered under that protection; or
- your policy provides any liability protection and there's an accident, act, error, event, incident, offense, or omission that may result in damages or other amounts which may be covered under that protection.

Coverage under your policy may be affected by any failure to fulfill any of the duties described in this form.

However, neither this form, nor any of these duties, change or eliminate any coverage condition or requirement, or exclusion or other coverage limitation, anywhere in the rest of your policy, such as:

- a specific coverage trigger, reporting, notice, or knowledge condition or requirement; or
- an exclusion or other coverage limitation that's based, all or in part, on knowledge.

This form and the rest of your policy should be read carefully to determine:

- the extent of the coverage provided by your policy; and
- the rights and duties of you and any other person or organization protected under your policy.

---

### Table of Contents

	Page
If Your Policy Provides Property Or Other First-Party Protection	1
If Your Policy Provides Liability Protection	2
When we consider you to have knowledge of an accident, act, error, event, incident, offense, or omission.	3
When we consider other persons or organizations to have knowledge of an accident, act, error, event, incident, offense, or omission.	3

---

anywhere in the USA at any time at the following toll-free telephone number to tell us this information:

1-800-STPAUL1  
(1-800-787-2851)

Also, our Internet web site is available from anywhere at any time at the following address to tell us this information:

[www.stpaultravelers.com](http://www.stpaultravelers.com)

### If Your Policy Provides Property Or Other First-Party Protection

If your policy provides property or other first-party protection and there's a loss that may be covered under that protection, you must do all of the following in connection with that loss:

1. As soon as possible, tell us or one of our authorized representatives what happened. Include all of the following information:
  - The time, place, and specific nature of the loss.
  - The cause, or likely cause, of the loss.
  - A description of the property involved.
  - The name and address of each person known to be a witness.

Our United States of America (USA) Claim Call Center is available from

2. Promptly notify the police if a law may have been broken.
3. Do what is reasonable and necessary to protect covered property from further damage or loss. Keep a record of any expenses you incur in taking such action for our possible consideration in any settlement of the loss.
4. Separate damaged property from undamaged property, if feasible, to enable examination by us.

At our request, make an inventory of damaged or lost property and mail, deliver, or otherwise give that inventory to us.

5. Cooperate with us in the investigation, or any settlement, of the loss.

Allow us, whenever we reasonably require, to:

- inspect property involved in or proving the loss;

- examine, and make copies of, your financial books and records relating to the loss; and
- take samples of property, whether damaged or undamaged, for analysis or testing.

6. Allow us to examine you, or any other person or organization protected under your policy, while:
- under oath; and
  - not in the presence of any other person protected under your policy.

We may do this, whenever we reasonably require, about any matter relating to:

- your property or other first-party protection;
- the loss; or
- your financial books and records relating to the loss.

All persons or organizations protected under your policy that are examined in this manner must sign a copy of their responses.

7. Within 60 days after our request, you must mail, deliver, or otherwise give to us a signed, sworn proof of loss, using a form supplied by us that provides the information we need to consider whether the loss is covered by your policy.

Within 30 days after we reach agreement with you on what we owe for a covered loss, we'll pay that amount.

### **If Your Policy Provides Liability Protection**

If your policy provides liability protection and there's an accident, act, error, event, incident, offense, or omission that may result in damages or other amounts which may be covered under that protection, you or any other person or organization protected under your policy must do all of the following in connection with that accident, act, error, event, incident, offense, or omission:

1. As soon as possible after having knowledge of the accident, act, error, event, incident, offense, or omission, tell us or one of our authorized representatives what happened. Do this even if no demand against you or any other person or organization protected under your policy has been made.

Include all of the following information that's reasonably available:

- The time, place, and specific nature of the accident, act, error, event, incident, offense, or omission.
- The type of demand that has been or may be made against you or any other person or organization protected under your policy.
- The name and address of each person or organization that may make a claim or bring a suit.
- The name and address of each person who may be a witness.
- The name and address of each person or organization that may be involved and is protected under your policy.

Our United States of America (USA) Claim Call Center is available from anywhere in the USA at any time at the following toll-free telephone number to tell us this information:

1-800-STPAUL1  
(1-800-787-2851)

Also, our Internet web site is available from anywhere at any time at the following address to tell us this information:

[www.stpaultravelers.com](http://www.stpaultravelers.com)

However, neither we nor any of our authorized representatives need to be told of an accident, act, error, event, incident, offense, or omission that first involves your workers compensation insurance unless the liability protection provided by your policy is likely to be involved.

2. Promptly notify the police if your policy provides auto liability protection and a covered auto under that protection is stolen.
3. As soon as possible after receiving them, mail, deliver, or otherwise give to us a copy of:
  - all written demands made; and
  - all legal documents relating to any suit brought; against you or any other person or organization protected under your policy.
4. Cooperate with and, when requested, assist us in:
  - securing and giving evidence;

- attending hearings and trials;
- obtaining the attendance of witnesses; and
- taking other reasonable steps to help us investigate or settle, or defend a person or organization protected under your policy against, a claim or suit.

5. Not assume any financial obligation or pay out any money, other than for first aid given to others at the time of an accident, without our consent.

**When we consider you to have knowledge of an accident, act, error, event, incident, offense, or omission.** If you're an individual, we'll consider you to have knowledge of an accident, act, error, event, incident, offense, or omission only if you have knowledge of it or any person has knowledge of it while he or she is your:

- spouse;
- employee and is or acts as your insurance or risk manager or holds a position in your insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by you to tell us, one of our authorized representatives, or any of the persons described above, about that accident, act, error, event, incident, offense, or omission.

If you're an organization, we'll consider you to have knowledge of an accident, act, error, event, incident, offense, or omission only if any person has knowledge of it while he or she is your:

- partner or co-venturer, or his or her spouse, if you're a partnership or joint venture;
- member or manager if you're a limited liability company;
- trustee if you're a trust;
- shareholder if you're a professional association;
- appointed or elected official if you're a public entity or tribal government;
- director or executive officer if you're a corporation or an other organization;
- employee and is or acts as your insurance or risk manager or holds a position in your insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by you to tell us, one of our authorized representatives, or any of the persons described above, about that

accident, act, error, event, incident, offense, or omission.

However, if:

- you're a partnership, joint venture, limited liability company, trust, or professional association; and
- any of your partners, co-venturers, members, trustees, or shareholders is an organization;

we'll also consider you to have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that organization's:

- partner or co-venturer if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government; or
- director or executive officer if it's a corporation or an other organization.

**When we consider other persons or organizations to have knowledge of an accident, act, error, event, incident, offense, or omission.** We'll consider any person or organization protected under your policy, other than you, to have knowledge of an accident, act, error, event, incident, offense, or omission if you or any of the persons described in the When we consider you to have knowledge of an accident, act, error, event, incident, offense, or omission section has knowledge of it.

Also, if any such other person protected under your policy is a sole proprietor, we'll consider that sole proprietor to also have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that sole proprietor's:

- employee and is or acts as its insurance or risk manager or holds a position in its insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by that sole proprietorship to tell that sole proprietor, any of the employees described above, that sole proprietorship's insurer, or one of that insurer's authorized representatives, about that accident, act, error, event, incident, offense, or omission.

In addition, we'll consider any such organization protected under your policy to also have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is that organization's:

- partner or co-venturer if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government;
- director or executive officer if it's a corporation or an other organization;
- employee and is or acts as its insurance or risk manager or holds a position in its insurance, risk management, or legal department; or
- employee, or authorized person, with a duty given by that organization to tell its insurer, one of its insurer's authorized representatives, or any of the persons described above, about that accident, act, error, event, incident, offense, or omission.

Finally, if:

- any organization protected under your policy, other than you if you're an organization, is a partnership, joint venture, limited liability company, trust, or professional association; and
- any of its partners, co-venturers, members, trustees, or shareholders is an organization;

we'll also consider such organization that's protected under your policy to have knowledge of an accident, act, error, event, incident, offense, or omission if any person has knowledge of it while he or she is such partner, co-venturer, member, trustee, or shareholder organization's:

- partner or joint venture if it's a partnership or joint venture;
- member or manager if it's a limited liability company;
- trustee if it's a trust;
- shareholder if it's a professional association;
- appointed or elected official if it's a public entity or tribal government; or
- director or executive officer if it's a corporation or an other organization.

**THIRD PARTY PROPERTY DAMAGE LIABILITY PROTECTION  
COVERAGE SUMMARY**



This Coverage Summary shows the limit of coverage and extent of coverage under your Third Property Damage Liability Protection for certain property of others that's used, or intended to be used, in connection with a described special event.

---

**Described Special Event**

**Limit Of Coverage:** \$

**Deductible:** \$

**Premium basis:**

---

**Named Endorsement Table**

**Important Note:** Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply, too. If so, they're listed on the Policy Forms List.

---

<b>Name of Insured</b>	<b>Policy Number</b>	<b>Effective Date</b>
------------------------	----------------------	-----------------------

---

	<b>Processing Date</b>
--	------------------------

---

## THIRD PARTY PROPERTY DAMAGE LIABILITY PROTECTION

We've designed this agreement to protect you for your legal liability for loss or damage to certain property of others.

---

<b>Table of Contents</b>	<b>Page</b>	<b><u>What This Agreement Covers</u></b>
<b>What This Agreement Covers</b>	<b>1</b>	
What We'll Pay	1	The description of property covered, the limit of coverage, and other terms and conditions are shown in the Coverage Summary.
Property Covered	1	
Covered Causes Of Loss	1	
Right and duty to defend you.	1	
Additional payments.	2	
Property Covered Only If Described	2	
Property Not Covered	2	
<b>When You're Covered</b>	<b>2</b>	
<b>Exclusions - Losses We Won't Cover</b>	<b>2</b>	
Contamination.	2	
Disappearance.	2	
Dishonest or criminal acts.	2	
Electrical damage.	3	
Electronic recordings.	3	
Expected or intended loss or damage.	3	
Failure to provide reasonable and proper care.	3	
Governmental action.	3	
Indirect loss.	3	
Mechanical breakdown.	3	
Nuclear activity.	3	
Planning, design, materials, maintenance.	3	
Pollution.	3	
Property outside of buildings.	4	
Seepage or leakage.	4	
War.	4	
Wear, tear, deterioration, animals.	4	
<b>Rules For Loss Adjustment</b>	<b>4</b>	
Adjusting Losses	5	
Pairs and sets.	5	
Limit Of Coverage	5	
Deductible	5	
Other Insurance	5	
When We'll Pay For Loss	5	
<b>Other Rules For This Agreement</b>	<b>5</b>	
Preserving Your Rights	5	
How A Loss Affects Your Limit Of Coverage	5	
Abandoned Property	5	
<b>List Of Terms With Defined Meanings Shown In This Agreement</b>	<b>5</b>	
		We'll pay amounts you are legally required to pay as damages for:
		• direct physical loss or damage to covered property; or
		• loss of use of covered property that results from direct physical loss or damage to such property caused by a covered cause of loss.
		<b>Property Covered</b>
		We'll cover property of others that's:
		• in your care, custody, or control; and
		• used, or intended to be used, in connection with a described special event.
		<i>Described special event</i> means the special event shown in the Coverage Summary.
		<b>Covered Causes Of Loss</b>
		We'll protect covered property against risks of direct physical loss or damage except as indicated in the Exclusions - Losses We Won't Cover section.
		<b>Right and duty to defend you.</b> We'll have the right and duty to defend you against a claim or suit for loss covered by this agreement. We'll have such right and duty even if all of the allegations of the claim or suit are groundless, false, or fraudulent. But we won't have a duty to perform other acts or services.
		We'll have the right to investigate any claim or suit to the extent that we believe is proper. We'll also have the right to settle any claim or suit within:
		• any applicable deductible; or

---

- the available limit of coverage.

**Additional payments.** We'll have the duty to make only the additional payments shown below in connection with any claim or suit we defend. These payments are in addition to the limit of coverage. But our duty to make such payments ends when we have used up the limit of coverage that applies with the payment of judgments or settlements.

*Our expenses.* We'll pay expenses we incur.

*Expenses incurred by you.* We'll pay all reasonable expenses that you incur at our request while helping us investigate or defend a claim or suit. But we won't pay for loss of earnings.

*Appeal bonds.* If we have the duty to appeal a judgment that includes damages covered by this agreement, and you agree we can appeal that judgment, we'll pay the cost of any appeal bond required for that appeal. But only for that part of the judgment that is for damages covered by this agreement and is within the available limit of coverage. However, we'll pay, or reimburse you, for the cost of a higher appeal bond amount if we're required to do so under the law that applies. But we won't be the principal under any such bond. Nor do we have to furnish any appeal bond. The results of an appeal won't change the limit of coverage that applies under this agreement.

### **Property Covered Only If Described**

We won't cover the following property unless it's described in the Coverage Summary:

- Buildings, leasehold tenants' improvements and betterments, furniture or fixtures.
- Computer software or data media, films, tapes, or soundtracks.

### **Property Not Covered**

We won't cover the following property.

- Aircraft, satellites and spacecraft.
- Live animals, birds, and fish.
- Contraband, or property in the course of illegal transportation or trade.
- Fine arts.
- Antiques, jewelry, precious and semiprecious stones, gold, silver, platinum or other precious metals.

- Money, lottery tickets, food stamps, securities, accounts, bills, notes, and other evidence of debt.
- Valuable papers and records, manuscripts, abstracts, drawings, index systems, blueprints, maps, historical documents, and business records.
- Watercraft, including any motors, equipment, and accessories used with such watercraft.
- Lawns, land, land value, land restoration, growing crops, trees, shrubs and plants.
- Water, and water restoration.
- Transmission, communications or distribution lines.
- Self-propelled land vehicles and other vehicles licensed and designed or use on public roads, such as cars, trucks, and trailers.
- Real property rented to or leased by you that you use for any purpose other than a described special event.
- Personal property rented to or leased by you that you use for any purpose other than a described special event.

### **When You're Covered**

Coverage under this agreement begins and ends on the dates shown in the Introduction.

### **Exclusions - Losses We Won't Cover**

When we use the word loss in this section we also mean damage.

**Contamination.** We won't cover loss caused by or resulting from any kind of contamination of covered property.

Because contamination could involve pollutants, nuclear reaction, nuclear radiation, or radioactivity, this exclusion applies in addition to any pollution exclusion or nuclear activity exclusion that applies and is in or made part of this agreement.

If a loss not otherwise excluded results, we'll pay for that resulting loss.

**Disappearance.** We won't cover loss of property that is missing where:

- the only evidence of the loss is a shortage disclosed on taking inventory; or
- there is no physical evidence to show what happened to the property.

**Dishonest or criminal acts.** We won't cover loss resulting from theft, or any other dishonest or criminal act, committed by you, or any of your partners, members, managers, directors, officers, trustees, agents, or employees, regardless of whether such:

- person is acting alone or in collusion with others; or
- act is committed during the hours of employment.

Nor will we cover dishonest acts of anyone that you entrust with covered property other than a common carrier.

However, this exclusion doesn't apply to acts of destruction by your employees. We'll consider leased employees to be employees.

**Electrical damage.** We won't cover loss to electrical equipment, including wiring, caused by or resulting from artificially generated electrical current, including electrical arcing.

If fire results, we'll pay for that resulting loss.

**Electronic recordings.** We won't cover loss to electronic recordings caused by or resulting from electrical or magnetic injury, disturbance, or erasing.

**Expected or intended loss or damage.** We won't cover loss that's expected or intended by you.

**Failure to provide reasonable and proper care.** We won't cover loss that's caused by or resulting from your failure to provide reasonable and proper care of property you use.

**Governmental action.** We won't cover loss caused directly or indirectly by:

- seizure or confiscation of property by any government or public authority; or
- destruction of property under quarantine or customs regulation.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But this exclusion won't apply to property destroyed by a civil authority in order to stop the actual spread of fire when such fire is otherwise covered by this agreement.

This exclusion applies regardless of whether the loss event results in widespread damage or affects a substantial area.

**Indirect loss.** We won't cover loss caused by or resulting from:

- delay;
- loss of market;
- loss of use; or
- any indirect loss.

**Mechanical breakdown.** We won't cover loss caused by or resulting from:

- mechanical breakdown or failure; or
- rupture or bursting caused by centrifugal force.

If loss from fire, smoke, lightning, wind, hail, explosion, vehicles, aircraft, vandalism, malicious mischief, civil disturbance, riot, sprinkler leakage, sinkhole collapse, volcanic action, building glass breakage, falling objects, weight of ice, weight of snow, weight of sleet, or water damage results, we'll pay for that resulting loss.

**Nuclear activity.** We won't cover loss caused directly or indirectly by nuclear reaction, nuclear radiation, or radioactive contamination. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. If fire results, we'll pay for that resulting loss.

This exclusion applies regardless of whether the loss event results in widespread damage or affects a substantial area.

**Planning, design, materials, maintenance.** We won't cover loss caused by or resulting from faulty, inadequate, defective, or lack of:

- planning, zoning, development, surveying, siting;
  - design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - materials used in repair, construction, renovation or remodeling; or
  - maintenance
- of part or all of any covered property.

If a loss not otherwise excluded results, we'll pay for that resulting loss. But we won't pay for:

- any cost of correcting or making good the fault, inadequacy, or defect itself,

including any cost incurred to tear down, tear out, repair or replace any part of any property to correct the fault, inadequacy or defect; or

- any resulting loss or damage by a covered cause of loss to the property that has the fault, inadequacy or defect until the fault, inadequacy or defect is corrected.

**Pollution.** We won't cover loss caused by or resulting from pollution.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But we won't apply this exclusion to loss caused by or resulting from pollution if the pollution is caused by or results from any of the following causes of loss:

- Fire.
- Lightning.
- Explosion.
- Wind.
- Hail.
- Smoke.
- Vehicles.
- Aircraft.
- Civil disturbance.
- Riot.
- Vandalism.
- Sprinkler leakage.
- Sinkhole collapse.
- Volcanic action.
- Falling objects.
- Weight of snow, weight of ice, or weight of sleet.
- Water damage.

Nor will we pay for the costs associated with the enforcement of any ordinance, regulation, or law that requires you or anyone else to:

- test for, monitor, clean up, remove;
- contain, treat, detoxify, neutralize; or
- in any way respond to, or assess the effects of

pollutants, mold or other fungi, wet or dry rot, or bacteria.

*Pollution* means the discharge, dispersal, escape, migration, release, or seepage of any pollutant.

**Property outside of buildings.** We won't cover loss caused by or resulting from ice, snow, rain or sleet to personal property while outside a building.

**Seepage or leakage.** We won't cover loss caused by or resulting from water or steam that seeps or leaks, or the presence or condensation of humidity, moisture, or vapor, that occurs over a period of 14 days or more.

**War.** We won't cover loss caused directly or indirectly by:

- war, whether declared or undeclared, or civil war, including anything done to hinder or defend against an actual or expected attack;
- warlike action by a military force, government, sovereign, or other authority using military personnel or other agents, including anything done to hinder or defend against an actual or expected attack; or
- invasion, insurrection, rebellion, revolution, or seizure of power, or anything done to hinder or defend against such actions.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

**Wear, tear, deterioration, animals.** We won't cover loss caused by or resulting from:

- wear and tear;
- deterioration, mold, wet or dry rot, rust, or corrosion;
- shrinkage, evaporation, loss of weight;
- changes in flavor, color, texture, or finish;
- nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- the inherent nature of the property.

*Inherent nature* means a latent defect or any quality in the property that causes it to deteriorate or destroy itself.

### **Rules For Loss Adjustment**

When a loss occurs, we'll consider the following factors in determining what we'll pay:

## Adjusting Losses

We may adjust losses with the owners of lost or damaged property. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We won't pay the owners more than their financial interest in the insured property.

But we won't pay more than the limit of coverage that applies to the property.

**Pairs and sets.** One or more parts of a pair or set may be lost or damaged. If this happens, we'll consider the importance of the lost or damaged part to the set in determining the amount we'll pay. We'll be fair and reasonable, but we won't pay for the whole set.

## Limit Of Coverage

The limit of coverage shown in the Coverage Summary is the most we'll pay for the combined total of all loss that occurs during the policy period, regardless of the:

- number of events;
- number of described special events;
- amount or type of covered property; or
- number or type of coverages.

## Deductible

Your deductible is shown in the Coverage Summary. You'll be responsible for this amount of loss in each event. We'll pay the rest of your covered loss up to the remaining portion of the limit of coverage. If a loss equals or exceeds the remaining portion of the limit of coverage, the payment for such loss will be reduced by the amount of the deductible.

## Other Insurance

If there is any other valid and collectible insurance for loss covered by this agreement, we'll share the damages equally except if other insurance is specifically designated as excess insurance and intended to apply over and above the limits provided by this agreement.

However, with respect to:

- loss or damage to real property; and
- loss of use of real property

caused by fire, this agreement is excess over any coverage provided by your Commercial General Liability Protection.

## When We'll Pay For Loss

We'll pay any covered loss no later than 60 days after:

- we reach an agreement with you;
- a final judgment is entered; or
- an appraisal award is filed.

## Other Rules For This Agreement

### Preserving Your Rights

The following replaces the Recovering Damages From A Third Party section in the General Rules.

You must do all you can to preserve any rights you have to recover your loss from others. Anyone to whom or for whom we make a loss payment must transfer those rights of recovery to us.

Before a loss occurs, you can give anyone a written release from any responsibility for losses to property. You can also accept ordinary bills of lading from a shipper, even if they limit the carrier's liability for losses.

### How A Loss Affects Your Limit Of Coverage

If you have a loss and we pay a claim, your limit of coverage won't be reduced for any later loss that occurs while this agreement is in effect. But if a total loss occurs to a specific item listed in the Coverage Summary, we'll refund the unused premium for that item, and coverage for the item will no longer apply.

### Abandoned Property

You can't abandon property to us at any time.

### List Of Terms With Defined Meanings Shown In This Agreement

This section lists, in alphabetical order, the terms that have or include defined meanings shown in this agreement. The defined meaning for each of these terms:

- begins on the page shown for that term; and
- is usually located immediately following where that term is first used in this agreement.

However, one or more endorsements or other forms made part of your policy may, without changing this section:

- delete or change the defined meanings for any of these terms; or
- add a defined meaning for any other term.

---

<b>Term</b>	<b>Page</b>
Described special event	1
Inherent nature	4
Pollution	4

SAMPLE

**MISCELLANEOUS PROPERTY PROTECTION - ENTERTAINMENT  
COVERAGE SUMMARY**

This Coverage Summary shows the limits and extent of your Miscellaneous Property Protection - Entertainment.

**Description Of Equipment:**

Miscellaneous Owned and/or rented Equipment

**Business Of Insured:**

Special Events

**Principle Location:**

**Coverage Territory:**

- Continental United States and Canada
- United States, its territories and possessions, Canada, EC and other Western European Countries, Australia and New Zealand
- Unlimited Worldwide

**Coinsurance Percentage:** %

**Policy Minimum Premium:** \$

**Schedule Of Limits And Deductibles**

**I. Covered Property**

**Limit of Coverage**

**Deductible**

Owned Equipment

Scheduled:  
Unscheduled:

Equipment of Others

Mobile Studio Vehicles

Scheduled:

Total Limit

Scheduled Property:

List is Attached

On file with the Company

Not Covered

**Schedule Of Limits And Deductibles - Continued**

**II. Additional Benefits**

**Limit of Coverage**

**Deductible**

Accounts Receivable

Business Personal Property

Computers

Extra Expense

Loss of Rental Income

Newly Acquired Property

Any one item:  
All items combined:

Property Rented or Leased to Others

Rental Reimbursement

Valuable Records Research

**Name of Insured**

**Policy Number**

**Effective Date**

**Processing Date**

**Scheduled Property**

Scheduled Property must include all mobile recording/broadcasting studio vehicles and permanently attached equipment to be covered.

<b>Item Number</b>	<b>Description</b> Give mfg.'s name, model, serial number, where applicable	<b>Limits Of Coverage</b>
--------------------	--	---------------------------

SAMPLE

---

**Named Endorsement Table**

---

**Important Note:** Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply too. If so, they're listed on the Policy Forms List.

---

## MISCELLANEOUS PROPERTY PROTECTION - ENTERTAINMENT

We've designed this agreement to protect against losses you might suffer because of direct loss or damage to miscellaneous property.

---

Table of Contents	Page	Covered Causes of Loss
<b>What This Agreement Covers</b>	1	We'll protect covered property:
Covered Causes of Loss	1	• you own, or
Property Covered	1	• of others for which you are liable,
Property Not Covered	1	against risks of direct physical loss or damage except those excluded in the Exclusions - Losses Not Covered section.
<b>Additional Benefits</b>	2	<b>Property Covered</b>
Accounts Receivable	2	We'll cover equipment which is used primarily for motion picture or television production, theatrical stage or concert production and all other taping and/or recording activities consisting principally of:
Business Personal Property	2	• cameras and camera equipment;
Computers	2	• sound and lighting equipment, portable electrical equipment, communications equipment;
Extra Expense	2	• editing and projection equipment;
Newly Acquired Property	2	• miscellaneous mobile equipment including customized equipment trailers, catering trailers, mobile dressing rooms and honeywagons;
Property Rented or Leased to Others	3	• props, sets and wardrobe;
Rental Reimbursement	3	• live plants (if used as part of a set);
Valuable Records Research	3	• musical instruments;
<b>Where And When You're Covered</b>	3	• theatrical stage equipment; or
<b>Exclusions - Losses Not Covered</b>	3	• mobile recording/broadcasting studio vehicles and equipment permanently attached to such vehicles, if specifically scheduled.
<b>Rules For Loss Adjustment</b>	4	<b>Property Not Covered</b>
How Your Property Is Valued	4	We won't cover the following property under this agreement:
Limits of Coverage	4	• buildings;
Deductible	5	• exposed or unexposed film (developed or undeveloped); recorded or unrecorded videotape or magnetic tape; disc, drum, cell or other magnetic recording or storage media, except as provided in the Additional Benefits - Valuable Records Research section;
Coinsurance Rule	5	
Adjusting Losses	5	
Other Insurance	5	
When We'll Pay For Loss	5	
<b>Other Rules For This Agreement</b>	5	
Abandoned Property	5	
Definitions	5	
How A Loss Affects Your Limit Of Coverage	6	
Insurance For Your Benefit	6	
Minimum Premium	6	
Preserving Your Rights	6	
Recoveries	6	

---

### What This Agreement Covers

The description of property covered, the limit of coverage, and other applicable terms and conditions are shown in the Coverage Summary.

- contraband or property in the course of illegal transportation or trade;
- vehicles licensed for highway, other than those vehicles that were customized and outfitted as equipment trailers, catering trailers, mobile dressing rooms and honeywagons, or mobile recording/broadcasting studio vehicles and equipment if specifically scheduled;
- animals;
- aircraft, watercraft, motorcycles;
- property held for sale; or
- property rented or leased to others, except as provided in the Additional Benefits-Property Rented or Leased to Others section.

### **Additional Benefits**

The following additional benefits are in addition to the limits of coverage shown in the Coverage Summary for covered property. The limits of coverage for these additional benefits are shown in the Coverage Summary - Additional Benefits section and is the most we'll pay for loss or damage, regardless of the number of locations involved, that results from a single event. All of the terms in this agreement apply to these additional benefits except for the coinsurance rule.

#### **Accounts Receivable**

We'll pay up to the limit shown in the Coverage Summary for the following costs that you incur due to direct physical loss or damage of your records of accounts receivable from a covered cause of loss:

- amounts your customers owe you but you can't collect because of loss or damage to your records;
- interest on any loan you have to take out because you can't collect your receivables, and need money while waiting for your payment of your claim;
- extra collection costs, over and above your normal collection costs, that are made necessary because of loss or damage to your records; and
- expenses you reasonably incur to re-establish your records.

#### **Business Personal Property**

We'll pay up to the limit shown in the Coverage Summary for direct physical loss

or damage by a covered cause of loss to business personal property.

#### **Computers**

We'll pay up to the limit shown in the Additional Benefits Coverage Summary for direct physical loss or damage, by a covered cause of loss, to computer equipment hardware, media, software, and data which you own, lease, or rent from others for which you are liable, that is used by you for business record keeping, accounting and other office purposes.

We'll pay the actual cost of reproducing lost or accidentally erased data, software, documentation, and source materials used by you for business record keeping, accounting and other office purposes.

#### **Extra Expense**

We'll pay to help you maintain normal business operations following direct loss or damage by a covered cause of loss to covered property. We'll pay up to the limit shown in the Coverage Summary for the actual extra expenses that are over and above your normal operating costs and that are directly related to your loss.

We'll cover you from the date of the damage for as long as it should reasonably take to rebuild, repair, or replace your damaged property regardless of when this agreement ends.

We won't pay for loss of income. Nor will we pay for repairing, replacing, or restoring covered property or necessary papers, computer software, and records under this benefit.

#### **Newly Acquired Property**

We'll pay up to the limit of coverage shown in the Coverage Summary for direct physical loss or damage by a covered cause of loss to newly acquired property after the effective date of this policy.

Insurance under this benefit will end when any of the following first occurs:

- this policy is canceled or expires.
- 30 days expire after you acquire the new property.
- you report the values of the newly acquired property to us.

- we will charge you additional premium from the day the property is acquired

### **Property Rented or Leased to Others**

We'll pay up to the limit shown in the Coverage Summary for direct physical loss or damage by a covered cause of loss to property you own or property of others for which you are liable consisting of equipment relative to your operation and used primarily in connection with motion picture or television production, theatrical stage and concert production, and all other taping and/or recording activities, while such property has been rented or leased by you to others.

### **Rental Reimbursement**

In the event of covered direct physical loss or damage to property of others we'll pay on your behalf, up to the limit shown in the Coverage Summary the loss of rental income incurred by the rental house for which you are contractually liable.

Loss of rental income is based on the daily rental charge as scheduled in the original rental agreement.

### **Valuable Records Research**

We'll pay up to the limit shown in the Coverage Summary for research and other expenses necessary to reproduce, replace or restore the lost information on lost or damaged valuable records which have suffered direct loss or damage by a covered cause of loss.

### **Where And When You're Covered**

We'll cover losses that occur in the coverage territory shown in the Coverage Summary. Such losses must occur during the policy period indicated in the Coverage Summary.

### **Exclusions - Losses Not Covered**

**Delay - loss of market.** We won't cover loss caused by delay, loss of market, loss of use, or any indirect loss.

But this exclusion doesn't apply to coverage provided by the Rental Reimbursement Additional Benefit.

**Disappearance - inventory loss.** We won't cover loss of property that just disappears, that you find missing when you take inventory, or that you can't explain.

But this exclusion doesn't apply to covered property in the custody of carriers for hire.

**Dishonesty.** We won't cover loss caused by any fraudulent, dishonest or criminal act committed by:

- you or by a partner, director, officer, trustee, or any other authorized representative of yours; or
- anyone else to whom the property is entrusted except carriers for hire.

**Electrical disturbance.** We won't cover loss resulting from short circuit or other electrical injury, disturbance, or failure. However, if a fire results, we'll pay for that resulting loss.

**Faulty workmanship.** We won't cover loss resulting from damage sustained as a result of faulty, inadequate or defective:

- design;
- specifications;
- workmanship;
- repair; or
- maintenance.

**Government action.** We won't cover loss caused directly or indirectly by any of the following:

- seizure or destruction of property under quarantine or customs regulation; or
- confiscation by any government or public authority.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

But this exclusion won't apply to property destroyed by a civil authority in order to stop the actual spread of fire, if it would otherwise be covered under this agreement.

**Intentional acts.** We won't cover loss resulting from damage to or destruction of property caused by or resulting from your intentional acts or direction or with your knowledge.

**Marring or scratching.** We won't cover loss that results from the marring or scratching of photographic lenses unless caused by an accidental event.

**Mechanical breakdown.** We won't cover loss to covered property resulting from:

- mechanical breakdown or failure;
- derangement of mechanical parts; or
- rupture caused by centrifugal force.

**Nuclear activity.** We won't cover loss caused directly or indirectly by nuclear reaction, nuclear radiation, or radioactive contamination. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. If fire results, we'll pay for that resulting loss, if it would otherwise be covered under this agreement.

**Rain, sleet, snow, or hail.** We won't cover loss resulting from rain, sleet, snow, or hail whether driven by wind or not, to property stored in the open while in your care, custody or control.

**War.** We won't cover loss caused directly or indirectly by any of the following:

- war (declared or undeclared);
- warlike action by a military force, including anything done to hinder or defend against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents;
- invasion or insurrection;
- rebellion, revolution or civil war;
- seizure of power; or
- anything done to hinder or defend against these actions.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

**Miscellaneous causes.** We won't cover loss caused or made worse by:

- wear and tear;
- gradual deterioration, mold, wet or dry rot, decay, rust, or corrosion;
- dampness or dryness of atmosphere or changes of temperature;
- contamination, shrinkage, evaporation, loss of weight or leakage of contents;
- nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents, or other animals; or
- the inherent nature of the property.

## **Rules For Loss Adjustment**

When a loss occurs, we'll consider the following factors in determining what we'll pay:

### **How Your Property Is Valued**

We'll pay the smallest of the following when figuring your loss:

- The amount that it would cost to repair or replace covered property with like kind and quality, without deduction for depreciation, if repaired or replaced within a reasonable period of time. If not repaired or replaced, the covered property will be valued at its actual cash value as of the time and place of loss; or when applicable
- The value for which you are liable.

However:

- unscheduled musical instruments will be valued at actual cash value as of the time and place of loss.
- vehicles will be valued at actual cash value as of the time and place of loss.
- any property that is no longer manufactured shall be adjusted on the basis of current market value.

But we won't pay more than the limit of coverage that applies to the property.

**Pairs and sets.** One or more parts of a pair or set may be lost or damaged. If this happens, we'll consider the importance of the lost or damaged part to the set in determining the amount we'll pay. We'll be fair and reasonable, but we won't pay for the whole set.

### **Limits of Coverage**

The Coverage Summary will show a limit of coverage for all covered property. This is the most we'll pay for all loss or damage to covered property in any one event.

The Total Limit shown in the Coverage Summary is the most we'll pay for all losses to covered property.

However, we don't have to pay that part of a covered loss that has been paid or made good by others.

## Deductible

Your deductible is shown in the Coverage Summary. You'll be responsible for this amount of loss in each event. We'll pay the rest of your covered loss up to the limits of coverage that apply.

If more than one deductible could apply to a covered loss you'll only be responsible for the largest deductible that would apply.

## Coinsurance Rule

All covered property owned or leased must be insured for at least the indicated coinsurance percentage of its total value as of the time of loss or damage or you will suffer a penalty. In return, we agree to reduce the premium that would otherwise apply to your property. We won't include the value of property covered under your additional benefits in figuring your minimum amount. If your insurance under this agreement includes more than one limit of coverage, we'll apply this coinsurance rule separately to the property covered under each limit.

We won't pay the full amount of any loss if the value of such covered property at the time of loss times the coinsurance percentage shown for it in the Coverage Summary is greater than the limit of coverage for the property. Instead, we will determine the most we'll pay using the following steps:

1. Multiply the value of owned or leased covered property at the time of loss by the coinsurance percentage;
2. Divide the limit of coverage of the property by the figure determined in Step (1);
3. Multiply the total amount of direct physical loss, before the application of any deductible, by the figure determined in Step (2); and
4. Subtract the deductible from the figure determined in Step (3).

We'll pay the amount determined in Step (4) or the limit of coverage, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

Because property values change it's important for you to review the amount of

your insurance periodically to be sure you're complying with this rule.

## Adjusting Losses

If there's a covered loss to property of others in your care, custody or control, we can settle directly with the owners of the property. A receipt for payment from the owners of that property will satisfy any claim you make for the same loss. We also have the right to defend you against any legal action brought against you. If we do, we'll pay the expense of this defense, and such expense won't reduce your Limit of Coverage.

## Other Insurance

Other insurance may be available to cover your loss. If so, we'll pay only the excess over what you have received from the other insurance.

## When We'll Pay For Loss

We'll pay any covered loss no later than 60 days after:

- we reach an agreement with you;
- a final judgment is entered; or
- an appraisal award is filed.

## Other Rules For This Agreement

### Abandoned Property

You can't abandon property to us at any time.

### Definitions

*Building* means buildings or structures, including:

- completed additions;
- permanently installed fixtures, machinery and equipment other than tenants improvements and betterments;
- outdoor fixtures;
- additions under construction, alterations and repairs to the buildings or structures; used for making additions, alterations or repairs to the buildings or structures;
- materials, equipment, supplies and temporary structures, used for making additions, alterations or repairs to the buildings or structures.

*Business personal property* means property usual to your operation while at the principal locations listed in the Coverage Summary. It includes office contents and tenants improvements and betterments.

Business personal property does not include antiques, objects of art, rugs, furs, jewelry, precious or semi-precious stones/metals/alloys, animals, plant life, accounts, bills, stamps, deeds, evidences of debt, documents, letters of credit, passports, credit cards, railroad, airline or other tickets, money and securities in excess of \$1,000, or computer hardware, software, media or data.

*Computer hardware* means network of machine components capable of accepting information, processing it according to a plan and producing the desired results. It includes disk and tape drives, printers, video display terminals, modems, personal computers, remote terminals, and air conditioning equipment used exclusively in computer operations.

*Data* means facts, concepts, or instructions converted to a form useable in your computer operations.

*Inherent nature* means a latent defect or any quality in the property that causes it to deteriorate or destroy itself.

*Media* means materials on which data are recorded, such as magnetic tapes, floppy disks, or hard disks.

*Newly acquired property* means:

- property purchased by you; or
- property of others for which you are liable.

*Software* means programs that are either purchased or written on a custom basis, which are regularly used with your computer system.

*Valuable records* includes account books, manuscripts, abstracts, drawings, card index systems, and other printed or written documents. Valuable records also include maps, films, tapes, and other such material. But it doesn't include computer media, software, data; or exposed or unexposed film (developed or undeveloped), recorded or

unrecorded videotape or magnetic tape, disc, drum, cell or other magnetic recording or storage media used or intended to be used in a production.

### **How A Loss Affects Your Limit Of Coverage**

If you have a loss and we pay a claim, your limit of coverage won't be reduced for any later loss that occurs while this agreement is in effect. But if a total loss occurs to a specific item listed in the Coverage Summary, we'll refund the unused premium for that item, and coverage for the item will no longer apply.

### **Insurance For Your Benefit**

This insurance is for your benefit. No third party having temporary possession of your property, such as a transportation company, can benefit directly or indirectly from it.

### **Minimum Premium**

If a minimum earned premium is indicated in the Coverage Summary this is the minimum premium we will earn and retain regardless of policy term except when a policy is canceled as of the policy effective date.

### **Preserving Your Rights**

The following replaces the Recovering Damages From A Third Party section in the General Rules.

You must do all you can to preserve any rights you have to recover your loss from others. Anyone to whom or for whom we make a loss payment must transfer those rights of recovery to us.

Before a loss occurs, you can give anyone a written release from any responsibility for losses to property. You can also accept ordinary bills of lading from a shipper, even if they limit the carrier's liability for losses.

### **Recoveries**

Any recovery or salvage you receive after we've reimbursed you for loss will belong to us. But only for its value up to the amount we've paid you. The rest is yours.

## EARTH MOVEMENT EXCLUSION ENDORSEMENT

This endorsement changes your Miscellaneous Property Protection - Entertainment.

---

### How Coverage Is Changed

The following is added to the Exclusions - Losses Not Covered section. This change excludes coverage.

**Earth movement.** We won't cover loss caused directly or indirectly by any of the following:

- Earthquake, including any earth sinking, rising, or shifting related to such event.
- Landslide, including any earth sinking, rising, or shifting related to such event.
- Mine subsidence.
- Earth sinking, rising, or shifting, including soil conditions which cause settling, cracking, or other disarrangement of foundations or other parts of realty. Earth sinking doesn't include sinkhole collapse.
- Volcanic eruption, explosion, or effusion.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

However, we'll cover loss caused by sinkhole collapse. If earthquake, landslide, mine subsidence, or earth sinking, rising or shifting results in fire or explosion, we'll pay for that resulting loss.

If volcanic eruption, explosion, or effusion results in fire or volcanic action, we'll pay for the loss or damage cause by that fire or volcanic action.

If more than one earth movement occurs within any 168-hour period, we'll consider this one event. This exclusion applies regardless of whether the loss event results in widespread damage or affects a substantial area.

*Earthquake* means earth movement due to seismic geologic activity that causes movement in the earth's crust.

*Mine subsidence* means subsidence of a man-made mine, whether or not mining activity has ceased.

*Sinkhole* means an underground empty space created by the action of water on limestone or dolomite.

*Sinkhole collapse* means the sudden sinking or collapse of land into a sinkhole.

We won't consider:

- the cost of filing sinkholes; or
  - sinking or collapse of land into manmade underground cavities
- to be sinkhole collapse.

*Volcanic action* means:

- airborne volcanic blast, airborne shock waves;
- ash, dust, or particulate matter; or
- lava flow

resulting from eruption, explosion, or effusion of a volcano.

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss or damage to covered property.

*Soil conditions* includes contraction, expansion, freezing, thawing, erosion, improperly compacted soil, and the action of water under the ground surface.

### Other Terms

All other terms of your policy remain the same.

## FLOOD EXCLUSION ENDORSEMENT

This endorsement changes your Miscellaneous Property Protection - Entertainment.

---

### How Coverage Is Changed

The following is added to the Exclusions - Losses Not Covered section. This change excludes coverage.

**Flood.** We won't cover loss caused directly or indirectly by any of the following:

- Flood.
- Mudslide or mudflow.
- Surface water.
- Water, water-borne material, or sewage that backs up, flows, overflows, leaks, seeps, or discharges from a sewer or drain.
- Underground water, water-borne material, or sewage that exerts pressure on, flows, or seeps through a foundation, wall, basement, floor, door, window, or other opening, sidewalk, driveway, or other paved surface.

Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

If fire, explosion, or sprinkler leakage results, we'll pay for that resulting loss.

This exclusion applies regardless of whether the loss event results in widespread damage or affects a substantial area.

*Flood* means:

- waves, tides, or tidal waves;
- the rising of bodies of water and streams;
- the overflowing or breaking of boundaries or water or streams; or
- spray from any such type of water, regardless of whether driven by wind.

*Surface water* means water that accumulates or flows on the surface of the ground, as that created by natural causes such as rain, melted snow, or rising springs, but which follows no defined watercourse and does not gather into or form a natural body of water.

### Other Terms

All other terms of your policy remain the same.

## VIRUS OR BACTERIA EXCLUSION ENDORSEMENT

This endorsement changes any property or inland marine insuring agreement that is a part of your policy.

---

### How Coverage Is Changed

There are two changes that are explained below.

1. The following is added to the Exclusions - Losses We Won't Cover section, or any similarly named Exclusions section, in any property or inland marine insuring agreement that is a part of your policy. This change excludes coverage.

**Virus or bacteria.** We won't pay for loss or damage caused by or resulting from any virus, bacterium, or other micro-organism that induces or is capable of inducing physical distress, illness, or disease.

This exclusion applies in addition to any pollution or contamination exclusion that applies and is in or made a part of this agreement.

However, this exclusion doesn't apply to loss or damage caused by or resulting from mold or other fungi, or wet or dry rot.

2. The following is added to any property or inland marine insuring agreement that is a part of your policy.

The term bacteria, and any bacteria definition, wherever used in any property or inland insuring agreement that is a part of your policy is deleted, except as used in the Virus or bacteria exclusion.

### Other Terms

All other terms of your policy remain the same.

**COMMERCIAL GENERAL LIABILITY PROTECTION  
COVERAGE SUMMARY**



This Coverage Summary shows the limits of coverage that apply to your Commercial General Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

---

**Limits Of Coverage**

---

**General total limit.** \$

---

**Products and completed work total limit.** \$

---

**Personal injury each person limit.** \$

---

**Advertising injury each person limit.** \$

---

**Each event limit.** \$  
*Premises damage limit.* \$  
*Medical expenses limit.* \$

---

**Named Endorsement Table**

---

**Important Note:** Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply, too. If so, they're listed on the Policy Forms List.

---

---

<b>Name of Insured</b>	<b>Policy Number</b>	<b>Effective Date</b>
		<b>Processing Date</b>

---

## COMMERCIAL GENERAL LIABILITY PROTECTION

This insuring agreement provides general liability protection for your business. There are, of course, limitations and exclusions throughout this agreement that apply to that protection. As a result, this agreement should be read carefully to determine the extent of the coverage provided to you and other protected persons.

Table of Contents	Page		
		Aircraft.	12
		Auto.	12
<b>What This Agreement Covers</b>	<b>1</b>	Breach of contract.	13
Bodily injury and property damage liability.	1	Contract liability.	13
Personal injury liability.	3	Control of property.	16
Advertising injury liability.	3	Damage to your products or completed work.	16
Medical expenses.	4	Deliberately breaking the law.	16
Right and duty to defend a protected person.	4	Employers liability.	16
Additional payments.	5	Expected or intended bodily injury or property damage.	17
Right to appeal a judgment against a protected person.	5	False material.	17
		Impaired property.	17
		Intellectual property.	18
<b>When This Agreement Covers</b>	<b>6</b>	Liquor liability.	18
Bodily injury and property damage liability.	6	Material previously made known or used.	18
Personal injury liability.	6	Medical expenses of certain persons.	18
Advertising injury liability.	6	Mobile equipment.	19
Medical expenses.	6	Nuclear energy liability.	19
		Pollution injury or damage.	20
<b>Where This Agreement Covers</b>	<b>6</b>	Pollution work loss, cost, or expense.	22
		Poor quality or performance.	23
		Product recall.	23
<b>Who Is Protected Under This Agreement</b>	<b>7</b>	Unnamed partnership, joint venture, or limited liability company.	24
Individual.	7	Watercraft.	24
Partnership or joint venture.	7	Workers compensation and other benefits laws.	24
Limited liability company.	7	Wrong price description.	24
Corporation or other organization.	7		
Employees and volunteer workers.	7	<b>Other Insurance</b>	<b>24</b>
Real estate managers.	8	Primary or excess other insurance.	25
Landlords.	8	When this agreement is excess insurance.	25
Equipment lessors.	8	Methods of sharing.	25
Operators of registered mobile equipment.	8		
Newly acquired or formed organizations.	9		
Separation of protected persons.	9		
<b>Limits Of Coverage</b>	<b>9</b>	<b>What This Agreement Covers</b>	
General total limit.	9	<b>Bodily injury and property damage liability.</b>	
Products and completed work total limit.	10	We'll pay amounts any protected person is legally required to pay as damages for covered bodily injury or property damage that:	
Personal injury each person limit.	11	• happens while this agreement is in effect; and	
Advertising injury each person limit.	11	• is caused by an event.	
Each event limit.	11		
How the limits of coverage apply if a total limit is left blank.	11		
<b>Exclusions - What This Agreement Won't Cover</b>	<b>11</b>		
Advertising, broadcasting, or publishing business.	11		

*Protected person* means any person or organization that qualifies as a protected person under the Who Is Protected Under This Agreement section.

*Bodily injury* means any physical harm, including sickness or disease, to the physical health of other persons.

We'll consider any of the following that happens at any time to be part of such physical harm, sickness, or disease, if it results in or from such physical harm, sickness, or disease:

- Mental anguish, injury, or illness.
- Emotional distress.
- Care, loss of services, or death.

We'll consider any bodily injury that's a continuation, change, or resumption of previously known bodily injury to happen before this agreement begins if such continuation, change, or resumption would otherwise be covered by this agreement because of a continuous, multiple, or other coverage trigger required under the law that applies.

Of course, if there's a continuation, change, or resumption, after this agreement ends, of bodily injury that:

- isn't previously known bodily injury; and
- happens while this agreement is in effect; we'll consider such continuation, change, or resumption to also happen while this agreement is in effect if that would be the result because of a continuous, multiple, or other coverage trigger required under the law that applies.

*Previously known bodily injury* means bodily injury that happened before this agreement begins and was known by you or any described individual protected person before this agreement begins as a result of any of the following at that time:

- You or any described individual protected person reporting all or part of that bodily injury to us or any other insurer.
- You or any described individual protected person receiving a claim or suit for all or part of that bodily injury.
- Any described individual protected person witnessing, or being told of, the beginning, or any change, continuation, or resumption, of all or part of that bodily injury.

*Described individual protected person* means any of the following:

- You or your spouse if you are an individual.
- Any of your partners or co-venturers that are individuals, or their spouses, if you are a partnership or joint venture.
- Any of your members or managers if you are a limited liability company.
- Any of your directors or executive officers if you are a corporation or other organization.
- Any of your employees who is or acts as your insurance or risk manager or holds a position in your insurance, risk management, or legal department.

*Property damage* means:

- physical damage to tangible property of others, including all resulting loss of use of that property; or
- loss of use of tangible property of others that isn't physically damaged. For example:

*One of your employees accidentally causes a fire in your premises. The fire department responds and orders nearby businesses to close for safety reasons while it fights the fire. Your premises is heavily damaged by the fire. But none of the nearby businesses are physically damaged. As a result, we'll consider the period of time those businesses are closed due to your fire to be loss of use of tangible property of others that isn't physically damaged.*

We'll consider all physical damage to tangible property of others that's a continuation, change, or resumption of previously known physical damage to tangible property of others to happen before this agreement begins if such continuation, change, or resumption would otherwise be covered by this agreement because of a continuous, multiple, or other coverage trigger required under the law that applies.

Of course, if there's a continuation, change, or resumption, after this agreement ends, of physical damage to tangible property of others that:

- isn't previously known physical damage to tangible property of others; and
- happens while this agreement is in effect; we'll consider such continuation, change, or resumption to also happen while this agreement is in effect if that would be the result because of a continuous, multiple, or other coverage trigger required under the law that applies.

We'll consider all loss of use of:

- damaged tangible property to happen at the time of the physical damage that caused it; and
- undamaged tangible property to happen at the time of the event that caused it.

*Previously known physical damage to tangible property of others* means physical damage to tangible property of others that happened before this agreement begins and was known by you or any described individual protected person before this agreement begins as a result of any of the following at that time:

- You or any described individual protected person reporting all or part of that property damage to us or any other insurer.
- You or any described individual protected person receiving a claim or suit for all or part of that property damage.
- Any described individual protected person witnessing, or being told of, the beginning, or any change, continuation, or resumption, of all or part of that property damage.

*Event* means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

We explain the terms:

- claim and suit in the Right and duty to defend a protected person section;
- executive officer and other organization in the Corporation or other organization section; and
- employee in the Employees and volunteer workers section.

**Personal injury liability.** We'll pay amounts any protected person is legally required to pay as damages for covered personal injury that:

- results from your business activities; and
- is caused by a personal injury offense committed while this agreement is in effect.

*Personal injury* means injury, other than bodily injury or advertising injury, that's caused by a personal injury offense.

*Personal injury offense* means any of the following offenses:

- False arrest, detention, or imprisonment.
- Malicious prosecution.

- Wrongful entry into, or wrongful eviction from, a room, dwelling, or premises that a person occupies, if such entry or eviction is committed by or for the landlord, lessor, or owner of that room, dwelling, or premises.
- Invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies, if such invasion is committed by or for the landlord, lessor, or owner of that room, dwelling, or premises.
- Libel, or slander, in or with covered material.
- Making known to any person or organization covered material that disparages the business, premises, products, services, work, or completed work of others.
- Making known to any person or organization covered material that violates a person's right of privacy.

*Covered material* means any material in any form of expression, including material made known in or with any electronic means of communication, such as the Internet.

But we won't consider the following to be covered material:

- Any website, part of a website, or content of a website, that's designed, built, maintained, or determined for others by or for any protected person whose business is designing, building, or maintaining, or determining the content of, websites for others.
- Any material made known in an electronic chatroom or bulletin board over which any protected person exercises control, or that any protected person hosts or owns.

**Advertising injury liability.** We'll pay amounts any protected person is legally required to pay as damages for covered advertising injury that:

- results from the advertising of your products, your work, or your completed work; and
- is caused by an advertising injury offense committed while this agreement is in effect.

We won't consider advertising, borders, or frames for or of others, or links for or to others, that are on or in your website to be advertising of your products, your work, or your completed work.

*Advertising injury* means injury, other than bodily injury or personal injury, that's caused by an advertising injury offense.

*Advertising injury offense* means any of the following offenses:

- Libel, or slander, in or with covered material.
- Making known to any person or organization covered material that disparages the business, premises, products, services, work, or completed work of others.
- Making known to any person or organization covered material that violates a person's right of privacy.
- Unauthorized use of any advertising idea or advertising material, or any slogan or title, of others in your advertising.

*Advertising* means attracting the attention of others by any means for the purpose of:

- seeking customers or supporters; or
- increasing sales or business.

*Advertising idea* means a manner or style of advertising that others use and intend to attract attention in their advertising.

But we won't consider information used to identify or record customers or supporters, such as a list of customers or supporters, to be an advertising idea.

*Advertising material* means any covered material that:

- is subject to copyright law; and
- others use and intend to attract attention in their advertising.

*Slogan* means a phrase that others use and intend to attract attention in their advertising.

But we won't consider slogan to include a phrase used as, or in, the name of:

- any person or organization, other than you; or
- any business, or any of the premises, products, services, work, or completed work, of any person or organization, other than you.

*Title* means a name of a literary or artistic work.

We explain the terms:

- covered material in the Personal injury liability section; and
- your products, your work, and your completed work in the Products and completed work total limit section.

**Medical expenses.** We'll pay covered medical expenses that result from bodily injury caused by an event that happens while this agreement is in effect, even if the protected person isn't legally required to pay such expenses.

*Medical expenses* means the reasonable expenses incurred by any person or organization for necessary medical services received by a person anytime within three years of the beginning date of an event that causes that person to sustain bodily injury.

*Medical services* includes:

- first aid received at the time of an event;
- ambulance and emergency care services;
- dental, hospital, medical, nursing, surgical, x-ray, and other health care professional services;
- artificial limbs and organs; and
- funeral services.

We explain the term health care professional services in the Employees and volunteer workers section.

**Right and duty to defend a protected person.**

We'll have the right and duty to defend any protected person against a claim or suit for injury or damage covered by this agreement. We'll have such right and duty even if all of the allegations of the claim or suit are groundless, false, or fraudulent. But we won't have a duty to perform any other act or service.

We'll have the right to investigate any event, offense, claim, or suit to the extent we believe is proper. We'll also have the right to settle any claim or suit within:

- any applicable deductible; or
- the available limits of coverage.

Our duty to defend protected persons ends when we have used up the limits of coverage that apply with the payment of:

- judgments;
- settlements; or
- medical expenses.

*Claim* means a demand that seeks damages.

*Suit* means a civil proceeding that seeks damages. It includes:

- an arbitration proceeding for damages to which the protected person must submit, or submits with our consent; and
- any other alternative dispute resolution proceeding for damages to which the protected person submits with our consent.

*Injury or damage* means:

- bodily injury, personal injury, or advertising injury; or
- property damage.

*Offense* means any:

- personal injury offense; or
- advertising injury offense.

**Additional payments.** We'll have the duty to make only the additional payments shown below in connection with any claim or suit under this agreement against a protected person when we:

- investigate or settle the claim or suit; or
- defend the protected person against the claim or suit.

These payments are in addition to the limits of coverage.

Our duty to make additional payments ends when we have used up the limits of coverage that apply with the payment of:

- judgments;
- settlements; or
- medical expenses.

*Our expenses.* We'll pay all expenses we incur.

*Bail bonds.* We'll pay up to \$2,500 of the cost of bail bonds that are required because of accidents or violations of traffic laws. But only if the accidents or violations result from the use of a vehicle to which this agreement applies. We don't have to furnish such bonds.

*Bonds to release property.* We'll pay the cost of bonds to release property that's being used to secure a legal obligation. But only for bond amounts within the available limit of coverage. We don't have to furnish such bonds.

*Expenses incurred by protected persons.* We'll pay all reasonable expenses that any protected person incurs at our request while helping us investigate or settle, or defend a protected person against, a claim or suit. But we won't pay more than \$500 per day for earnings actually lost by the protected person because of time taken off from work.

*Taxed costs.* We'll pay all costs taxed against any protected person for covered injury or damage in a suit.

*Prejudgment interest.* We'll pay the interest that accumulates before a judgment and is awarded against the protected person on that part of a judgment we pay. But if we make a settlement offer to pay the available limit of coverage, we won't pay the prejudgment interest that accumulates after the date of our offer.

*Postjudgment interest.* We'll pay all interest that accumulates on the full amount of that part of a judgment for which we make a payment. But only from the date of the judgment to the date we pay, or deposit in court, the limit of coverage that applies to the judgment.

*Appeal bonds.* If we have the duty to appeal a judgment that includes damages covered by this agreement, and you agree we can appeal that judgment, we'll pay the cost of any appeal bond required for that appeal. But only for that part of the judgment that is for damages covered by this agreement and is within the available limit of coverage. However, we'll pay, or reimburse the protected person, for the cost of a higher appeal bond amount if we're required to do so under the law that applies. But we won't be the principal under any such bond. Nor do we have to furnish any appeal bond. The results of an appeal won't change the limits of coverage that apply under this agreement.

**Right to appeal a judgment against a protected person.** We'll have the right to appeal a judgment that we don't have a duty to appeal. But only if the judgment:

- includes damages for injury or damage covered by this agreement;
- is awarded in a suit for which we defend a protected person; and
- is awarded against the protected person.

If we appeal such a judgment, we'll pay the following that result directly from that appeal:

- All expenses we incur.
- All reasonable expenses that any protected person incurs at our request while helping us with the appeal, other than the cost of appeal bonds.
- The cost of any required appeal bond. But only for that part of the judgment that is for damages covered by this agreement and is within the available limit of coverage. However, we'll pay, or reimburse the protected person, for the cost of a higher appeal bond amount if we're required to do so under the law that applies. But we won't be the principal under any such bond. Nor do we have to furnish any appeal bond.
- All postjudgment interest that accumulates on the full amount of the judgment. But only from the date of the judgment to the date we pay, or deposit in court, the limit of coverage that applies to the judgment.

These payments are in addition to the limits of coverage. However, the results of an appeal won't change the limits of coverage that apply under this agreement.

### When This Agreement Covers

#### **Bodily injury and property damage liability.**

We'll apply this agreement to claims or suits for covered bodily injury or property damage whenever they're made or brought.

**Personal injury liability.** We'll apply this agreement to claims or suits for covered personal injury whenever they're made or brought.

**Advertising injury liability.** We'll apply this agreement to claims or suits for covered advertising injury whenever they're made or brought.

**Medical expenses.** We'll apply this agreement to covered medical expenses only when they're reported to us within three years of the beginning date of the event.

### Where This Agreement Covers

We'll apply, and make payments under, this agreement:

- only in the coverage territory; and
- only for covered injury or damage that's caused by events that happen, or offenses that are committed, there.

However, we'll also apply, and make payments under, this agreement in the coverage territory for covered injury or damage that's caused by events which happen, or offenses which are committed, in the rest of the world if the protected person's liability for such injury or damage is determined in a suit on the merits in the coverage territory, or in a settlement agreed to by us, and:

- the events or offenses result from the activities of a person whose home is in the coverage territory, but is away from there for a short time on your business;
- the events result from your products that are made or sold by you in the coverage territory; or
- the offenses are committed in or with any electronic means of communication, such as the Internet.

For example:

*You manufacture a product in the coverage territory. It is exported to Norway. A few months later a Norwegian citizen is allegedly injured while using that product and, as a result, sues you. If the suit is brought against you in the coverage territory, and it seeks damages for bodily injury covered by this agreement, we'll have the duty to defend you against the suit and pay covered damages awarded in a judgment against you. However, if the suit is brought against you in Norway, or anywhere else outside of the coverage territory, we won't have a duty to defend you there. Also, we won't have a duty to pay a judgment awarded by a court there, even if the judgment is later recognized and enforced by a court in the coverage territory.*

*Coverage territory means:*

- the United States of America, including its territories and possessions;
- Puerto Rico;
- Canada; and
- international waters or airspace only during travel or transportation between any of the above places.

We explain the term your products in the Products and completed work total limit section.

## Who Is Protected Under This Agreement

**Individual.** If you are shown in the Introduction as a named insured and an individual, you and your spouse are protected persons only for the conduct of a business of which you are the sole owner.

**Partnership or joint venture.** If you are shown in the Introduction as a named insured and a partnership or a joint venture, you are a protected person. Your partners or co-venturers, and their spouses, are protected persons only for the conduct of your business.

**Limited liability company.** If you are shown in the Introduction as a named insured and a limited liability company, you are a protected person. Your members are protected persons only for the conduct of your business. And your managers are protected persons only for their duties as your managers.

**Corporation or other organization.** If you are shown in the Introduction as a named insured and a corporation or an other organization, you are a protected person. Your directors and executive officers are protected persons only for the conduct of their duties as your directors or executive officers. And your stockholders are protected persons only for their liability as your stockholders.

*Other organization* means an organization other than a corporation, partnership, joint venture, or limited liability company.

*Executive officer* means any person holding an officer position created by the charter, constitution, or by-laws, or any other similar governing document, of a corporation or other organization.

**Employees and volunteer workers.** Your employees are protected persons only for:

- work done within the scope of their employment by you; or
- their performance of duties related to the conduct of your business.

And your volunteer workers are protected persons only for activities or work they conduct or perform:

- at your direction; and
- within the scope of their duties for you.

However, no employee or volunteer worker is a protected person for bodily injury or personal injury to:

- you;
- any of your partners or co-venturers if you are a partnership or joint venture;
- any of your members or managers if you are a limited liability company;
- any fellow employee;
- any fellow volunteer worker or any of your employees; or
- the spouse, or any child, parent, brother, or sister, of that employee or volunteer worker if such injury results from the bodily injury or personal injury to such fellow employee or volunteer worker.

Nor is any employee or volunteer worker a protected person for:

- any obligation to share damages with or repay someone else who must pay damages because of such bodily injury or personal injury; or
- bodily injury or personal injury that results from his or her performance of or failure to perform health care professional services.

Also, no employee or volunteer worker is a protected person for property damage to property that's controlled by:

- you;
- any of your partners or co-venturers if you are a partnership or joint venture;
- any of your members or managers if you are a limited liability company;
- that employee or any fellow employee; or
- that volunteer worker, any fellow volunteer worker, or any of your employees.

But we won't apply the exclusions in this Employees and volunteer workers section to:

- bodily injury that results from the providing of or failure to provide first aid by an employee or volunteer worker, other than an employed or volunteer doctor; or
- premises damage.

Nor will we apply this Employees and volunteer workers section to the following protected persons:

- Your managers if you are a limited liability company. Instead, we'll apply the Limited liability company section to them.
- Your executive officers if you are a corporation or an other organization.

Instead, we'll apply the Corporation or other organization section to them.

*Employee* includes a leased worker, other than a leased temporary worker.

*Leased worker* means any person who:

- is hired from an employee leasing firm under a contract or agreement between the hirer and that firm; and
- is performing duties related to the conduct of the hirer's business.

*Volunteer worker* means any person who:

- isn't an employee or a leased temporary worker;
- donates his or her work; and
- isn't paid a fee, salary, or other compensation for that work.

*Employee leasing firm* means any person or organization that hires out workers to others. It includes any:

- employment agency, contractor, or service;
- labor leasing firm; or
- temporary help service.

*Leased temporary worker* means a leased worker who is hired to:

- temporarily take the place of a permanent employee on leave; or
- meet seasonal or short-term workload conditions.

*Controlled by* means:

- owned, rented, leased, occupied, borrowed, or used by;
- in the care, custody, or control of; or
- being physically controlled for any purpose by.

*Health care professional services* includes:

- any dental, medical, mental, nursing, surgical, x-ray, or other health care professional service, including any advice, instruction, food, or beverage provided with such service;
- the dispensing of drugs or medical or dental supplies and appliances; and
- the handling or treatment of corpses, including autopsies, organ donations, and other postmortem procedures.

We explain the term premises damage in the Each event limit section.

**Real estate managers.** Your real estate managers are protected persons only for their management of premises that you rent, lease, or borrow from others, or own. They may be persons or organizations.

But we won't apply this Real estate managers section to your employees. Instead, we'll apply the Employees and volunteer workers section to them.

**Landlords.** Any landlord, lessor, manager, or owner of a premises rented or leased to you is a protected person only for the ownership, maintenance, or use of that premises while you rent or lease it.

However, no landlord, lessor, manager, or owner is a protected person for injury or damage that results from any of the following work while being done by or for such landlord, lessor, manager, or owner:

- Structural changes.
- New construction work.
- Demolition work.

But we won't apply this Landlords section to your real estate managers. Instead, we'll apply the Real estate managers section, or the Employees and volunteer workers section, whichever section is applicable, to them.

**Equipment lessors.** Any lessor or owner of equipment rented or leased to you is a protected person only for your operation, maintenance, or use of that equipment while you rent or lease it.

However, no equipment lessor or owner is a protected person for injury or damage that results from its sole negligence.

**Operators of registered mobile equipment.** All operators of registered mobile equipment are protected persons for covered bodily injury or property damage that results from their driving of such equipment on a public street or road with your permission.

Any person or organization legally responsible for the driving conduct of those operators is also a protected person for such bodily injury or property damage. But only if there's no valid and collectible other insurance available to cover its liability for the operators.

However, no operator or any other person or organization is a protected person for:

- bodily injury to a fellow employee of the person driving the equipment; or
- property damage to property controlled by you or the employer of an operator who is a protected person.

*Registered mobile equipment* means mobile equipment that's registered in your name under a motor vehicle registration law.

We explain the terms:

- controlled by in the Employees and volunteer workers section;
- mobile equipment in the Mobile equipment exclusion; and
- other insurance in the Other Insurance section.

**Newly acquired or formed organizations.** Any organization that you acquire or form while this agreement is in effect that isn't a partnership, joint venture, or limited liability company is a protected person if you own more than 50% of it.

However, no newly acquired or formed organization is a protected person for:

- more than 180 days, or the remainder of the time this agreement is in effect, whichever period is shorter, from the date you acquire or form it, unless we agree it should continue to be a protected person after the end of that period of time;
- bodily injury or property damage that happened before you acquired or formed it;
- personal injury or advertising injury that results from an offense committed before you acquired or formed it; or
- injury or damage that's covered by other similar general liability insurance.

**Separation of protected persons.** We'll apply this agreement separately to each protected person.

However, all protected persons share the limits of coverage shown in the Coverage Summary. We explain how in the Limits Of Coverage section.

Also, any right or duty specifically assigned to the first named insured remains unchanged. We explain those rights and duties in the General Rules, which is a part of your policy.

## Limits Of Coverage

The limits of coverage shown in the Coverage Summary and the information contained in this section fix the most we'll pay as damages and medical expenses, regardless of the number of:

- protected persons;
- claims made or suits brought; or
- persons or organizations making claims or bringing suits.

**General total limit.** This is the most we'll pay for the combined total of:

- all covered bodily injury and property damage that happens in a policy year;
- all covered personal injury that's caused by all personal injury offenses committed in a policy year;
- all covered advertising injury that's caused by all advertising injury offenses committed in a policy year; and
- all covered medical expenses that result from all events that happen in a policy year.

However, we won't apply this limit to bodily injury or property damage that results from your products or your completed work. Instead, we'll apply the products and completed work total limit to such bodily injury or property damage covered by this agreement.

*Policy year* means the policy period shown in the Introduction, or the period of time that this agreement is in effect, whichever period is shorter. But when that period is longer than one year, policy year means each of the following periods of time that this agreement is in effect, starting with the beginning date of this agreement:

- Each consecutive one-year period.
- Any period that remains after the last consecutive one-year period.

However, if the original policy period shown in the Introduction is extended for a period of less than one year, we'll consider each such extended period to be part of the last policy year, regardless of the number of extensions provided.

For example:

*Your original policy period is two years and nine months long. As a result, it has three policy years, each one separate from the other. The first is the first one-year*

period. The second is the next one-year period. And the third is the remaining nine-month period.

*During the third policy year you request, and we provide, two separate extensions of the policy period: a three-month extension, and then a four-month extension. As a result, the third policy year becomes sixteen months long and is still subject to the same limits of coverage that applies when it was nine months long.*

We explain the products and completed work total limit, and the terms your products and your completed work, in the Products and completed work total limit section.

**Products and completed work total limit.** This is the most we'll pay for all covered bodily injury and property damage that:

- results from your products and your completed work; and
- happens in a policy year.

*Your products* means any of the goods or products that are or were manufactured, sold, handled, distributed, or disposed of by:

- you;
- others using your name; or
- any person or organization whose business or assets you've acquired.

Your products includes:

- all containers, equipment, materials, or parts provided with or for your products;
- any warranty provided with or for your products;
- any statement made, or that should have been made, about the durability, fitness, handling, maintenance, operation, performance, quality, safety, or use of your products; and
- all warnings, instructions, or directions provided, or that should have been provided, with or for your products.

But we won't consider the following to be your products:

- Goods or products that are still in your physical possession or on a premises that you rent, lease, or borrow from others, or own.
- Real property.
- Containers that are vehicles provided with or for your products.
- Property that's rented or leased to others.

- Property that you haven't sold, but which you allow others to use. For example, a vending machine.

*Your completed work* means your work that:

- is completed, including work that may need service, maintenance, correction, repair, or replacement, but which is otherwise complete; or
- has been abandoned by you.

We'll consider your work to be completed at the earliest of the following times:

- When all of the work called for in your contract has been completed.
- When all of the work to be done at the work site has been completed, if your contract calls for work at more than one site.
- When that part of the work at the work site has been put to its intended use by any person or organization, other than another contractor or subcontractor working on the same project.

Your completed work includes:

- any warranty provided with or for your completed work;
- any statement made, or that should have been made, about the durability, fitness, handling, maintenance, operation, performance, quality, safety, or use of your completed work; and
- all warnings, instructions, or directions provided, or that should have been provided, with or for your completed work.

But we won't consider the following to be your completed work:

- Uninstalled equipment, abandoned or unused materials or parts, or tools.
- Work done in connection with transporting property.
- Any premises or other real property that you own.
- Any work done to a premises or other real property that you rent or lease from others, or own.
- Any work while on a premises that you rent, lease, or borrow from others, or own.

However, we'll consider a condition created in or on a vehicle in the course of work done in connection with transporting property to be your completed work if:

- the vehicle isn't owned or operated by you;
- the condition is created by the loading or unloading of the vehicle by a protected person; and
- the condition causes bodily injury or property damage.

Your work means any:

- work that you're performing or others are performing for you; or
- service that you're providing or others are providing for you.

Your work includes:

- all equipment, materials, parts, or tools being provided or used with or for your work;
- any statement being made, or that should have been made, about the durability, fitness, handling, maintenance, operation, performance, quality, safety, or use of your work; and
- all warnings, instructions, or directions being provided, or that should have been provided, with or for your work.

We explain the term loading or unloading in the Auto exclusion.

**Personal injury each person limit.** This is the most we'll pay for all covered personal injury that:

- is sustained by any one person or organization; and
- is caused by all personal injury offenses committed in a policy year.

**Advertising injury each person limit.** This is the most we'll pay for all covered advertising injury that:

- is sustained by any one person or organization; and
- is caused by all advertising injury offenses committed in a policy year.

**Each event limit.** This is the most we'll pay for all covered bodily injury, property damage, and medical expenses that result from any one event.

However, the most we'll pay for covered premises damage or medical expenses that result from any one event is further limited by the following:

**Premises damage limit.** This is the most we'll pay for all covered premises damage that's caused by any one event.

**Premises damage** means property damage to:

- any premises that you rent, lease, or borrow from others; or
- the contents of any premises that you rent from others if you rent such premises for a period of seven or fewer consecutive days.

**Medical expenses limit.** This is the most we'll pay for all covered medical expenses that:

- are incurred for bodily injury sustained by any one person; and
- result from any one event.

**How the limits of coverage apply if a total limit is left blank.** If the amount of the general total limit or the products and completed work total limit is left blank in the Coverage Summary, we'll consider that total limit to be the same as the each event limit or \$200,000, whichever amount is more.

## **Exclusions - What This Agreement Won't Cover**

**Advertising, broadcasting, or publishing business.** We won't cover personal injury that results from any of the following personal injury offenses committed by or for any protected person whose business is advertising, broadcasting, or publishing, if such offense is committed in any advertising, broadcasting, or publishing done by or for that protected person:

- Libel, or slander, in or with covered material.
- Making known to any person or organization covered material that disparages the business, premises, products, services, work, or completed work of others.
- Making known to any person or organization covered material that violates a person's right of privacy.

Nor will we cover advertising injury that results from an offense committed by or for any protected person whose business is advertising, broadcasting, or publishing.

We won't consider the placement of advertising, borders, or frames for or of others, or links for or to others, on or in a protected person's website, by itself, to

mean that protected person's business is advertising.

**Broadcasting** means transmitting any audio or visual material for any purpose:

- by radio or television; or
- in or with any other electronic means of communication, such as the Internet, if that material is part of radio or television programming, other entertainment, music, or news programming, or advertising transmitted with that programming.

**Publishing** means creating and producing any material in any format for distribution or sale to others for any purpose.

But we won't consider creating and producing any of the following material in any format to be publishing:

- Correspondence written in the conduct of your business.
- Material, including bulletins, financial or annual reports, or newsletters, that describes or reports your business activities, your products, your work, or your completed work.

We explain the terms your products, your work, and your completed work in the Products and completed work total limit section.

**Aircraft.** We won't cover bodily injury, property damage, or medical expenses that result from the:

- ownership, maintenance, use, or operation;
- loading or unloading;
- entrustment to others; or
- supervision of others in or for the maintenance, use, operation, loading or unloading, or entrustment to others;

of any aircraft owned, operated, rented, leased, or borrowed by any protected person.

But we won't apply this exclusion to the liability of another to pay damages for bodily injury or property damage if you have assumed such liability under a covered contract that:

- is for the ownership, maintenance, or use of an aircraft; and
- was made before the bodily injury or property damage happens.

Nor will we apply this exclusion to:

- bodily injury, property damage, or medical expenses that result from the operation of specialized equipment; or
- premises damage.

Also, we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from the use of an aircraft chartered by a protected person if:

- the aircraft is chartered with crew, including a pilot; and
- the protected person isn't using the aircraft to carry persons or property for a charge.

We explain the terms:

- covered contract in the Contract liability exclusion;
- entrustment to others, loading or unloading, and supervision of others, in the Auto exclusion;
- premises damage in the Each event limit section; and
- specialized equipment in the Mobile equipment exclusion.

**Auto.** We won't cover bodily injury, property damage, or medical expenses that result from the:

- ownership, maintenance, use, or operation;
- loading or unloading;
- entrustment to others; or
- supervision of others in or for the maintenance, use, operation, loading or unloading, or entrustment to others;

of any auto owned, operated, rented, leased, or borrowed by any protected person.

But we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from the parking of an auto on a premises, or on the ways next to such premises, if:

- the premises is owned, rented, leased, or borrowed by you; and
- the auto isn't owned, rented, leased, or borrowed by any protected person.

Nor will we apply this exclusion to:

- bodily injury, property damage, or medical expenses that result from the operation of specialized equipment; or
- premises damage.

*Auto* means any land motor vehicle, trailer, or semitrailer that's designed for travel on public streets or roads.

We'll consider any machinery or equipment that's permanently attached to an auto to be part of the auto.

But we won't consider mobile equipment to be an auto.

*Loading or unloading* means the handling of property:

- while it's being moved from the place where it's accepted for transportation;
- while it's being loaded, transported, and unloaded; and
- until it's moved to the place where it's finally delivered.

But we won't consider moving property by an unattached mechanical device to be loading or unloading.

*Unattached mechanical device* includes any forklift, conveyor, or other unattached mechanical device, other than a hand truck.

*Entrustment to others* means:

- the permitting of others to use or do something; or
- the giving of something to others for safekeeping.

*Supervision of others* means:

- the directing, managing, or supervising of a worker, including his or her employment, hiring, evaluation, training, or work; or
- the directing, monitoring, safekeeping, or supervising of any other person or organization for any reason.

We explain the terms:

- mobile equipment and specialized equipment in the Mobile equipment exclusion; and
- premises damage in the Each event limit section.

**Breach of contract.** We won't cover personal injury or advertising injury that results from the failure of any protected person to do what is required by a contract or agreement.

But we won't apply this exclusion to advertising injury that results from the unauthorized use of any advertising idea of others in your advertising if such use isn't

specifically prohibited by the contract or agreement.

**Contract liability.** We won't cover injury or damage for which the protected person has assumed liability under any contract or agreement.

But we won't apply this exclusion to injury or damage for which the protected person would have liability without the contract or agreement.

Nor will we apply this exclusion to the liability of another to pay damages for:

- bodily injury or property damage sustained by others if you have assumed such liability under a covered contract made before the bodily injury or property damage happens; or
- personal injury or advertising injury sustained by others if you have assumed such liability under a covered contract made before the offense that causes such injury is committed.

Also, if you have agreed under the same covered contract to defend, or pay for the defense of, an indemnitee against a claim or suit for such injury or damage covered by this agreement, we'll defend the indemnitee against the claim or suit. But we'll do so because of that covered contract only if:

- that indemnitee isn't a protected person for that injury or damage;
- that claim or suit is for injury or damage for which you have assumed the liability of the indemnitee under the covered contract;
- the injury or damage is covered by this agreement;
- the claim or suit is made or brought against you and the indemnitee;
- we are defending you against the claim or suit under this agreement;
- all of our indemnitee defense control and authority requirements are fulfilled; and
- all of our indemnitee defense cooperation and notice requirements are fulfilled.

When we provide that contract liability indemnitee defense coverage, we'll do the following:

- We'll defend the indemnitee even if all of the allegations of the claim or suit are groundless, false, or fraudulent. But we won't have a duty to perform any other act or service.

- We'll pay all covered indemnitee defense expenses incurred by us in connection with such claim or suit. Such payments are in addition to the limits of coverage.

However, our duty to defend the indemnitee, or pay indemnitee defense expenses incurred by us, under that contract liability indemnitee defense coverage ends when that indemnitee fails to comply with any of our indemnitee defense cooperation and notice requirements. It also ends when we have used up the limits of coverage that apply with the payment of:

- judgments;
- settlements; or
- medical expenses.

When we don't provide that contract liability indemnitee defense coverage for the indemnitee, we'll pay covered indemnitee defense expenses assumed under contract that:

- are incurred by or for that indemnitee; and
- are awarded against you in a judgment or agreed to by us in a settlement;

as if they're amounts you're legally required to pay as damages for injury or damage covered by this agreement. Payments of such amounts are subject to the limits of coverage. Our duty to make such payments ends when we have used up the limits of coverage that apply with the payment of:

- judgments;
- settlements; or
- medical expenses.

We'll have the right to appeal a judgment awarded in a suit against an indemnitee if:

- the judgment includes damages for injury or damage for which you have assumed liability under a covered contract;
- such injury or damage is covered by this agreement;
- the indemnitee and its insurers don't appeal the judgment; and
- you agree we may seek the cooperation of that indemnitee for such an appeal.

If we appeal such a judgment, we'll pay the following that result directly from that appeal:

- All expenses we incur.
- All reasonable expenses that any protected person and the indemnitee incur at our request while helping us with the appeal, other than the cost of appeal bonds.

- The cost of any required appeal bond. But only for that part of the judgment that is for damages covered by this agreement and is within the available limit of coverage. However, we'll pay, or reimburse the indemnitee, for the cost of a higher appeal bond amount if we're required to do so under the law that applies. But we won't be the principal under any such bond. Nor do we have to furnish any appeal bond.
- All postjudgment interest that accumulates on the full amount of the judgment. But only from the date of the judgment to the date we pay, or deposit in court, the limit of coverage that applies to the judgment.

These payments are in addition to the limits of coverage. However, the results of an appeal won't change the limits of coverage that apply under this agreement.

*Covered contract* means:

- any easement or license agreement;
- any elevator maintenance agreement;
- any lease of premises, other than that part which indemnifies a person or organization for property damage to a premises that you rent, lease, or borrow from others;
- any obligation to indemnify a municipality that is required by ordinance and isn't connected with your work for the municipality;
- any sidetrack agreement;
- that part of any other contract or agreement under which you assume the tort liability of a municipality to pay damages for injury or damage that results from your work for the municipality; or
- that part of any other contract or agreement under which you assume the tort liability of another to pay damages for injury or damage.

But we won't consider the following parts of those other contracts or agreements under which you assume the tort liability of another to pay damages to be a covered contract:

- Architect, engineer, or surveyor indemnity.
- Architect, engineer, or surveyor professional services by protected person indemnity.
- War indemnity.

*Tort liability* means a liability that would be imposed by law without any contract or agreement.

*Architect, engineer, or surveyor indemnity* means that part which indemnifies any architect, engineer, or surveyor for injury or damage that results from:

- the preparation or approval of, or failure to prepare or approve, any drawing and specification, or any map, opinion, report, survey, change order, field order, or shop drawing; or
- the giving of or failure to give any direction or instruction if that giving or failure to give is the primary cause of the injury or damage.

*Architect, engineer, or surveyor professional services by protected person indemnity* means that part which indemnifies any person or organization for injury or damage that results from the performance of or failure to perform architect, engineer, or surveyor professional services by the protected person who is an architect, engineer, or surveyor.

*Architect, engineer, or surveyor professional services* includes:

- the preparation or approval of any drawing and specification, or any map, opinion, report, survey, change order, field order, or shop drawing; and
- any architectural, engineering, inspection, or supervisory activity.

*War indemnity* means that part which indemnifies any person or organization for bodily injury or property damage that results from war.

*Indemnitee* means any person or organization that you have agreed under a covered contract to indemnify or hold harmless.

*Indemnitee defense control and authority requirements* means the following requirements that must be fulfilled for us to conduct and control the defense of an indemnitee against a claim or suit under this agreement:

- You and the indemnitee must ask us to conduct and control the defense of that indemnitee against the claim or suit under this agreement.
- We must determine that there's no conflict between your interests and those of the indemnitee, based on the allegations in the claim or suit and on what we know about the factual and legal basis for the damages being sought.

- You and the indemnitee must each agree in writing that we can assign the same counsel to defend them.
- The indemnitee must give us authority in writing to conduct and control its defense against the claim or suit.
- The indemnitee must give us authority in writing to obtain records and other information related to the claim or suit.
- The indemnitee must agree in writing to comply with our indemnitee defense cooperation and notice requirements.

*Indemnitee defense cooperation and notice requirements* means the following requirements that must be fulfilled for us to continue defending an indemnitee against a claim or suit under this agreement:

- The indemnitee must cooperate with us in the investigation, settlement, or defense of the claim or suit.
- The indemnitee must provide us with a copy of any demand, notice, summons, or legal paper received in connection with the claim or suit as soon as possible after it is received.
- The indemnitee must give notice of the claim or suit to any other insurer that provides coverage which applies to the claim or suit and is available to that indemnitee.
- The indemnitee must help us coordinate the application of other insurance that's applicable to the claim or suit and available to that indemnitee.

*Indemnitee defense expenses incurred by us* means the:

- attorney fees and necessary litigation expenses incurred by us to defend an indemnitee against a claim or suit for damages covered by this agreement; and
- necessary litigation expenses incurred by that indemnitee at our request in connection with that claim or suit.

*Indemnitee defense expenses assumed under contract* means the reasonable attorney fees and necessary litigation expenses that:

- are incurred by or for an indemnitee to defend itself against a claim or suit for damages covered by this agreement; and
- are subject to a covered contract under which you have agreed to defend, or pay for the defense of, that indemnitee against the claim or suit.

We explain the terms:

- your work in the Products and completed work total limit section;
- war in the Medical expenses of certain persons exclusion; and
- other insurance in the Other Insurance section.

**Control of property.** We won't cover property damage to the following property:

- Property that you rent, lease, or borrow from others, own, or occupy. But we won't apply this exclusion part to premises damage.
- Premises that you sell, give away, or abandon if such property damage results from any part of those premises. But we won't apply this exclusion part to property damage to premises that are your completed work and were never occupied, rented, or held for rental by you.
- Personal property that's in the care, custody, or control of the protected person. But we won't apply this exclusion part to premises damage.
- That particular part of real property being worked on by or for you if such property damage results from your work.
- That particular part of any property that must be restored, repaired, or replaced because your work was incorrectly performed on it. But we won't apply this exclusion part to property damage that results from your completed work.

Furthermore, we won't apply this exclusion to the liability of another to pay damages for property damage, other than property damage to the property described below, if you have assumed such liability under a sidetrack agreement made before the property damage happens:

- Property that you rent or lease from others, own, or occupy.
- Premises that you sell, give away, or abandon.

We explain the terms:

- premises damage in the Each event limit section; and
- your work and your completed work in the Products and completed work total limit section.

**Damage to your products or completed work.**

We won't cover property damage to any of your products that's caused by your products themselves or by any of their parts. For example:

*You manufacture air conditioners. They contain several moving parts that can break down for many reasons. Regardless of the cause, we won't protect you for any property damage to the part that fails or to the rest of the air conditioner.*

Nor will we cover property damage to your completed work that's caused by your completed work itself or by any of its parts. But we won't apply this exclusion part to such property damage if:

- this agreement provides completed work liability coverage; and
- your completed work that's damaged, or your completed work that causes the property damage, was done for you by others.

For example:

*You construct a building as a general contractor. Some of the work is done by you while the rest is done for you by subcontractors. The building is accepted by the owner. If it's damaged by a fire caused by electrical wiring installed by a subcontractor, we won't apply the exclusion. However, if the wiring was installed by you, we'll apply the exclusion to property damage to your completed work done by you.*

We explain the terms your products and your completed work in the Products and completed work total limit section.

**Deliberately breaking the law.** We won't cover personal injury or advertising injury that results from:

- the protected person knowingly breaking any criminal law; or
- any person or organization breaking any criminal law with the consent or knowledge of the protected person.

**Employers liability.** We won't cover bodily injury to an employee of the protected person arising out of and in the course of his or her:

- employment by the protected person; or
- performance of duties related to the conduct of the protected person's business.

Nor will we cover bodily injury to the spouse, or any child, parent, brother, or sister, of that employee if such bodily injury results from the bodily injury to such employee.

We'll apply this exclusion whether the protected person may be held liable as an employer or in any other capacity, such as a property owner or product manufacturer. For example:

*You manufacture tires. Your employee is injured while driving a company truck equipped with your tires, when one of the tires blows out resulting in an accident. He receives workers compensation benefits. If he later sues you in your capacity as a manufacturer, alleging that his injury happened because your product was defective, we won't protect you.*

We'll also apply this exclusion to any obligation of the protected person to share damages with or repay someone else who must pay damages because of bodily injury to any employee of the protected person. For example:

*Your employee is injured in a printing press accident. She receives workers compensation benefits. Later, she sues the manufacturer of the printing press, alleging that her injury happened because the press didn't have enough guarding devices on it. If the manufacturer in turn sues you, alleging that your faulty maintenance of the press - not the lack of guarding devices - resulted in the employee's injury, we won't protect you.*

But we won't apply this exclusion to the liability of another to pay damages for bodily injury if you have assumed such liability under a covered contract made before the bodily injury happens.

We explain the terms:

- covered contract in the Contract liability exclusion; and
- employee in the Employees and volunteer workers section.

**Expected or intended bodily injury or property damage.** We won't cover bodily injury or property damage that's expected or intended by the protected person.

Nor will we cover medical expenses that result from such bodily injury.

But we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from the use of reasonable force to protect people or property.

**False material.** We won't cover personal injury or advertising injury that results from false material that:

- was made known by or for the protected person; and
- the protected person knew was false when it was made known.

**Impaired property.** We won't cover property damage to impaired property, or to property that isn't physically damaged, that results from:

- your products that are faulty or dangerous;
- your completed work that is faulty or dangerous; or
- a delay or failure in fulfilling the terms of a contract or agreement.

But we won't apply this exclusion to the loss of use of property, other than your products or your completed work, that results from sudden and accidental physical damage to:

- your products after they've been put to their intended use; or
- your completed work after it has been put to its intended use.

For example:

*You supply an electric motor to a customer who uses it to power his conveyor. The motor's shaft breaks several days later while he's operating the conveyor. The conveyor isn't damaged, but your customer has extra costs because he's unable to use it until the motor is repaired. If he sues you to recover those costs, we won't apply the exclusion. However, if the customer discovers while hooking the motor up to the conveyor that the motor's shaft is broken, we won't protect you.*

**Impaired property** means tangible property, other than your products or your completed work, that can be restored to use by nothing more than:

- an adjustment, repair, replacement, or removal of your products, or your completed work, that forms a part of such tangible property; or
- your fulfilling the terms of a contract or agreement.

We explain the terms your products and your completed work in the Products and completed work total limit section.

**Intellectual property.** We won't cover injury or damage or medical expenses that result from any actual or alleged infringement or violation of any of the following rights or laws:

- Copyright.
- Patent.
- Trade dress.
- Trade name.
- Trade secret.
- Trademark.
- Other intellectual property rights or laws.

But we won't apply this exclusion to bodily injury or property damage that results from your products or your completed work.

Nor will we apply this exclusion to advertising injury that results from the unauthorized use of any:

- copyrighted advertising material;
  - trademarked slogan; or
  - trademarked title;
- of others in your advertising.

We explain the terms your products and your completed work in the Products and completed work total limit section.

**Liquor liability.** We won't cover bodily injury, property damage, or medical expenses that result from any protected person:

- causing or contributing to the intoxication of any person;
- selling, serving, or furnishing alcoholic beverages to any person under the legal drinking age or under the influence of alcohol; or
- violating any law or regulation applying to the sale, gift, distribution, or use of alcoholic beverages.

However, we'll apply this exclusion only if you're in the business of manufacturing, distributing, selling, serving, or furnishing alcoholic beverages. For example:

*You manufacture office equipment. Each year you host an awards banquet with an open bar for your sales representatives. After this year's banquet an intoxicated guest is involved in an auto accident. The guest and several others are injured. If someone sues you, alleging that your serving of liquor caused the guest's intoxication and involvement in the accident, we won't apply the Liquor liability*

*exclusion because you're not in the business of serving liquor.*

But we won't apply this exclusion to premises damage.

We explain the term premises damage in the Each event limit section.

**Material previously made known or used.** We won't cover personal injury or advertising injury that results from:

- any material that was first made known before this agreement begins; or
- any advertising idea or advertising material, or any slogan or title, of others, whose unauthorized use in your advertising was first committed before this agreement begins.

**Medical expenses of certain persons.** We won't cover medical expenses that are incurred by or for any person:

- injured while qualifying as a protected person, other than your volunteer workers;
- injured while performing work that he or she was hired to do for any protected person, or any tenant of a protected person;
- injured on that part of any premises that you rent or lease from others, or own, and that the injured person normally occupies;
- to whom such medical expenses are payable, or must be provided, as benefits under any workers compensation law, disability benefits law, or similar law;
- injured by your products or your completed work;
- injured due to war; or
- who refuses to be examined as often as we require, within reason, by doctors we choose.

**War** includes:

- declared or undeclared war, or invasion;
- warlike action by a military force or other agents of any government, sovereign, or other authority;
- civil war, insurrection, rebellion, revolution, or seizure of power; or
- anything done to hinder or defend against such actions.

We explain the terms:

- volunteer worker in the Employees and volunteer workers section; and

- your products and your completed work in the Products and completed work total limit section.

**Mobile equipment.** We won't cover bodily injury, property damage, or medical expenses that result from the:

- transportation of mobile equipment by an auto owned, operated, rented, leased, or borrowed by any protected person;
- use of racing mobile equipment; or
- supervision of others in or for such transportation or use.

But we won't apply this exclusion to premises damage.

*Mobile equipment* means any land vehicle that:

- is designed for use primarily off public streets or roads;
- is kept for use only on or next to premises that you rent or lease from others, or own;
- travels on crawler treads;
- is kept primarily for the ready movement of permanently attached construction equipment; or
- doesn't travel under its own power and is kept primarily for the ready movement of permanently attached specialized equipment.

Mobile equipment includes any land vehicle that:

- isn't described above; and
- is kept primarily for purposes other than carrying people or cargo.

But we won't consider such a vehicle to be mobile equipment if it travels under its own power, is operated like an auto during travel on a public street or road, and has permanently attached:

- specialized equipment; or
- equipment designed for snow removal, street cleaning, or street or road maintenance - but not construction or resurfacing.

*Construction equipment* includes any:

- grader, scraper, or roller; or
- power crane, digger, drill, loader, or shovel.

*Specialized equipment* means any:

- cherry picker or similar device used to lift workers;
- pump, generator, or air compressor; or
- other equipment, such as building cleaning, geophysical exploration, lighting, spraying, welding, or well-servicing equipment, that has a built-in pump, generator, or air compressor.

*Racing mobile equipment* means any mobile equipment while being prepared for or used in any:

- prearranged racing, speed, demolition, or stunting contest or activity; or
- practice for such contest or activity.

We explain the terms:

- auto, and supervision of others, in the Auto exclusion; and
- premises damage in the Each event limit section.

**Nuclear energy liability.** We won't cover bodily injury or property damage for which any protected person:

- is also protected under a nuclear energy liability insurance policy; or
- would have been protected under such policy if that policy's limits of coverage hadn't been used up.

Nor will we cover bodily injury or property damage that results from the hazardous properties of nuclear material and for which:

- any person or organization is required by law to maintain financial protection in accordance with the federal Atomic Energy Act or any of its amendments; or
- any protected person is entitled, or would have been entitled had this agreement not been issued, to indemnity from the United States government, or any of its agencies, under any contract or agreement between the government, or any of its agencies, and any person or organization.

Also, we won't cover medical expenses that result from:

- the hazardous properties of nuclear material; or
- the operation of a nuclear facility by any person or organization.

In addition, we won't cover bodily injury or property damage that results from the hazardous properties of nuclear material when:

- the nuclear material is located at, or at any time discharges or disperses from, a nuclear facility that is or was at any time owned by any protected person, or operated by or for any protected person;
- the nuclear material is contained in spent nuclear fuel, or nuclear waste, that is or was at any time possessed, handled, used, processed, stored, transported, or disposed of by or for any protected person; or
- the bodily injury or property damage results from the furnishing by any protected person of services, materials, parts, or equipment in connection with the planning, construction, maintenance, operation, or use of a nuclear facility. However, we'll apply this exclusion part only to property damage to the nuclear facility, and any property located on the site of that facility, if the nuclear facility is in the United States of America, its territories or possessions, Puerto Rico, or Canada.

*Nuclear energy liability insurance policy* means any nuclear energy liability insurance policy issued by any of the following organizations or their successors:

- Nuclear Energy Liability Insurance Association.
- Mutual Atomic Energy Liability Underwriters.
- Nuclear Insurance Association of Canada.

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

*Nuclear material* means any of the following materials defined in the federal Atomic Energy Act or any of its amendments:

- Source material.
- Special nuclear material.
- By-product material.

*Nuclear facility* means any:

- nuclear reactor;
- uranium isotopes separation device or equipment;
- special nuclear material device or equipment; or
- nuclear waste site.

Nuclear facility includes:

- the site on which it's located;
- all operations conducted on such site; and
- all premises used for such operations.

*Nuclear reactor* means any device, equipment, or machine designed or used to:

- sustain nuclear fission in a self-supporting chain reaction; or
- contain a critical mass of fissionable material.

*Uranium isotopes separation device or equipment* means any device or equipment designed or used for:

- separating the isotopes of uranium or plutonium;
- processing or utilizing spent nuclear fuel; or
- handling, processing, or packaging nuclear waste.

*Special nuclear material device or equipment* means any device or equipment used for the processing, fabricating, or alloying of special nuclear material if the total amount of such material is at any time in the custody of any protected person at the premises where the device or equipment is located and is more than:

- 25 grams of plutonium or uranium 233, or any combination of those two materials; or
- 250 grams of uranium 235.

*Nuclear waste site* means any structure, basin, excavation, premises, or place prepared or used for the storage or disposal of nuclear waste.

*Nuclear waste* means any waste material that:

- contains by-product material; and
- results from the operation of any nuclear reactor, or uranium isotopes separation device or equipment, by any person or organization.

But we won't consider nuclear waste to include tailings or wastes that result from the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content.

*Spent nuclear fuel* means any solid or liquid fuel element or component that's been exposed to radiation or used in a nuclear reactor.

**Pollution injury or damage.** We won't cover injury or damage or medical expenses that result from pollution at, on, in, or from any:

- protected person's premises;

- waste site; or
- protected person's work site.

Nor will we cover injury or damage or medical expenses that result from pollution involving any waste pollutant.

But we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from:

- building heating equipment fumes, smoke, soot, or vapors;
- contractor or service work materials fumes, gases, or vapors;
- hostile fire heat, fumes, or smoke; or
- mobile equipment operating fluids.

Nor will we apply this exclusion to:

- bodily injury or property damage that results from your products or your completed work, other than waste products or completed work; or
- premises damage that results from fire.

*Pollution* means any actual, alleged, or threatened discharge, dispersal, escape, migration, release, or seepage of any pollutant.

*Pollutant* means any solid, liquid, gaseous, or thermal irritant or contaminant, including:

- smoke, vapors, soot, fumes;
- acids, alkalis, chemicals; and
- waste.

*Waste* includes materials to be recycled, reconditioned, or reclaimed.

*Protected person's premises* means any premises, site, or location that is or was at any time owned, rented, leased, borrowed, or occupied by any protected person. For example:

*You sold an office building two years ago. It contains asbestos ceiling tile that released asbestos into the air while you owned it. A former tenant now sues you for bodily injury that allegedly resulted from the release of that asbestos. We won't cover such injury.*

Another example:

*You own an apartment building. Its woodwork is finished with paint that contains lead. Two of your renters sue you for bodily injury to their children allegedly*

*caused by the lead in that paint. The children supposedly consumed the lead by eating chips of the paint from the window sills in their apartments. We won't cover such injury.*

But we won't consider a premises, site, or location that isn't owned, rented, leased, borrowed, or occupied by you to be a protected person's premises in connection with pollution that results from your work being performed there. For example:

*You are hired by the owner of a premises to perform work there. The premises owner requires you to provide it with insurance protection for that work. We do so with an additional protected person endorsement under this agreement. Your work being performed on that premises causes pollution injury or damage to happen there. Even though that premises is owned by an additional protected person, we won't consider that premises to be a protected person's premises for purposes of determining your coverage, or the premises owner's coverage, for that injury or damage under this agreement.*

*Waste site* means any premises, site, or location that is or was at any time used by or for any protected person or others for the handling, storage, disposal, processing, or treatment of waste. For example:

*For several years waste generated by your manufacturing business was disposed of in a landfill owned by others. The landfill was closed two years ago. Nearby residents now allege that they're being injured by the waste from there. We won't cover such injury.*

*Protected person's work site* means any premises, site, or location at, on, or in which work is being performed by or for any protected person when:

- the pollution involves a pollutant that is brought to, on, or in such premises, site, or location by or for the protected person in connection with such work; or
- the work being performed is pollution work.

For example:

*A subcontractor working for you brings a diesel fuel storage tank to the building site for refueling of its excavation equipment. After a couple of days it is discovered that*

*the tank has been leaking. Some of the escaped fuel is found to have seeped into an underground conduit and damaged the insulation on the fiber optic cables in the conduit. We won't cover such property damage.*

*Waste pollutant* means any pollutant that is or was at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

- any protected person; or
- any person or organization for whom you may be legally responsible.

For example:

*Waste generated by your business is transported to a landfill by a trucker hired by you. There is an accident that causes the waste to be spilled onto the road. One of the firefighters who responds to the accident later alleges that fumes from the waste made her ill. We won't cover such injury.*

*Building heating equipment fumes, smoke, soot, or vapors* means only the fumes, smoke, soot, or vapors that:

- result from equipment used to heat a building at or on a protected person's premises; and
- are within that building.

*Contractor or service work materials fumes, gases, or vapors* means only the fumes, gases, or vapors that:

- result from materials brought into a building at or on a protected person's work site in connection with work, other than pollution work, being performed there by or for you; and
- are within that building.

*Hostile fire heat, fumes, or smoke* means only the heat, fumes, or smoke that result from a hostile fire at, on, in, or from:

- the protected person's premises, other than a waste site; or
- the protected person's work site, other than a waste site, but only if the hostile fire doesn't result from pollution work being performed by or for the protected person.

*Hostile fire* means a fire that:

- becomes uncontrollable; or

- breaks out from where it was intended to be.

*Mobile equipment operating fluids* means only the fuels, lubricants, or other operating fluids that:

- are part of the mobile equipment being maintained, operated, or used in connection with work, other than pollution work, being performed by or for the protected person at, on, or in the protected person's work site;
- are needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of the mobile equipment or any of its parts;
- aren't intended to be discharged, dispersed, or released as part of the operation of the mobile equipment or any of its parts;
- aren't intended to be discharged, dispersed, or released as part of the work being performed by or for the protected person; and
- escape from a mobile equipment part designed to hold, store, or receive them.

*Waste products or completed work* means:

- your products, or your completed work, that is or was handled, stored, disposed of, processed, or treated as waste at, on, or in a waste site; or
- your products, or your completed work, that is or was a waste pollutant; or
- your completed work that is being used for cleaning up, containing, detoxifying, disposal of, handling, monitoring, neutralizing, processing, removing, storing, testing for, transporting, or treating any pollutant at, on, or in a waste site.

We explain the terms:

- mobile equipment in the Mobile equipment exclusion;
- pollution work in the Pollution work loss, cost, or expense exclusion;
- premises damage in the Each event limit section; and
- your products, your work, and your completed work in the Products and completed work total limit section.

**Pollution work loss, cost, or expense.** We won't cover any loss, cost, or expense that results from:

- any request, demand, order, or statutory or regulatory requirement that any protected

person or others perform pollution work;  
or

- any claim or suit by or for any governmental authority for damages that result from the performance of pollution work.

But we won't apply this exclusion to any damages for property damage for which the protected person would have liability without such:

- request, demand, order, or statutory or regulatory requirement; or
- claim or suit.

For example:

*One of your products is a container that may be used to store various types of liquids. Several of those containers are sold to a company that uses them for storage of a chemical in one of its warehouses. During such use one of them ruptures and the chemical spills onto a concrete floor. Some of the spilled chemical seeps into the ground through a gap between the floor and an adjoining wall.*

*The customer alleges that the corrosive effect of the spilled chemical caused parts of the concrete floor to disintegrate, making them unusable. As a result, he demands that you pay the cost to replace those parts of the floor and properly dispose of any contaminated concrete.*

*Also, the customer is concerned that the spilled chemical that seeped into the ground may be considered a source of pollution by adjacent property owners or by a state environmental protection law. As a result, he also demands that you pay the cost to replace and properly dispose of any contaminated soil.*

*Based on the facts available to us, we'll consider the cost to replace the disintegrated parts of the concrete floor to be damages for property damage that isn't subject to this exclusion. However, we won't cover:*

- the additional cost to properly dispose of any contaminated concrete; or
- the cost to replace or properly dispose of any contaminated soil;

*regardless of who demands or requires that such pollution work be done.*

*Pollution work means:*

- the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing of any pollutant; or
- the responding to, or assessing, in any way the effects of any pollutant.

For example:

*A chemical spill at your manufacturing facility releases a vapor cloud. Several hundred people are exposed to the vapor cloud before it disappears. None of them sustain any apparent bodily injury. However, several of them demand that you arrange and pay for medical checkups now, and yearly for the next ten years, to assess the effect of the vapor cloud on their health. We won't cover the cost of such pollution work, regardless of who orders or performs it.*

We explain the terms:

- pollutant in the Pollution injury or damage exclusion; and
- your products in the Products and completed work total limit section.

**Poor quality or performance.** We won't cover advertising injury that results from the failure of your products, your work, or your completed work to conform with advertised quality or performance.

We explain the terms your products, your work, and your completed work in the Products and completed work total limit section.

**Product recall.** We won't cover any loss, cost, or expense that is incurred by you or others and results from any recall, removal, or withdrawal of:

- impaired property;
  - your products; or
  - your completed work;
- from the market, or from use by any person or organization, for any reason.

Nor will we cover any loss, cost, or expense that is incurred by you or others and results from the:

- loss of use;
- adjustment, inspection, repair;
- replacement; or
- disposal;

of such property, products, or completed work.

We explain the terms:

- impaired property in the Impaired property exclusion; and
- your products and your completed work in the Products and completed work total limit section.

**Unnamed partnership, joint venture, or limited liability company.** We won't cover injury or damage or medical expenses that result from the conduct of any current or past partnership, joint venture, or limited liability company that isn't shown in the Introduction as a named insured.

But we won't apply this exclusion to the extent such organization otherwise qualifies as a protected person under the Who Is Protected Under This Agreement section.

**Watercraft.** We won't cover bodily injury, property damage, or medical expenses that result from the:

- ownership, maintenance, use, or operation;
- loading or unloading;
- entrustment to others; or
- supervision of others in or for the maintenance, use, operation, loading or unloading, or entrustment to others;

of any watercraft owned, operated, rented, leased, or borrowed by any protected person.

But we won't apply this exclusion to the liability of another to pay damages for bodily injury or property damage if you have assumed such liability under a covered contract that:

- is for the ownership, maintenance, or use of a watercraft; and
- was made before the bodily injury or property damage happens.

Nor will we apply this exclusion to premises damage.

Also, we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from:

- watercraft while ashore on premises that you rent or lease from others, or own;
- watercraft you don't own that is less than 75 feet long and isn't being used to carry persons or property for a charge; or
- the operation of specialized equipment.

We explain the terms:

- covered contract in the Contract liability exclusion;
- entrustment to others, loading or unloading, and supervision of others, in the Auto exclusion;
- premises damage in the Each event limit section; and
- specialized equipment in the Mobile equipment exclusion.

**Workers compensation and other benefits laws.**

We won't cover any obligation that the protected person has under any:

- workers compensation law;
- disability benefits law;
- unemployment compensation law; or
- similar law.

**Wrong price description.** We won't cover advertising injury that results from the wrong description of the price of your products, your work, or your completed work.

We explain the terms your products, your work, and your completed work in the Products and completed work total limit section.

### Other Insurance

This agreement is primary insurance. If there is any valid and collectible other insurance for injury or damage covered by this agreement, the following applies in connection with that other insurance:

*Other insurance* means insurance, or the funding of losses, that's provided by or through:

- another insurance company;
- us, except under this agreement;
- any of our affiliated insurance companies;
- any risk retention group;
- any self-insurance method or program, other than any funded by you and over which this agreement applies; or
- any similar risk transfer or risk management method.

However, we won't consider umbrella insurance, or excess insurance, that you bought specifically to apply in excess of the limits of coverage that apply under this agreement to be other insurance.

**Primary or excess other insurance.** When there is primary other insurance, we'll share with that other insurance any damages for injury or damage covered by this agreement. We'll do so with one of the methods of sharing described in the Methods of sharing section.

However, we'll apply this agreement as excess insurance over the part or parts of any primary or excess other insurance that provide:

- property or similar coverage for property damage to your work;
- property or similar coverage for property damage to premises that you rent, lease, or borrow from others, other than premises you rent for a period of seven or fewer consecutive days;
- aircraft, auto, or watercraft bodily injury or property damage coverage; or
- protection for you as an additional insured or additional protected person.

We explain how we'll apply this agreement as excess insurance in the When this agreement is excess insurance section.

*Aircraft, auto, or watercraft bodily injury or property damage coverage* means coverage for bodily injury or property damage that:

- results from the maintenance, use, operation, or loading or unloading of any aircraft, auto, or watercraft; and
- isn't specifically excluded by the Aircraft, Auto, or Watercraft exclusions in this agreement.

We explain the term your work in the Products and completed work total limit section.

**When this agreement is excess insurance.**

When this agreement is excess insurance, we won't have a duty to defend the protected person against the part or parts of any claim or suit for which any other insurer has the duty to defend that protected person.

However, we'll defend the protected person against a claim or suit for injury or damage covered by this agreement if no other insurer will do so. In return we'll require that we be given all of that protected person's rights against each such insurer.

Also, we'll pay only the amount of damages that's in excess of:

- the total amount that all such other insurance would pay if this agreement didn't exist; and
- the total of all deductible and self-insured amounts under all such other insurance.

But we won't pay more than the limits of coverage that apply under this agreement.

**Methods of sharing.** We'll use one of the methods of sharing described below.

*Contribution by equal shares.* If all of the other insurance permits contribution by equal shares, we'll share the damages equally. But we won't pay more than the limits of coverage that apply under this agreement. If any policy reaches its limit before the entire amount of damages is paid, the remaining policies will share the balance equally until their limits have been used up or the amount of the damages is paid in full. For example:

*You are required by a court to pay damages of \$1,000,000. Besides this agreement, two other policies apply to the judgment. The limit under this agreement is \$500,000. Policy B has a \$100,000 limit and Policy C's limit is \$300,000.*

*First, \$100,000 is subtracted from each policy's limit because that is the lowest limit provided by any of the three policies. The result is Policy B's limit is used up, the balance due on the judgment is \$700,000, \$400,000 remains of this agreement's limit, and the unused portion of Policy C's limit equals \$200,000.*

*Next, \$200,000 is subtracted from the limit under this agreement and Policy C because that amount equals the smallest amount of limit remaining on either policy after the initial \$100,000 payment. The result is Policy C's limit is used up, the balance due on the judgment is now \$300,000, and this agreement has \$200,000 of its limit remaining.*

*Finally, the rest of the limit under this agreement is paid. The result is this agreement's limit is used up and the balance due on the judgment is now \$100,000, which you must pay. The total paid under each policy is \$500,000 this agreement, \$100,000 Policy B, and \$300,000 Policy C.*

*Contribution by limits.* If any of the other insurance doesn't permit contribution by equal shares, we'll pay the portion of the damages that is equal to our percentage of the total of all limits that apply. But we won't pay more than the limits of coverage that apply under this agreement. For example:

*You are required by a court to pay damages of \$600,000. Besides this*

*agreement, another policy applies to the judgment. The limit under this agreement is \$300,000. Policy B has a \$100,000 limit. The total limit of all insurance is \$400,000.*

*Our limit is 75% ( $\$300,000/\$400,000$ ) of the total limit. But we won't pay 75% of the judgment because that \$450,000 share is more than our limit. We'll pay only our limit, which is \$300,000.*

SAMPLE

**CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS  
ADDITIONAL PROTECTED PERSON ENDORSEMENT**

This endorsement changes your Commercial General Liability Protection.

---

**How Coverage Is Changed**

The following is added to the Who Is Protected Under This Agreement section. This change adds certain protected persons and limits their protection.

**City of Los Angeles Department Of Airports.**  
The city of Los Angeles Department Of Airports is a protected person for any activities or work performed on the City of Los Angeles airport premises. This includes Los Angeles International Van Nuys, Ontario, and Palmdale Airports.

We agree that:

- the City of Los Angeles, its departments, officers, agents, and employees are protected persons but only for those operations, uses, occupations, acts, and activity described in the Coverage Summary with regard to operations performed by or on your behalf.
- such insurance will be primary and not contributing with any other insurance maintained by the City of Los Angeles.
- the policy to which this endorsement is attached will apply separately to each protected person against whom a claim is made or suit is brought except with respect to our limits of liability.

- the policy to which this endorsement is attached will not be subject to cancellation, change in coverage, reduction of limits or non-renewal except after written notice to the City Attorney of the City of Los Angeles by certified mail, return receipt requested, no less than 30 days prior to the effective date.

Address Cancellation Notice As Follows:

City Attorney, City of Los Angeles  
c/o Department of Airports  
Post Officer Box 99216  
Los Angeles, CA 90009

Issue Endorsement To:

City of Los Angeles  
Risk Management  
Department of Airports  
Post Office Box 99216  
Los Angeles, CA 90009

**Other Terms**

All other terms of your policy remain the same.

## PERSONS OR ORGANIZATIONS REQUIRED UNDER CONTRACT OR AGREEMENT ENDORSEMENT - ADDITIONAL PROTECTED PERSONS

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Who Is Protected Under This Agreement section. This change broadens coverage.

**Persons or organizations required under contract or agreement.** We'll protect any person or organization that you are required to add as an additional protected person under:

- a written contract or agreement; or
- an oral agreement or contract where a certificate of insurance showing that person or organization as an additional protected person has been issued.

The written or oral contract or agreement must be:

- currently in effect or becoming effective during the term of this policy; and
- executed prior to the injury or damage.

Coverage provided by this endorsement is limited as follows:

1. That person or organization is a protected person with respect to liability resulting from:
  - premises you own, rent, lease, or occupy; or
  - your work for that protected person by or for you.

2. The limits of coverage applicable to the protected person are those specified in the written contract or agreement or in the Coverage Summary, whichever are less. These limits of coverage are inclusive of and not in addition to the limits of insurance shown in the Coverage Summary.

The insurance provided to the protected person doesn't apply to injury or damage that results from an architect's, engineer's, or surveyor's performance or failure to perform architect, engineer, or surveyor professional services.

We explain what we mean by architect, engineer, or surveyor professional services in the Contract liability exclusion.

*Other insurance.* Coverage provided by this endorsement will be excess over any other valid and collectible insurance whether primary, excess, contingent, or any basis unless a contract specifically requires that this insurance be primary or you request that it apply on a primary basis.

### Other Terms

All other terms of your policy remain the same.

## GOVERNMENT UNIT - ADDITIONAL PROTECTED PERSON

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Who Is Protected Under This Agreement section. This change adds certain protected persons and limits their protection.

**Government unit.** Any state or other unit of government that has issued you a permit is a protected person. But only for covered injury or damage that results from your work for which it has issued a permit.

However, the government unit isn't a protected person for injury or damage that

results from your work for it. Nor is it a protected person for bodily injury or property damage that results from your completed work.

We explain what we mean by your work and your completed work in the Products and completed work total limit section.

### Other Terms

All other terms of your policy remain the same.

## ASBESTOS EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Asbestos.** We won't cover injury or damage or medical expenses that result from any actual, alleged, or threatened:

- absorption, ingestion, or inhalation of asbestos in any form by any person; or
- existence of asbestos in any form.

Nor will we cover injury or damage that results from any actual, alleged, or threatened:

- absorption, ingestion, or inhalation of any other solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals, and waste, in any form by any person; or
- existence of any such other irritant or contaminant in any form;

and is part of any claim or suit that also alleges any injury or damage described in the first paragraph of this exclusion.

We also won't cover any loss, cost, or expense that results from any request, demand, order, or statutory or regulatory requirement that any protected person or others:

- test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize asbestos in any form; or
- respond to, or assess, in any way the effects of asbestos in any form.

Because asbestos, and any such other irritants or contaminants, are pollutants, this exclusion applies in addition to any of the following exclusions that apply:

- Pollution injury or damage exclusion.
- Pollution work loss, cost, or expense exclusion.
- Any other pollution-related exclusion made part of this agreement.

We explain the terms pollutant and waste in the Pollution injury or damage exclusion.

### Other Terms

All other terms of your policy remain the same.



## DESCRIBED OPERATIONS LIMITATION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change reduces coverage.

**Described Operations.** We won't cover injury or damage that results from your work, products, or completed work in the following types of operations.

Nor will we cover medical expenses or premises damage that result from such operations.

We explain what we mean by your work, your products, and your completed work in the Products and completed work total limit section.

### Described Operations:

1. Circus and Carnivals
2. Mechanical Amusement Devices

3. Motorized Sporting Events
4. Tractor/Truck Pulls
5. Boxing, Wrestling, Hockey and Contact Karate Events
6. Rodeos and Roping Events (including practice)
7. Aircraft and Balloon Events
8. Professional Sporting Activities
9. Rap and/or Heavy Metal Concerts

However, we won't apply this exclusion to the operation described in the Coverage Summary.

### Other Terms

All other terms of your policy remain the same.

## FIELD OF ENTERTAINMENT LIMITATION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change reduces coverage.

**Field of Entertainment.** We won't cover personal injury or advertising injury that results from the content of, or the advertising or publicizing for, any Properties or Programs which are within your Field of Entertainment Business.

We explain what we mean by personal injury and advertising injury in the What This Agreement Covers section.

*Properties or Programs* means any of your properties, products, programs, materials or other matter.

*Field of Entertainment Business* includes the following:

- The creation, production, publication, distribution, exploitation, exhibition, advertising and publicizing of product or material in any and all media such as motion pictures of any kind and character, television programs, commercials or

industrial or educational or training films, phonograph records, audio or video tapes, CDs or CD ROMs, computer on-line services or internet or Web site pages, cassettes or discs, electrical transcriptions, music in sheet or other form, live performance, books and other publications.

- The ownership, operation, maintenance or use of radio and television broadcasting stations. CATV systems, cinemas, stage productions with living actors, and any similar exhibition or broadcast media.
- The ownership, operation maintenance or use of merchandising programs, advertising or publicity material, characters or ideas; whether or not on your premises or in your possession at the time of the alleged offense.

### Other Terms

All other terms of your policy remain the same.

## INFORMATIONAL CONTENT LIMITATION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change reduces coverage.

**Informational content.** We won't cover injury or damage that results from others taking advice, directions, suggestions or instructions contained in properties you produced, sold, distributed, or disseminated with the express intent to release the advice, directions, suggestions or instructions to others.

*Properties* means any live, filmed, or taped production or presentation whether released or presented theatrically, on television, on cassette or disc. It also includes any video tape, radio program, phonograph record, audio tape, electrical transcription, book or by any other device for dissemination.

However, we won't apply this exclusion to properties described in the Coverage Summary. When a property is described, a deductible amount will also be shown in the Coverage Summary. You'll be responsible for that amount of the damages for each covered claim that results from each event. We'll pay the damages over the deductible amount up to the limit of coverage that applies. We can pay the deductible to settle a claim or suit. If we do, you agree to repay us as soon as we notify you of the settlement.

### Other Terms

All other terms of your policy remain the same.

## AIRCRAFT, CLAIMS OR SUITS BY NAMED INSUREDS AGAINST OTHER NAMED INSUREDS, AND EXPLOSIVES, FIREWORKS, OR INCENDIARY DEVICES EXCLUSIONS ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

There are three changes that are explained below.

1. The following replaces the Aircraft exclusion. This change excludes coverage.

**Aircraft.** We won't cover injury or damage or medical expenses that result from the:

- ownership, maintenance, use, or operation;
- loading or unloading;
- entrustment to others; or
- supervision of others in or for the maintenance, use, operation, loading or unloading, or entrustment to others; of any aircraft owned, operated, rented, leased, or borrowed by any protected person.

2. The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Claims or suits by named insureds against other named insureds.** We won't cover injury or damage for which any claim or suit is made or brought against you by any other protected person shown in the Introduction as a named insured.

3. The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Explosives, fireworks, or incendiary devices.** We won't cover bodily injury, property

damage, or medical expenses that result from the use of any:

- explosive;
- fireworks or pyrotechnic device; or
- incendiary device.

But we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from the use of a flashbox.

Nor will we apply this exclusion to bodily injury, property damage, or medical expenses that result from any explosive, fireworks, pyrotechnic device, or incendiary device described in the Coverage Summary.

*Pyrotechnic device* means any device, equipment, or machine that is designed or used to ignite fireworks.

*Incendiary device* means any device, equipment, or machine that is designed or used to create and display fire.

*Flashbox* means a device that is:

- used to create a visual effect along with an explosive noise; and
- induced electrically in a cylinder with no projectile, wadding, or wrapping.

### Other Terms

All other terms of your policy remain the same.

**MOBILE EQUIPMENT SUBJECT TO COMPULSORY OR FINANCIAL RESPONSIBILITY INSURANCE LAWS OR SCHEDULED UNDER YOUR AUTOMOBILE LIABILITY INSURANCE REDEFINED AS AUTOS ENDORSEMENT**

This endorsement changes your Commercial General Liability Protection.

---

**How Coverage Is Changed**

There are four changes that are explained below. These changes exclude coverage.

1. The Operators of registered mobile equipment section of the Who Is Protected Under This Agreement section is deleted.
2. The following is added to the Auto exclusion.

Also, we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from the operation of supplementary equipment attached to, or part of, any land vehicle that would have been mobile equipment if that vehicle weren't:

- subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged; or
- scheduled as a covered auto under your automobile liability insurance.

*Supplementary equipment* means equipment or machinery designed for work, other than the transportation of any person or property on a public street or road.

But we won't consider supplementary equipment to include:

- any communication device, such as a radio or telephone; or
- any equipment or machinery that's designed to perform any function normal to the operation of the land vehicle during travel on public streets or roads, such as a steering mechanism.

3. The following replaces the definition of auto in the Auto exclusion.

*Auto* means:

- any land motor vehicle, trailer, or semitrailer that's designed for travel on public streets or roads and isn't mobile equipment;
- any land vehicle that's subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged; or
- any land vehicle that isn't described above and that's scheduled as a covered auto under your automobile liability insurance.

We'll consider any equipment or machinery that's permanently attached to an auto to be part of the auto.

4. The following replaces the definition of mobile equipment in the Mobile equipment exclusion.

*Mobile equipment* means any land vehicle that isn't subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged, that isn't scheduled as a covered auto under your automobile liability insurance, and that:

- is designed for use primarily off public streets or roads;
- is kept for use only on or next to a premises that you rent or lease from others, or own;
- travels on crawler treads;
- is kept primarily for the ready movement of permanently attached construction equipment;
- doesn't travel under its own power and is kept primarily for the ready

movement of permanently attached specialized equipment; or

- is designed or kept primarily for other purposes, but not for carrying persons or cargo, and doesn't travel on crawler treads.

But we won't consider any land vehicle that's designed or kept primarily for such other purposes to be mobile equipment if it:

- travels under its own power;
- is operated like an auto during travel on a public street or road; and
- has permanently attached specialized equipment, equipment designed for snow removal or street cleaning, or equipment designed for street or road maintenance, but not construction or resurfacing.

Instead, we'll consider it to be an auto.

We'll consider a land vehicle that's:

- subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged; or
- scheduled as a covered auto under your automobile liability insurance; to be an auto instead of mobile equipment.

#### **Other Terms**

All other terms of your policy remain the same.

SAMPLE

## MOLD, OTHER FUNGI, OR BACTERIA EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Mold, other fungi, or bacteria.** We won't cover injury or damage or medical expenses that result from any actual, alleged, or threatened:

- absorption, ingestion, or inhalation of mold or other fungi, or bacteria, in any form by any person; or
- existence of mold or other fungi, or bacteria, in any form.

But we won't apply this exclusion part to:

- bodily injury, property damage, or medical expenses that result from mold or other fungi, or bacteria, which are, or are on, in, or part of, any good or product that's intended to be consumed as a food, beverage, or medicine;
- bodily injury or medical expenses that result from bacteria which are directly transmitted solely by or from another person to the person sustaining the bodily injury; or
- bodily injury or medical expenses that result from a bacterial infection which develops in connection with physical harm to the person sustaining the bodily injury, if such physical harm isn't excluded by this exclusion part, or any other part of this exclusion, and a claim or suit is made or brought against the protected person for such physical harm.

Nor will we cover injury or damage that results from any actual, alleged, or threatened:

- absorption, ingestion, or inhalation of any other solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapors, soot, fumes, acids, alkalis, chemicals, and waste, in any form by any person; or
- existence of any such irritant or contaminant in any form;

and is part of any claim or suit that also alleges any injury or damage described as

excluded in the first paragraph of this exclusion.

Also, we won't cover any loss, cost, or expense that results from any request, demand, order, or statutory or regulatory requirement that any protected person or others:

- test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize mold or other fungi, or bacteria, in any form; or
- respond to, or assess, in any way the effects of mold or other fungi, or bacteria, in any form.

Because mold or other fungi, or bacteria, can be pollutants, and any such other irritants or contaminants are pollutants, this exclusion applies in addition to any of the following exclusions that apply:

- Pollution injury or damage exclusion.
- Pollution work loss, cost, or expense exclusion.
- Any other pollution-related exclusion made part of this agreement.

*Mold or other fungi* means:

- any type or form of mold or mildew;
- any other type or form of fungus; or
- any mycotoxin, spore, scent, or byproduct that's produced or released by such mold, mildew, or other fungus.

*Bacteria* means:

- any type or form of bacterium; or
- any mycotoxin, spore, scent, or byproduct that's produced or released by such bacterium.

We explain the terms pollutant and waste in the Pollution injury or damage exclusion.

### Other Terms

All other terms of your policy remain the same.

**PROPERTY DAMAGE CHANGE AND INTELLECTUAL PROPERTY  
EXCLUSION ENDORSEMENT**

This endorsement changes your Commercial  
General Liability Protection.

---

**How Coverage Is Changed**

There are two changes which are explained  
below.

1. The following is added to the Bodily  
injury and property damage liability  
section of the What This Agreement  
Covers section. This change limits or  
excludes coverage anywhere our coverage  
intent would be interpreted more broadly  
than what's intended by the revised  
wording under the law that applies.  
Elsewhere, this change doesn't change  
coverage.

*Tangible property* doesn't include data.

2. The following is added to the Intellectual  
property exclusion as the second  
paragraph of that exclusion. This change  
excludes coverage.

Nor will we cover any other injury or  
damage that's alleged in any claim or  
suit which also alleges any such  
infringement or violation.

**Other Terms**

All other terms of your policy remain the  
same.

## EMPLOYMENT-RELATED PRACTICES EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Employment-related practices.** We won't cover personal injury to any protected person's employee, prospective or former employee, leased temporary worker, or independent contractor that results from any employment-related practices. For example:

*You terminate an employee for falsifying business travel expenses. You explain the reason for the termination of that employee to one of your customers. If your former employee later sues you for slander, we won't protect you.*

Nor will we cover personal injury to the spouse or any child, parent, brother, or sister of that employee, worker, or independent contractor that results from such personal injury to that employee, worker, or independent contractor.

We'll also apply this exclusion to any obligation of the protected person to share damages with or to repay someone else who must pay damages for:

- such personal injury to that employee, worker, or independent contractor; or
- personal injury to the spouse or any child, parent, brother, or sister of that employee, worker, or independent contractor that

results from such personal injury to that employee, worker, or independent contractor.

*Independent contractor* means any person who is not your employee, but who performs duties related to the conduct of your business in the course of that person's independent employment in accordance with a contract between you and that person for specified services.

*Employment-related practices* means:

- refusal to employ that person;
- termination of that person's employment; or
- other employment-related act, omission, policy, or practice, committed upon or applied to that person, such as coercion, libel or slander, demotion, discipline, discrimination, evaluation, harassment, humiliation, or reassignment of or against that person, or violation of that person's right of privacy.

We explain the terms employee and leased temporary worker in the Employees and volunteer workers section.

### Other Terms

All other terms of your policy remain the same.

## INJURY TO PARTICIPANTS IN ATHLETIC PROGRAMS OR ACTIVITIES EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Injury to participants in athletic programs or activities.** We won't cover bodily injury sustained by any person while practicing for or taking part in any athletic program or activity.

Nor will we cover medical expenses that result from such bodily injury.

But we won't apply this exclusion to bodily injury or medical expenses sustained by any

person while practicing for or taking part in any athletic program or activity described in the Coverage Summary.

*Athletic program or activity* includes any athletic, sports, or dance:

- clinic, instruction, or lesson; or
- contest, competition, exhibition, game, performance, or league.

### Other Terms

All other terms of your policy remain the same.

## SEXUAL ABUSE EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Sexual abuse.** We won't cover bodily injury, personal injury, or medical expenses that result from any sexual abuse committed by any person who otherwise qualifies as a protected person.

For example:

*You operate a children's day care center. The parents of a child who is being cared for at your center allege that their child was sexually abused by one of your employees. They also allege that you were negligent in the hiring and supervision of that employee. We won't protect you or your employee for any claim or suit made or brought because of such sexual abuse.*

*Sexual abuse* means any illegal or offensive physical act or contact of a sexual nature.

### Other Terms

All other terms of your policy remain the same.

## LIQUOR LIABILITY PROTECTION COVERAGE SUMMARY



This Coverage Summary shows the limits of coverage that apply to your Liquor Liability Protection. It also lists those endorsements, if any, that must have certain information shown for them to apply.

---

### Limits Of Coverage

---

Total limit.     \$

---

Each person limit.     \$

---

---

### IMPORTANT NOTE

---

#### Retroactive Date:

The retroactive date applies only if the Liquor Liability Protection - Claims-Made insuring agreement is a part of this policy.

However, if no date is shown above and the claims-made agreement applies, we'll consider the retroactive date to be the same as the beginning date of this policy.

---

### Named Endorsement Table

---

**Important Note:** Only endorsements that must have certain information shown for them to apply are named in this table. The required information follows the name of each such endorsement. Other endorsements may apply. If so, they're listed on the Introduction.

---

---

Name of Insured

Policy Number

Effective Date

Processing Date

---

## LIQUOR LIABILITY PROTECTION

This insuring agreement provides liquor liability protection for your business activities. There are, of course, limitations and exclusions that apply to that protection. As a result, we recommend that you read this agreement carefully to determine the extent of the coverage provided to you and other protected persons.

Table of Contents	Page	
<b>What This Agreement Covers</b>	1	
Liquor liability.	1	• results from your selling, serving or furnishing of any alcoholic beverage;
Right and duty to defend.	1	• happens while this agreement is in effect; and
Additional payments.	2	• is caused by an event.
<b>When This Agreement Covers</b>	2	<i>Protected person</i> means any person or organization qualifying as a protected person under the Who Is Protected Under This Agreement section.
<b>Where This Agreement Covers</b>	2	
<b>Who Is Protected Under This Agreement</b>	2	
Individual.	2	<i>Damages</i> include pre-judgment interest awarded against the protected person on that part of any judgment paid by us.
Partnership or joint venture.	2	
Corporation or other organization.	2	
Employees.	3	
Newly acquired organizations.	3	<i>Bodily injury</i> means any physical harm, including sickness or disease, to the health of other persons. It also includes:
Unnamed partnership or joint venture.	3	• mental anguish, injury or illness;
Separation of protected persons.	3	• care;
<b>Limits Of Coverage</b>	3	• loss of services; or
Total limit.	3	• death.
Each person limit.	3	But only if they result from such harm.
How the limits of coverage apply to an extension of the policy period.	3	
How the limits of coverage apply if the total limit is left blank.	3	<i>Loss of support</i> means the loss of income on which other persons depend for their standard of living.
<b>Exclusions - What This Agreement Won't Cover</b>	4	
Intentional bodily injury or property damage.	4	<i>Property damage</i> means:
Workers compensation.	4	• physical damage to tangible property of others, including all resulting loss of use of that property; or
Employers liability.	4	• loss of use of tangible property of others that isn't physically damaged.
Loss of liquor license.	4	
Product liability.	4	
Other insurance.	4	
<b>Other Insurance</b>	4	
Methods of sharing.	4	<i>Event</i> means an accident, including continuous or repeated exposure to substantially the same generally harmful conditions.

### What This Agreement Covers

**Liquor liability.** We'll pay amounts any protected person is legally required to pay as damages for covered bodily injury, loss of support, or property damage that:

**Right and duty to defend.** We'll have the right and duty to defend any claim or suit for covered injury or damage made or brought against any protected person. But we have no duty to perform other acts or services. And our duty to defend claims or suits ends

when we have used up the limits of coverage that apply with the payment of judgments or settlements.

We'll have the right to investigate and settle any claim or suit if we believe that's proper.

*Claim* means a demand in which damages are alleged.

*Suit* means a civil proceeding in which damages are alleged. And it includes an arbitration proceeding for such damages to which you must submit or submit with our consent.

*Injury or damage* means bodily injury, loss of support, or property damage.

**Additional payments.** We'll have the duty to make only the payments shown below in connection with any claim or suit we defend. These payments are in addition to the Limits of Coverage. But our duty to make such payments ends when we have used up the limits of coverage that apply with the payment of judgments or settlements.

*Our expenses.* We'll pay all expenses we incur.

*Bonds to release property.* We'll pay the cost of bonds to release property that's being used to secure a legal obligation. But only for bond amounts within the limit of coverage that applies. We don't have to furnish such bonds.

*Expenses incurred by protected persons.* We'll pay all reasonable expenses that any protected person incurs at our request while helping us investigate or defend the claim or suit. But we won't pay more than \$100 per day for earnings actually lost by the protected person because of time lost from work.

*Taxed costs.* We'll pay all costs for covered claims taxed against any protected person in the suit.

*Post-judgment interest.* We'll pay all interest that accumulates on the amount of a judgment for a covered claim. But only from the date of the judgment to the date we:

- pay;
- offer to pay; or
- deposit in court;

the limit of coverage that applies to the judgment.

*First aid expenses.* We'll pay the expenses incurred by any protected person for first aid to others at the time of an event that results in covered bodily injury.

### **When This Agreement Covers**

We'll apply this agreement to claims or suits for covered injury or damage whenever they're made or brought.

### **Where This Agreement Covers**

We'll defend claims or suits, or pay judgments or settlements, only in the coverage territory for covered injury or damage that happens there.

However, we'll also defend claims or suits, or pay judgments or settlements, in the coverage territory for covered injury or damage that happens in the rest of the world if such injury or damage results from your selling, serving or furnishing any alcoholic beverage in the coverage territory.

*Coverage territory* means the United States of America, its territories and possessions, Puerto Rico and Canada. And it includes international waters or airspace only during travel or transportation between any of the above places.

### **Who Is Protected Under This Agreement**

**Individual.** If you are named in the Introduction as an individual, you and your spouse are protected persons only for the conduct of a business of which you are the sole owner.

**Partnership or joint venture.** If you are named in the Introduction as a partnership or joint venture, you are a protected person. Your partners or co-venturers and their spouses are protected persons only for the conduct of your business.

**Corporation or other organization.** If you are named in the Introduction as a corporation or other organization, you are a protected person. Your executive officers and directors are protected persons only for their duties as your officers or directors.

And your stockholders are protected persons only for their liability as your stockholders.

**Employees.** Your employees are protected persons only for the conduct of your business within the scope of their employment by you.

However, your employees aren't protected persons for:

- Injury to you or to any fellow employee.
- Damage to property owned, rented, leased, occupied or borrowed by them, fellow employees, or any protected partner or co-venturer.

But this Employees protection section doesn't apply to your executive officers. The Corporation or other organization section applies to them.

**Newly acquired organizations.** Any organization that you acquire or form while this agreement is in effect is a protected person if you own at least 51% of it.

However, no newly acquired or formed organization is a protected person for:

- More than 90 days, or the remainder of the policy period, whichever is less, from the date that you acquire or form it.
- Injury or damage that results from an event that happened before you acquired or formed it.
- Injury or damage that's covered under any other insurance.

But this Newly acquired organizations protection section doesn't apply to a partnership or joint venture. Nor does it apply to any organization once it's named in the Introduction.

**Unnamed partnership or joint venture.** No person or organization is a protected person for the conduct of any current or past partnership or joint venture that's not named in the Introduction.

**Separation of protected persons.** This agreement applies:

- to each protected person named in the Introduction as if that protected person was the only one named there; and
- separately to each other protected person.

However, the limits of coverage shown in the Coverage Summary are shared by all protected persons. We explain how in the

Limits Of Coverage section. Also, any right or duty specifically assigned to the first Named Insured remains unchanged. We explain those rights and duties in the General Rules, which is a part of your policy.

### Limits Of Coverage

The limits shown in the Coverage Summary and the information contained in this section fix the most we'll pay regardless of the number of:

- protected persons;
- claims made or suits brought; or
- persons or organizations making claims or bringing suits.

**Total limit.** This is the most we'll pay for all covered injury and damage that happens in a policy year.

*Policy year* means the policy period shown in the Introduction when the policy period is one year or less. But when the policy period is longer than one year, it means each consecutive annual period, and the remaining period if any, that the policy is in effect, starting with the date the policy begins.

**Each person limit.** This is the most we'll pay for all covered injury and damage that results from the selling, serving or furnishing of alcoholic beverages to any one person.

**How the limits of coverage apply to an extension of the policy period.** If the original policy period shown in the Introduction is extended for less than 12 months, each extended period will be considered to be part of the last policy year. For example:

*Your policy period is for three years. During the last policy year you request a three month extension. We agree. As a result, your last policy year becomes 15 months. It will be subject to the same limits of coverage that applied when the policy year was 12 months.*

**How the limits of coverage apply if the total limit is left blank.** If the amount of the Total limit is left blank in the Coverage Summary, that Total limit will be considered to be the same as the Each person limit or \$50,000, whichever is more.

## **Exclusions - What This Agreement Won't Cover**

### **Intentional bodily injury or property damage.**

We won't cover bodily injury or property damage that's expected or intended by any protected person.

But we won't apply this exclusion to intentional bodily injury or property damage that results from the use of reasonable force to protect people or property.

**Workers compensation.** We won't cover any obligation that the protected person has under any workers' compensation, disability benefits or unemployment compensation law, or any similar law.

**Employers liability.** We won't cover injury to an employee arising out of and in the course of his or her employment by a protected person. Nor will we cover injury to the spouse, child, parent, brother or sister of that employee which results from the injury to the employee.

This exclusion applies whether the protected person may be held liable as an employer or in any other capacity, such as a property owner or product manufacturer.

This exclusion also applies to any obligation of the protected person to share damages with or repay someone else who must pay damages because of injury to any employee of the protected person.

**Loss of liquor license.** We won't cover injury or damage that results from your selling, serving or furnishing of any alcoholic beverage:

- while any required liquor license is suspended; or
- after any required liquor license expires, or is cancelled or revoked.

**Product liability.** We won't cover injury or damage that results from your products.

But we won't apply this exclusion to injury or damage that results from:

- any protected person causing or contributing to the intoxication of any person;
- the furnishing of alcoholic beverages to any person under the legal drinking age, or under the influence of alcohol; or
- any law or regulation concerning alcoholic beverages.

*Your products* mean goods or products that:

- you;
- others using your name; or
- others whose business or assets you've acquired;

have manufactured, sold, handled, distributed or disposed of, including containers, materials, parts or equipment provided in connection with your products. It includes warranties or statements made about the fitness, quality, durability or performance of your products.

**Other insurance.** We won't cover injury or damage that's covered by other insurance. Nor will we cover injury or damage that would be covered by other insurance but isn't because the limits of coverage under that insurance have been used up in the payment of judgments or settlements.

But we won't apply this exclusion if the other insurance is liquor liability insurance and specifically applies to covered injury or damage that results from the selling, serving or furnishing of any alcoholic beverage.

### **Other Insurance**

This agreement is primary insurance. If there is other valid and collectible insurance for injury and damage covered by this agreement, we'll share any damages with that other insurance using one of the methods of sharing described below.

**Methods of sharing.** We'll use one of the methods of sharing described below.

*Contribution by equal shares.* If all of the other insurance permits contribution by equal shares, we'll share the damages equally. But we won't pay more than the limits of coverage that apply under this agreement. If any policy reaches its limit before the entire amount of damages is paid, the remaining policies will share the balance equally until their limits have been used up or the amount of the damages is paid in full. For example:

*You are required by a court to pay damages of \$1,000,000. Besides this agreement, two other policies apply to the judgment. The limit of this agreement is \$500,000. Policy B has a \$100,000 limit and Policy C's limit is \$300,000.*

First, \$100,000 is subtracted from each policy's limit because that is the lowest limit provided by any of the three policies. The result: Policy B's limit is used up; the balance due on the judgment is \$700,000; \$400,000 remains of this agreement's limit; and the unused portion of Policy C's limit equals \$200,000.

Next, \$200,000 is subtracted from the limit on this agreement and Policy C because that amount equals the smallest amount of limit remaining on either policy after the initial \$100,000 payment. The result: Policy C's limit is used up; the balance due on the judgment is now \$300,000; and this agreement has \$200,000 of its limit remaining.

Finally, the rest of the limit on this agreement is paid. The result: this agreement's limit is used up; the balance due on the judgment is now \$100,000, which you must pay; and the total paid

under each policy is: \$500,000 this agreement, \$100,000 Policy B and \$300,000 Policy C.

*Contribution by limits.* If any of the other insurance doesn't permit contribution by equal shares, we'll pay that portion of the damages equal to our percentage of the total of all limits that apply. But we won't pay more than the limits of coverage that apply under this agreement. For example:

You are required by a court to pay damages of \$600,000. Besides this agreement, another policy applies to the judgment. The limit of this agreement is \$300,000 and Policy B has a \$100,000 limit. The total limit of all insurance is \$400,000.

Our limit is 75% ( $\$300,000/\$400,000$ ) of the total limit. But we won't pay 75% of the judgment because that \$450,000 share is more than our limit. We'll pay only our limit, which is \$300,000.

## ANIMAL AT DESCRIBED SPECIAL EVENT EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Animal at described special event.** We won't cover bodily injury, property damage, or medical expenses that result from any animal at any described special event.

But we won't apply this exclusion to any animal at any described special event if such animal is shown in the Coverage Summary for such described special event.

*Described special event* means:

- the special event shown in the Coverage Summary; or
- the setup or take down for that special event.

### Other Terms

All other terms of your policy remain the same.

## MEDICAL EXPENSES EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following replaces the Medical expenses of certain persons exclusion. This change excludes coverage.

**Medical expenses.** We won't cover medical expenses.

But we won't apply this exclusion to medical expenses that are paid as damages for bodily injury covered by this agreement.

We explain what we mean by medical expenses in the What This Agreement Covers section.

### Other Terms

All other terms of your policy remain the same.

SAMPLE

## DESCRIBED SPECIAL EVENT LIMITATION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the What This Agreement Covers section. This change limits coverage.

**Described special event.** We'll apply this agreement only to covered injury or damage or medical expenses that result from any described special event.

*Described special event* means:

- the special event shown in the Coverage Summary; or
- the setup or take down for that special event.

### Other Terms

All other terms of your policy remain the same.

SAMPLE

## HAZARDOUS ACTIVITIES EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Hazardous activities.** We won't cover bodily injury sustained by any person while practicing for or taking part in any hazardous activity.

Nor will we cover medical expenses that result from such bodily injury.

But we won't apply this exclusion to bodily injury or medical expenses sustained by any person while practicing for or taking part in any hazardous activity described in the Coverage Summary.

*Hazardous activity* means:

- body piercing;
- bungee jumping;
- hang gliding;
- hot air ballooning;

- kayaking;
- motorcycle riding;
- mountain or rock climbing;
- parachuting;
- parasailing;
- playing in or on any bounce house or other inflatable play structure;
- racing using a land vehicle, aircraft, or watercraft;
- riding on amusement rides;
- scuba diving;
- skateboarding;
- skydiving;
- stage diving; or
- tattooing.

### Other Terms

All other terms of your policy remain the same.

## INJURY TO AUDIENCE PARTICIPANTS EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Injury to audience participants.** We won't cover bodily injury sustained by any audience participant while taking part in a performance:

- performed by you;
- conducted, produced, promoted, or sponsored by you; or
- at, on, or in any premises that you rent or lease to others.

Nor will we cover medical expenses that result from such bodily injury.

But we won't apply this exclusion to bodily injury or medical expenses sustained by any audience participant while taking part in a performance described in the Coverage Summary.

### Other Terms

All other terms of your policy remain the same.

**WAIVER OF RIGHTS OF RECOVERY ENDORSEMENT -  
COMMERCIAL GENERAL LIABILITY**

This endorsement changes your General Rules.

---

**How Coverage Is Changed**

The following is added to the Recovering Damages From A Third Party rule. This change waives our right of recovery against certain persons or organizations for certain payments we make under your Commercial General Liability Protection.

We agree that we waive any right of recovery we may have against the person or organization shown below for any payment we make under your Commercial General Liability Protection for covered injury or damage or medical expenses that result from:

- your ownership, maintenance or use of a premises which you own or rent, lease or borrow from others;
- your work, completed work or products; or
- your other activities.

---

Person or organization:

We explain what we mean by your work, your completed work and your products in the Products and completed work total limit section of your Commercial General Liability Protection.

**Other Terms**

All other terms of your policy remain the same

---

**Name of Insured**

**Policy Number**

**Effective Date**

**Processing Date**

**THROWING, KICKING, OR LAUNCHING OBJECTS  
EXCLUSION ENDORSEMENT**

This endorsement changes your Commercial General Liability Protection.

---

**How Coverage Is Changed**

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Throwing, kicking, or launching objects.** We won't cover bodily injury, property damage, or medical expenses that result from the throwing, kicking, or launching of any object by or at the direction of any protected person during any performance or rehearsal.

But we won't apply this exclusion to bodily injury, property damage, or medical expenses that result from such throwing, kicking, or launching of any object described in the Coverage Summary.

**Other Terms**

All other terms of your policy remain the same.

SAMPLE

## PREMISES DAMAGE REDEFINED ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following replaces the definition of premises damage. This change limits coverage.

*Premises damage* means property damage caused by fire to:

- any premises that you rent, lease, or borrow from others; or
- the contents of any premises that you rent from others if you rent such premises for a period of seven or fewer consecutive days.

### Other Terms

All other terms of your policy remain the same.

SAMPLE

## YOUR PRODUCTS REDEFINED ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following replaces the definition of your products. This change limits coverage.

*Your products* means:

- any of your promotional products that are sold at or used to promote a described special event;
- all containers, equipment, materials, or parts provided with or for any of those products;
- any warranty provided with or for any of those products;
- any statement made, or that should have been made, about the durability, fitness, handling, maintenance, operation, performance, quality, safety, or use of any of those products; or
- all warnings, instructions, or directions provided, or that should have been provided, with or for any of those products.

But we won't consider the following to be your products:

- Goods or products that are still in your physical possession or on a premises that you rent, lease, or borrow from others, or own.
- Real property.
- Containers that are vehicles provided with or for your products.

- Property that's rented or leased to others.
- Property that you haven't sold, but which you allow others to use. For example, a vending machine.

*Your promotional products* means any food, beverages, clothing, records, tapes, compact discs, posters, badges, photos, stickers, or described products that are or were manufactured, sold, handled, distributed, or disposed of by you, others using your name, or any person or organization whose business or assets you've acquired.

*Described products* means any of the goods or products shown in the Coverage Summary.

*Described special event* means:

- the special event shown in the Coverage Summary; or
- the setup or take down for that special event.

### Other Terms

All other terms of your policy remain the same.

## COLLAPSE DAMAGE EXCLUSION ENDORSEMENT

This endorsement changes your Commercial General Liability Protection.

---

### How Coverage Is Changed

The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Collapse damage.** We won't cover property damage that results from collapse.

But we won't apply this exclusion to property damage that results from:

- work done for you by others;
- your products or completed work; or
- certain work done by you only if such work is described in the Coverage Summary.

*Collapse* includes structural property damage and any resulting property damage to any other property at any time.

*Structural property damage* means the collapse of or structural damage to any building or structure that results from the following work:

- grading of land; excavating; pile driving; tunneling; filling; back-filling; caisson or coffer-dam work; or moving earth from one place to another.
- moving, shoring, underpinning, raising or demolishing any building or structure.
- removing or rebuilding structural supports of any building or structure.

We explain what we mean by your products and your completed work in the Products and completed work total limit section.

### Other Terms

All other terms of your policy remain the same.

**AUTO COVERAGE SUMMARY**



This Coverage Summary shows the limits of coverage that apply to your Commercial Auto Protection. A blank section or space indicates no coverage.

---

**Auto Liability Protection**

**Covered Autos:**

- Any auto       Owned Commercial autos       Owned Private Passenger autos  
 Scheduled autos       Hired autos       Non owned autos  
Other:

**Limit of Coverage:**

each accident

**Other:**

Cost of hire: If Any  
Premium: \$550 MP

---

**Auto Medical Payments Protection**

**Covered Autos:**

- Any auto       Owned Commercial autos       Owned Private Passenger autos  
 Scheduled autos  
 Other:

**Limits of Coverage:** *(Refer to the Auto Schedule)*

**Other:**

---

**Name of Insured**

**Policy Number**

**Effective Date**

**Processing Date**

**Auto Physical Damage Protection**

**Covered Autos:**

- |  |  |
|--|--|
| <input type="checkbox"/> Scheduled autos                 | <input type="checkbox"/> Owned Private Passenger autos |
| <input type="checkbox"/> Owned Commercial autos          | <input checked="" type="checkbox"/> Hired autos        |
| <input checked="" type="checkbox"/> Other: NONOWNED AUTO |  |

**Limits of Coverage:**

*(Refer to the Auto Schedule)*

**Other:**

SAMPLE

## LIABILITY PROTECTION FOR AUTOS YOU DON'T OWN

We've designed this agreement to protect against two kinds of liability claims:

- Claims resulting from bodily injury to others.
- Claims resulting from damage to property of others.

This agreement is excess insurance and covers claims after any other insurance that applies to the claim has been used up. Of course there are some limitations which are explained later in this agreement.

Table of Contents	Page	
<b>What This Agreement Covers</b>	1	required to pay as damages for covered bodily injury or property damage that:
Bodily injury and property damage liability.	1	• results from the maintenance, use, loading or unloading of a covered auto; and
Pollution cost or expense.	1	• is caused by an accident that happens while this agreement is in effect.
Right and duty to defend.	2	
Additional payments.	2	
Right to appeal.	3	<b>Pollution cost or expense.</b> We'll pay amounts any protected person is legally required to pay as covered pollution cost or expense only if it results from an accident which also causes bodily injury or property damage covered by this agreement.
Out of state coverage.	3	
<b>Which Autos Are Covered</b>	3	
<b>When This Agreement Covers</b>	3	
<b>Where This Agreement Covers</b>	4	<i>Protected person</i> means any person or organization who qualifies as a protected person under the Who Is Protected Under This Agreement section.
<b>Who Is Protected Under This Agreement</b>	4	
Individual.	4	
Partnership or joint venture.	4	<i>Bodily injury</i> means any physical harm, including sickness or disease, to the physical health of other persons. It includes any of the following that results at any time from such physical harm, sickness or disease:
Corporation or other organization.	4	• Mental anguish, injury or illness.
Any permitted user.	4	• Emotional distress.
Anyone legally responsible for the actions of a protected person.	4	• Care, loss of services, or death.
Separation of protected persons.	4	
<b>Limit Of Coverage</b>	4	
<b>Exclusions - What This Agreement Won't Cover</b>	5	<i>Property damage</i> means:
Contract liability.	5	• physical damage to tangible property of others, including loss of use of such property; or
Control of property.	5	• loss of use of tangible property of others that isn't physically damaged.
Employer's liability.	5	
Injury to a fellow employee.	6	We'll consider all loss of use of tangible property to happen at the time of the accident which caused it.
Intentional or expected bodily injury or property damage.	6	
Nuclear energy liability.	6	<i>Accident</i> includes continuous or repeated exposure to the same conditions.
Pollution.	7	
Specialized equipment.	8	<i>Covered auto</i> means the type or types of autos shown in the Coverage Summary and described in the Which Autos Are Covered section.
Workers' compensation.	8	
<b>Other Insurance</b>	8	
Insurance provided by another insurer.	8	<i>Auto</i> means any land motor vehicle, trailer or semi-trailer designed for travel on public streets or roads. It includes:
Insurance provided under another policy with us or any of our member insurance companies.	8	• any permanently attached machinery or equipment; and

### What This Agreement Covers

**Bodily injury and property damage liability.** We'll pay amounts any protected person is legally

- any mobile equipment only while it's being carried or towed by a covered auto.

*Mobile equipment* means any land vehicle that:

- is designed for use primarily off public streets or roads;
- is kept for use only on or next to premises you own, rent or lease;
- travels on crawler treads;
- is kept primarily for the ready movement of permanently attached construction equipment; or
- doesn't travel under its own power and is kept primarily for the ready movement of permanently attached specialized equipment.

Mobile equipment includes any land vehicle not described above that's kept primarily for purposes other than carrying people or cargo. But we won't consider such a vehicle to be mobile equipment if it:

- travels under its own power;
- is operated like an auto during travel on a public street or road; and
- has permanently attached specialized equipment; or
- has permanently attached equipment designed for snow removal, street cleaning, or street or road maintenance - but not construction or resurfacing.

*Construction equipment* includes any grader, scraper, roller and power crane, shovel, loader, digger, or drill.

*Specialized equipment* means any:

- cherry picker or similar device used to lift workers;
- pump, generator or air compressor; or
- other equipment, such as building cleaning, geophysical exploration, lighting, spraying, welding or well-servicing equipment, that has a built-in pump, generator or air compressor.

*Loading* means moving property from the place where it's accepted for transportation by a protected person until it's placed in or on a covered auto.

*Unloading* means moving property from a covered auto to the place where it's finally delivered by a protected person.

However we won't consider moving property with a mechanical device, such as a forklift or conveyor, that's not attached to a covered auto to be loading or unloading. But

we won't consider a hand truck to be a mechanical device.

*Pollution cost or expense* means any cost or expense that results from:

- any request, demand or order that any protected person or others perform pollution work; or
- any claim or suit by or for any governmental authority demanding that any protected person or others perform pollution work.

*Pollution work* means:

- the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing of any pollutant; or
- the responding to, or assessing, in any way the effects of any pollutant.

**Right and duty to defend.** We'll have the right and duty to defend:

- any claim or suit for covered bodily injury or property damage made or brought against any protected person; or
- any claim or suit for covered bodily injury or property damage made or brought against any protected person which also seeks covered pollution cost or expense.

We'll do so even if any of the allegations of any such claim or suit are groundless, false or fraudulent. But we have no duty to perform other acts or services. And our duty to defend claims or suits ends when we have used up the limit of coverage that applies with the payment of judgments, settlements, or pollution cost or expense.

We'll have the right to investigate any claim or suit to the extent that we believe is proper. We'll also have the right to settle any claim or suit within the available limits of coverage.

*Claim* means a demand which seeks damages.

*Suit* means a civil proceeding which seeks damages. It includes:

- an arbitration proceeding for such damages to which the protected person must submit or submits with our consent.
- any other alternative dispute resolution proceeding for such damages to which the protected person submits with our consent.

**Additional payments.** We'll have the duty to make only the payments shown below in connection with any claim or suit we defend. These payments are in addition to the limit of coverage. But our duty to make

such payments ends when we have used up the limit of coverage that applies with the payment of judgments, settlements, or pollution cost or expense.

*Our expenses.* We'll pay all expenses we incur.

*Bail bonds.* We'll pay up to \$250 of the cost of bail bonds that are required because of accidents or violations of traffic laws. But only if the accidents or violations result from the use of a vehicle to which the bodily injury liability coverage under this agreement applies. We don't have to furnish such bonds.

*Bonds to release property.* We'll pay the cost of bonds to release property that's being used to secure a legal obligation. But only for bond amounts within the limit of coverage that applies. We don't have to furnish such bonds.

*Expenses incurred by protected persons.* We'll pay all reasonable expenses that any protected person incurs at our request while helping us investigate or defend a claim or suit. But we won't pay more than \$250 per day for earnings actually lost by the protected person because of time taken off from work.

*Taxed costs.* We'll pay all costs taxed against any protected person in a suit.

*Pre-judgment interest.* We'll pay the pre-judgment interest that's awarded against the protected person on that part of a judgment paid by us. But if we make a settlement offer to pay the available limit of coverage, we won't pay the pre-judgment interest that accumulates after the date of our offer.

*Post-judgment interest.* We'll pay all interest that accumulates on the full amount of that part of a judgment for which we make a payment. But only from the date of the judgment to the date we:

- pay;
- offer to pay; or
- deposit in court;
- the limit of coverage that applies to the judgment.

**Right to appeal.** We'll have the right to appeal a judgment for covered bodily injury, property damage, or pollution costs or expense in any suit we defend.

If we appeal such a judgment, we'll pay all expenses which result directly from that appeal, including the cost of appeal bonds and post-judgment interest. Such appeal

expenses are in addition to the limit of coverage. However, the results of an appeal won't change the limit of coverage that applies under this agreement.

**Out of state coverage.** While a covered auto is away from the jurisdiction where it is licensed we will do the following:

- Increase the limit of coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered auto is being used if your limit of coverage is less than the minimum limit required by such law. But this increase does not apply to the limit or limits specified by any law or regulation governing motor carriers of passengers or property.
- Provide the minimum amounts and types of other coverages, such as no-fault, required of out of state vehicles by the jurisdiction where the covered auto is being used. But we won't pay more than once for the same damages which are covered because of this extension of coverage.

### Which Autos Are Covered

The Coverage Summary shows and the information in this section describes the type or types of autos which are covered autos.

*Hired autos* means any auto that you hire, rent, lease or borrow from others, other than your employees or members of their households. We'll consider any auto that you lease for a period of 6 months or more to be an auto that you own.

*Nonowned autos* means any auto that:

- you don't own, hire, rent, lease or borrow; and
- is used in the conduct of your business.

It includes autos owned by your employees or partners or members of their households. But only while such autos are being used in the conduct of your business.

### When This Agreement Covers

We'll apply this agreement to claims or suits for covered bodily injury, property damage or pollution cost or expense whenever they're made or brought.

## Where This Agreement Covers

We'll defend claims and suits, and pay judgments, settlements and pollution cost or expense, only in the coverage territory for covered bodily injury, property damage or pollution cost or expense that's caused by accidents which happen there.

*Coverage territory* means the United States of America, its territories and possessions, Puerto Rico and Canada. It includes international waters or airspace while a covered auto is being transported between any of the above places.

## Who Is Protected Under This Agreement

**Individual.** If you are named in the Introduction as an individual, you and your spouse are protected persons for the use of a covered auto.

**Partnership or joint venture.** If you are named in the Introduction as a partnership or joint venture, you are a protected person for the use of a covered auto. Also, your partners or co-venturers and their spouses are protected persons. But only for the use of a covered auto.

However, no person or organization is a protected person for the conduct of any current or past partnership or joint venture that's not named in the Introduction.

**Corporation or other organization.** If you are named in the Introduction as a corporation or other organization, you are a protected person for the use of a covered auto. Also, your executive officers and directors are protected persons. But only for the use of a covered auto. Also, your stockholders are protected persons, but only for their liability as your stockholders.

**Any permitted user.** Any person or organization to whom you've given permission to use a covered auto you rent, lease, hire or borrow is a protected person.

However, we won't consider the following to be a protected person:

- The owner or anyone else from whom you rent, lease, hire or borrow a covered auto unless that auto is a trailer that's connected to a covered auto you own.
- An employee of yours or a member of an employee's household if the covered auto is owned by that employee or member of that employee's household.
- Anyone using a covered auto while working in the business of selling,

servicing, repairing, storing or parking autos, unless the business is yours.

- Anyone other than your employees, partners, lessee or borrower or any of their employees while loading or unloading a covered auto.

**Anyone legally responsible for the actions of a protected person.** Any person or organization who is legally responsible for the actions of a protected person described above is also a protected person for the use of a covered auto. For example:

*An employee who works for another company borrows a covered auto from you. That person causes an accident which results in covered bodily injury and property damage. We'll consider you, that employee, and the other company that employs the other person to be protected persons.*

But we won't consider the owner or anyone else from whom you rent, lease, hire or borrow a covered auto to be a protected person unless it's a trailer that's connected to a covered auto you own.

**Separation of protected persons.** We'll apply this agreement:

- to each protected person named in the Introduction as if that protected person was the only one named there; and
- separately to each other protected person.

However, the limit of coverage shown in the Coverage Summary is shared by all protected persons. We explain how in the Limits Of Coverage section. Also, any right or duty specifically assigned to the first Named Insured remains unchanged. We explain those rights and duties in the General Rules, which is a part of your policy.

## Limit Of Coverage

The Coverage Summary shows the limit of coverage that applies to this agreement.

The Each accident limit is the most we'll pay for the combined total of all covered bodily injury, property damage and pollution cost or expense that results from any one accident. This limit applies regardless of the premiums paid or number of:

- protected persons;
- premiums paid;
- claims made or suits brought;
- covered autos;

- vehicles involved in the accident; or
- persons or organizations making claims or bringing suits.

We consider all covered bodily injury, property damage and pollution cost or expense that results from continuous or repeated exposure to substantially the same conditions to be the result of one accident.

### **Exclusions - What This Agreement Won't Cover**

**Contract liability.** We won't cover the protected person's liability for bodily injury or property damage assumed under any contract or agreement.

However, we won't apply this exclusion to liability for bodily injury or property damage the protected person would have without the contract or agreement. Nor will we apply this exclusion to the protected person's liability for bodily injury or property damage assumed under a covered contract made before the bodily injury or property damage happens.

*Covered contract* means any:

- lease of premises;
- sidetrack agreement;
- easement or license agreement;
- obligation to indemnify a municipality if the obligation is required by ordinance and isn't connected with work for the municipality;
- contract or agreement under which you assume the tort liability of a municipality to pay damages for covered bodily injury or property damage that is sustained by others and results from work for the municipality;
- other contract or agreement under which you assume the tort liability of another to pay damages for covered bodily injury or property damage that's sustained by others; or
- contract or agreement which you or any of your employees enter into for the rental or lease of any auto.

*Tort liability* means a liability that would be imposed by law without any contract or agreement.

But we won't consider the following parts of any contract or agreement to be a covered contract:

*Auto with driver.* That part which has to do with the rental, lease or loan of an auto to

you or any of your employees if the auto is rented, leased or loaned with a driver.

*Use of a motor carrier's permit.* That part which indemnifies any person or organization in the business of transporting people or property by an auto for hire for your use of a covered auto over a route or in a territory the person or organization is authorized by a public authority to use or serve.

*Damage to rented or leased auto.* That part which obligates you or any of your employees to pay for property damage to any auto rented or leased by you or any of your employees.

*War.* That part which indemnifies any person or organization for bodily injury or property damage caused by:

- declared or undeclared war, or invasion;
- warlike action by a military force or other agents of any government, sovereign or other authority;
- civil war, insurrection, rebellion, revolution or seizure of power; or
- anything done to hinder or defend against these actions.

**Control of property.** We won't cover property damage to property owned by, transported by or in the care, custody or control of a protected person.

But we won't apply this exclusion to liability for property damage assumed under a sidetrack agreement.

**Employer's liability.** We won't cover bodily injury to an employee arising out of his or her employment by a protected person. Nor will we cover bodily injury to the spouse, child, parent, brother, or sister of that employee which results from the bodily injury to the employee.

We'll apply this exclusion whether the protected person may be held liable as an employer or in any other capacity.

We'll also apply this exclusion to any obligation of the protected person to share damages with or repay someone else who must pay damages because of bodily injury to any employee of the protected person.

But we won't apply this exclusion to:

- bodily injury to domestic employees not entitled to workers compensation benefits; or
- liability for bodily injury assumed under a covered contract.

We explain what we mean by covered contract in the Contract liability exclusion.

**Injury to a fellow employee.** We won't cover bodily injury to a fellow employee of any protected person arising out of and in the course of the fellow employee's employment by you.

**Intentional or expected bodily injury or property damage.** We won't cover bodily injury or property damage that's expected or intended by the protected person.

**Nuclear energy liability.** We won't cover bodily injury or property damage for which any protected person:

- is covered by a nuclear energy liability insurance policy; or
- would have been covered by such policy if that policy's limits of coverage hadn't been used up.

Nor will we cover bodily injury or property damage that results from the hazardous properties of nuclear material and for which:

- any person or organization is required by law to maintain financial protection in accordance with the federal Atomic Energy Act, or any of its amendments; or
- any protected person is entitled, or would have been entitled had this agreement not been issued, to indemnity from the United States government, or any of its agencies, under any contract or agreement between the government, or any of its agencies, and any person or organization.

And we won't cover bodily injury or property damage that results from the hazardous properties of nuclear material when:

- the nuclear material is located at, or at any time discharges or disperses from, any nuclear facility owned by any protected person, or operated by or for any protected person;
- the nuclear material is contained in spent nuclear fuel or nuclear waste that is at any time possessed, handled, used, processed, stored, transported or disposed by or for any protected person; or
- the bodily injury or property damage results from the furnishing by any protected person of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility. But we'll apply this exclusion part only to property damage to the nuclear facility, and any property located on the site of that facility, if the nuclear facility is in the United States of America, its

territories or possessions, Puerto Rico, or Canada.

**Nuclear energy liability insurance policy** means any nuclear energy liability insurance policy issued by:

- Nuclear Energy Liability Insurance Association;
- Mutual Atomic Energy Liability Underwriters;
- Nuclear Insurance Association of Canada; or
- any of their successors.

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

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

**Nuclear material** means any of the following materials which are defined in the federal Atomic Energy Act, or any of its amendments:

- Source material.
- Special nuclear material.
- By-product material.

**Nuclear facility** means any:

- nuclear reactor;
- uranium isotopes separation device or equipment;
- special nuclear material device or equipment; or
- nuclear waste site.

**Nuclear facility** includes:

- the site on which it's located;
- all operations conducted on such site; and
- all premises used for such operations.

**Nuclear reactor** means any device, equipment or machine that's designed or used to:

- sustain nuclear fission in a self-supporting chain reaction; or
- contain a critical mass of fissionable material.

**Uranium isotopes separation device or equipment** means any device or equipment designed or used for:

- separating the isotopes of uranium or plutonium;
- processing or utilizing spent nuclear fuel; or
- handling, processing or packaging nuclear waste.

*Special nuclear material device or equipment* means any device or equipment used for the processing, fabricating or alloying of special nuclear material if the total amount of such material:

- is more than 25 grams of plutonium or uranium 233, or any combination of the two, or 250 grams of uranium 235; and
- is at any time in the custody of any protected person at the premises where the device or equipment is located.

*Nuclear waste site* means any structure, basin, excavation, premises or place prepared or used for the storage or disposal of nuclear waste.

*Nuclear waste* means any waste material that:

- contains by-product material; and
- results from the operation of any nuclear reactor or uranium isotopes separation device or equipment by any person or organization.

But we won't consider nuclear waste to include tailings or wastes that result from the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content.

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

**Pollution.** We won't cover bodily injury or property damage that results from pollution involving any pollutant, or any pollutant contained in any property, that's:

- being transported or towed by a covered auto;
- being loaded onto or unloaded from a covered auto;
- otherwise in the course of transit by or for any protected person; or
- being stored, disposed of, treated or processed in or on a covered auto.

For example:

*A covered auto carrying a cargo of chemicals skids off of a road and overturns. Several of the containers of chemicals are damaged during the accident and their contents leak out. Fumes from the spilled chemicals injure a motorist who stopped to help the truck driver. And a fire begins in a pool formed by the spilled chemicals and spreads to a nearby building, damaging its exterior. We won't cover any such bodily injury or property damage.*

However, we won't apply this exclusion to bodily injury or property damage that results from pollution caused by fuels, lubricants, fluids, exhaust gases or similar pollutants that:

- are needed for or result from the normal electrical, hydraulic or mechanical functioning of a covered auto, other than the operation of specialized equipment; and
- escape, seep or migrate, or are discharged, dispersed or released, directly from a part of the covered auto designed by it's manufacturer to hold, store, receive or dispose of such pollutants.

For example:

*One of your covered autos is a truck with a hydraulic system that leaks. We won't apply this exclusion to the bodily injury or property damage that may result from such pollution.*

Another example:

*One of your covered autos is a tow truck. It is involved in an accident with another vehicle. Your tow truck's gas tank is ruptured and leaks. We won't apply this exclusion to the bodily injury or property damage that may result from such pollution.*

Another example:

*While being pulled by a covered auto, your compressor leaks gas. We won't apply this exclusion to the bodily injury or property damage that may result from such pollution. However, if the gas leakage occurred during the operation of the compressor, the resulting damage would not be covered because it results from the operation of specialized equipment.*

Nor will we apply this exclusion to bodily injury or property damage that results from pollution from property of others which:

- isn't in your care, custody or control;
- isn't being transported or towed by or for you; and
- is damaged by an accident due to the ownership, maintenance or use of a covered auto.

For example:

*A covered auto skids off of a road and hits a fuel storage tank owned by others. Several hundred gallons of fuel leak out and then explode into flames. The fire*

*destroys a nearby building and injures two bystanders. We won't apply this exclusion to the bodily injury and property damage that results from such pollution.*

*Pollution* means the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of any pollutant.

*Pollutant* means any solid, liquid, gaseous or thermal irritant or contaminant, including:

- smoke, vapors, soot, fumes;
- acids, alkalis, chemicals; and
- waste.

*Waste* includes materials to be recycled, reconditioned or reclaimed.

We explain what we mean by specialized equipment in the What This Agreement Covers section.

**Specialized equipment.** We won't cover bodily injury or property damage that results from the operation or use of any specialized equipment.

However, we won't apply this exclusion to bodily injury or property damage that results from specialized equipment while being carried or towed by a covered auto.

We explain what we mean by specialized equipment in the What This Agreement Covers section.

**Workers' compensation.** We won't cover any obligation that the protected person has under a workers' compensation, disability benefits or unemployment compensation law, or any similar law.

## **Other Insurance**

This agreement provides excess insurance for covered autos you don't own.

Excess insurance applies after other collectible insurance has been used up.

This agreement is primary insurance for liability for covered bodily injury or property damage assumed under a covered contract.

We explain what we mean by covered contract in the Contract liability exclusion.

**Insurance provided by another insurer.** When insurance provided by another insurer applies to covered bodily injury or property damage that results from an accident on the same primary or excess basis as this agreement, we'll pay only our share of your accident. We'll pay the same proportion of such damages or pollution cost or expense that our limit is to the total of all applicable policy limits. But we won't pay more than our limit.

**Insurance provided under another policy with us or any of our member insurance companies.** When this agreement and other insurance contained in a policy from us or another member insurance company of The St. Paul Group both apply to the same accident, the most we will pay is the highest limit of coverage that applies under any one policy. When the other insurance written by us or the member insurance company is intended to be excess over this agreement, this section does not apply.

**COMMERCIAL AUTO REQUIRED ENDORSEMENT - CALIFORNIA**

This endorsement changes your policy to comply with, or otherwise respond to, California law.

Therefore, each change made by this endorsement applies only to the extent:

- required by California statutory or regulatory law; or
- specifically described in the part of this endorsement which makes that change.

As a result, if the address shown for you in the Introduction of your policy is outside California, each change that's made to comply with California statutory or regulatory law applies only if, and to the extent, your policy provides coverage for autos registered or mainly garaged in California and such statutory or regulatory law applies to such coverage.

**Table of Contents**

	<b>Page</b>	<b>How we can cancel policies in effect more than 60 days.</b> If your policy has been in effect more than 60 days, or is a continuous or renewal policy, we can cancel only for the following reasons:
Cancellation	1	
Auto Or Garage Liability Protection - Limits Of Coverage	2	
Auto Or Garage Liability Protection - Other Insurance	2	1. <i>Nonpayment of premium.</i> We can cancel if the first named insured fails to pay any premium or premium installment when due. This includes any installment of premium that was from a previous policy we issued that was due during the current policy period.
Other Terms	3	2. <i>Fraud or misrepresentation.</i> We can cancel if we discover that any person insured by this policy has committed fraud or made a material misrepresentation either in obtaining this policy or in submitting a claim under this policy

**Cancellation**

The Cancellation section of the General Rules is replaced by the following.

You can cancel this policy in whole or in part at any time.

**How you can cancel.** To cancel this policy or any of the insuring agreements, you must deliver the policy, or the part you want cancelled, to us or to any of our authorized agents. If this isn't possible, notify us by mail and include the date you want the policy or individual insuring agreement cancelled. You'll get a refund for the unused premium, less a charge for early cancellation.

**How we can cancel policies in effect 60 days or less.** If your policy has been in effect 60 days or less, and is not a renewal or continuous policy, we can cancel for any reason during this period. If we do, we'll mail or deliver a notice of cancellation to the first named insured. If we're canceling because of nonpayment of premium or because we discovered that any person insured by this policy has committed fraud either in obtaining this policy or in submitting a claim under this policy, we'll send at least 10 days before coverage will end. If we're canceling for any other reason we'll send at least 30 days notice before coverage will end. The notice will state the reason for cancellation.

3. *Conviction of a crime.* We can cancel if you are convicted of a crime that increases any hazard you're insured against.
4. *Negligent acts.* We can cancel if we discover that you have committed a willful or extremely negligent act or omission that increases any hazard you're insured against.
5. *Failure to follow loss control requirements.* We may cancel if you or your representative fail to follow reasonable loss control requirements that you agreed to follow in order for us to issue your policy or give you certain premium rates.
6. *Determination by the Insurance Commissioner.* We can cancel this policy if the Commissioner Of Insurance determines that continuing this policy would put us in violation of California insurance laws, or jeopardize our being solvent. We can also cancel if the

Insurance Commissioner determines that any loss of or change in reinsurance that we have affecting this policy would threaten our financial position.

7. *Change in the risk.* We can cancel if, after we have issued or renewed your policy, a change occurs in the risk we're protecting that increases the hazard we're insuring against. But this doesn't apply to a change that was expected or foreseen by us when we issued your policy. Nor does this apply if:

- the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance code; and
- the change in risk involves one or more losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured.

If we cancel for nonpayment of premium or fraud or misrepresentation as we have described above, we'll mail a cancellation notice at least 10 days before coverage will end. If we cancel for any other reason, we'll mail or deliver the notice to the first named insured and the agent who sold this policy at least 30 days before coverage will end. The notice will state the exact reason for cancellation.

**Nonrenewal.** If we decide not to renew or continue this policy, we'll mail a notice to the first named insured at least 60 days but not more than 120 days before the end of the policy period.

But we won't refuse to renew or continue this policy because of losses caused by a hate crime, as described in Section 676.10(c) of the California Insurance Code, committed against the person or property of the insured if the insured is an educational, religious, or other non-profit organization, as described in Section 676.10(a) of the California Insurance Code.

If state law requires us to give additional notices or changes our notice requirements, we will provide such additional notices or changes as needed.

If we offer to renew or continue your policy, and you don't accept, the policy will expire at the end of the policy period. If we offer to renew your policy, and you fail

to pay the required premium when due, we'll consider this to mean that you don't accept our offer.

If we fail to send proper notice of nonrenewal and you obtain other insurance, this policy will end on the date the other insurance takes effect.

The notice will show the reason for nonrenewal.

**Mailing the notice.** Mailing the cancellation or nonrenewal notice to the first named insured's and agent's last address known to us will be considered proof you were notified.

### **Auto Or Garage Liability Protection - Limits Of Coverage**

The following paragraph is added to your Auto or Garage Liability Protection.

**Limitations on amounts payable.** Any amount payable under this coverage to the owner or driver of an uninsured motor vehicle will be reduced by amounts payable to a protected person under this policy's California Bodily Injury or Property Damage Uninsured Motorists Protection for the same accident.

### **Auto Or Garage Liability Protection - Other Insurance**

The following is added to the Other Insurance section.

**Two or more Auto liability policies - one covering Auto dealerships.** Two or more policies providing Garage Auto Liability Protection may apply at the time of an accident, and:

- one policy covers an auto dealership; and
- the other policy covers a person or an organization other than an Auto dealership.

If an accident happens involving a dealership owned auto being driven by a customer or person not involved with the dealership, the driver's policy is primary over the policy covering the auto dealership.

**Two or more policies - one covering a garage non-dealership.** Two or more policies providing Garage Auto Liability Protection may apply at the time of an accident, and:

- one policy covers a garage or similar business and not an auto dealership; and
- the other policy covers another person or organization.

If the auto is owned by the other person or organization but was being driven by someone who was working for the garage or

other auto business, that policy is primary over the policy covering the other person or organization.

#### **Other Terms**

All other terms of your policy remain the same.

SAMPLE

## NONOWNED AND HIRED AUTO PHYSICAL DAMAGE ENDORSEMENT

This endorsement changes your Auto Physical Damage Protection.

---

### How Coverage Is Changed

There are several changes which are explained below.

1. The following type of auto is added to the Which Autos Are Covered section. The Coverage Summary will show when this type of auto is covered.

*Nonowned autos* means any auto that:

- you don't own, hire, rent, lease or borrow; and
- is used in the conduct of your business.

It includes autos owned by your employees or partners or members of their households. But only while such autos are being used in the conduct of your business.

2. The following is added to the When This Agreement Covers section.

But coverage for any nonowned or hired auto will end on the earliest of the following:

- when the lease or rental agreement expires;
- when the owner of the auto takes it back; or
- when this policy expires.

You agree to maintain a record of nonowned or hired autos used during the policy period. Your records will show:

- the number and type of nonowned and hired autos;
- the dates acquired and returned; and
- the cost of hire, if applicable.

This record will be available to us or any authorized representative at the end of the policy period or at any other time we deem necessary. If we find there is a substantial change in exposure during the policy year we will make the appropriate premium charge using the rates shown on the Coverage Summary. We have the right at all reasonable times to examine your books, records and files for the purpose of determining any facts relating to this coverage.

3. The following is added to the What We'll Pay For A Loss section.

For nonowned and hired auto physical damage the amount we'll pay is limited for each covered auto and by a total limit for all autos damaged by any covered loss. These limits are shown on the Coverage Summary:

4. The following is added to the Exclusions - What This Agreement Won't Cover section.

**Altered private passenger autos.** We won't cover loss to any altered private passenger auto.

*Altered private passenger auto* means a private passenger auto that had changes made on the body, engine, or chassis to materially:

- change its appearance; or
- increase its speed or horsepower.

### Other Terms

All other terms of your policy remain the same.

This insuring agreement provides physical damage protection for covered autos. There are, of course, limitations and exclusions which apply to that protection. As a result, this agreement should be read carefully to determine the extent of the coverage provided to you.

<b>Table of Contents</b>	<b>Page</b>	<b><u>What This Agreement Covers</u></b>
<b>What This Agreement Covers</b>	<b>1</b>	We'll pay for loss to covered autos.
Comprehensive coverage.	1	
Collision coverage.	1	The types of coverage you have for each auto are shown in the Auto Schedule and described below. These coverages are subject to the limits and the deductibles that are shown in the Auto Schedule.
Specified causes of loss coverage.	2	
Towing.	2	
Transportation expenses.	2	
<b>Which Autos Are Covered</b>	<b>2</b>	<i>Auto</i> means any land motor vehicle, trailer or semi-trailer designed for travel on public streets or roads. It includes any permanently attached machinery or equipment.
Owned commercial autos	2	
Owned private passenger autos	2	
Scheduled autos	2	
Hired autos	2	
<b>When This Agreement Covers</b>	<b>3</b>	<i>Loss</i> means direct and accidental loss or damage.
<b>Where This Agreement Covers</b>	<b>3</b>	
<b>What We'll Pay For A Loss</b>	<b>3</b>	<i>Covered auto</i> means the type or types of autos shown in the Coverage Summary and described in the Which Autos Are Covered section.
<b>How We'll Pay</b>	<b>3</b>	
<b>Who We'll Pay For Loss</b>	<b>3</b>	<b>Comprehensive coverage.</b> When this coverage applies, we'll pay for loss to a covered auto from any cause of loss other than collision or overturn.
<b>Deductibles</b>	<b>3</b>	
<b>Exclusions - What This Agreement Won't Cover</b>	<b>3</b>	This coverage includes glass breakage. However, if glass breakage results from collision or overturn of the covered auto, you can make a claim for such breakage under Collision coverage, if that coverage applies to the damaged auto.
Audio devices and radar detection equipment.	3	
Intentional or expected loss or damage.	4	
Nuclear energy.	4	
Racing or demolition contest.	4	
Tires.	4	
Trailer interchange.	4	
War.	4	
Wear, freezing, breakdowns.	4	
<b>Insurance For Your Benefit</b>	<b>4</b>	<b>Collision coverage.</b> When this coverage applies, we'll pay for loss to a covered auto that results from: <ul style="list-style-type: none"> <li>• the collision of the covered auto with another object; or</li> <li>• the overturn of the covered auto.</li> </ul>
<b>Other Insurance</b>	<b>4</b>	However, if you carry Comprehensive coverage for the covered auto, and loss or damage results from the auto hitting a bird or animal, or a falling object striking the
Insurance provided by another insurer.	4	
Insurance provided under another policy with us or any of our member insurance companies.	4	

auto, we will pay for the loss under Comprehensive coverage, rather than under Collision coverage.

**Specified causes of loss coverage.** When this coverage applies, we'll pay for loss to a covered auto that results from:

- fire, lightning or explosion;
- windstorm, hail, flood or earthquake;
- theft;
- vandalism, mischief; or
- the sinking, burning, derailment or collision of a vehicle used to transport a covered auto.

**Towing.** When this coverage applies, and one of your covered private passenger type autos is disabled, we'll pay for towing and costs of other labor performed at the scene of the disablement. However, the most we'll pay for these costs is the Towing limit shown in the Auto Schedule for that auto.

*Private passenger type autos* mean ordinary private passenger cars, station wagons, pickups, and vans.

**Transportation expenses.** If a private passenger type auto for which you have Specified causes of loss or Comprehensive coverage is stolen, we'll pay up to \$20 a day incurred by you for your transportation costs while the auto is missing. We'll pay these costs for a period beginning 48 hours after the theft and continuing until we pay you for the loss of the auto or it is returned to use, even if that doesn't happen until after this agreement ends. But the most we'll pay for transportation costs arising out of the theft of any one auto is \$600.

### Which Autos Are Covered

The Coverage Summary shows, and the information in this section describes, the type or types of auto which are covered autos.

**Owned commercial autos** means any auto you own that is not of the private passenger type and it includes any trailer or semi-trailer while attached to that auto. It also includes:

- any newly acquired auto of the same type; or
- any replacement auto of the same type.

**Owned private passenger autos** means any auto you own that is of the private passenger type and it includes any trailer while attached to that auto. It also includes:

- any newly acquired auto of the same type; or
- any replacement auto of the same type.

**Scheduled autos** means any auto you own which is described in the Auto Schedule and replacement autos if you tell us within 30 days after you acquire such autos that you want us to cover them.

We'll also cover additional newly acquired autos, but only if:

- we cover all of your owned autos; and
- you tell us within 30 days after you acquire such autos that you want us to cover them.

**Hired autos** means any auto that you hire, rent, lease or borrow from others, other than your employees or members of their households. We'll consider any auto that you lease for a period of 6 months or more to be an auto that you own.

We'll pay for direct and accidental loss or damage to any rental autos and their equipment for which you've agreed to be responsible. However, we'll only pay for the kinds of loss or damage that you've agreed to be responsible for, including loss of use and other administrative expenses.

*Newly acquired autos* means any additional auto that you acquire while this agreement is in effect. We'll apply the same types of coverages and deductibles as you now have on similar type autos unless you tell us differently.

*Replacement autos* means any auto which replaces a covered auto. We'll apply the same types of coverage and deductibles as you now have on the auto that is being replaced unless you tell us differently.

**When This Agreement Covers**

We'll cover loss or damage that takes place while this agreement is in effect for covered autos.

**Where This Agreement Covers**

We'll cover loss or damage that takes place only in the coverage territory for covered autos.

*Coverage territory* means the United States of America, its territories and possessions, Puerto Rico and Canada. It includes international waters or airspace while a covered auto is being transported between any of the above places.

**What We'll Pay For A Loss**

We'll pay the smaller of the following amounts when you suffer a covered loss:

- The actual cash value (ACV) of the damaged or stolen property at the time of the loss.
- The stated amount shown in the Auto Schedule for the damaged or stolen property.
- The cost of repairing damaged property or replacing damaged or stolen property of the same kind or quality.

**How We'll Pay**

Once we've determined the amount of your loss, we'll choose one of the following ways to compensate you:

- We'll pay you in money.
- We'll repair damaged property or replace damaged or stolen property.
- We'll return stolen property to you, at our expense, and pay you for any damage to it that resulted from the theft. or
- We'll take all or part of the damaged or stolen property and pay you the agreed or appraised value for it.

**Who We'll Pay For Loss**

We'll adjust all covered losses with you. But if the Auto Schedule identifies a person or organization as also having an interest in a covered auto, we'll pay you and the person or organization named, based on the interest each has in the covered auto.

If we make a payment to such person or organization, we'll obtain their right to be repaid by anyone else.

**Deductibles**

The deductibles shown in the Coverage Summary or in the Auto Schedule under any of the coverages are the amounts that will be deducted from each loss to a covered auto. However, if a deductible amount is shown for Comprehensive coverage, it won't apply to a loss caused by fire or lightning.

We may pay all or part of your deductible to settle a claim. If we do, you agree to repay us as soon as we notify you of such payment.

**Exclusions - What This Agreement Won't Cover**

We won't cover any of the following losses except in the special circumstances described.

**Audio devices and radar detection equipment.**

We won't cover loss to any:

- tapes;
- records or discs;
- audio or visual equipment;
- data electronic devices;
- car phones; or
- any equipment that's designed or used for detecting or locating radar.

This exclusion also applies to any electronic equipment that receives or transmits audio, visual or data signals and is not designed solely for the reproduction of sound. It also applies to any accessories that are used with any of such equipment.

However, this exclusion does not apply to sound equipment that is permanently

installed in a covered auto at the time of the accident in the opening normally used by the auto manufacturer for the installation of a radio or similar sound equipment. This exclusion also does not apply to any electronic equipment that is necessary for the normal operation of the covered auto or the monitoring of the covered auto's operating system.

**Intentional or expected loss or damage.** We won't cover loss or damage that you expected or intended. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**Nuclear energy.** We won't cover loss that results from nuclear reaction, nuclear radiation, or radioactive contamination. This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**Racing or demolition contest.** We won't cover loss to any covered auto that results from the use of that auto in any organized racing or demolition contest or stunting activity. This exclusion also applies to any practice or preparation for such contest or activity.

**Tires.** We won't cover loss to tires by blowout, puncture, or other road damage unless accompanied by another covered cause of loss.

**Trailer interchange.** We won't cover loss or damage to any covered auto or its equipment while someone else has possession of it under a written Trailer Interchange Agreement. This exclusion doesn't apply to a loss payee. However, if we pay the loss payee, you must reimburse us for our payment.

**War.** We won't cover loss or damage caused by:

- declared or undeclared war, or invasion;
- warlike action by a military force or other agents of any government, sovereign or other authority;
- civil war, insurrection, rebellion, revolution or seizure of power; or
- anything done to hinder or defend against these actions. This exclusion applies regardless of any other cause or event

that contributes concurrently or in any sequence to the loss.

**Wear, freezing, breakdowns.** We won't cover loss caused by normal wear and tear, freezing, or mechanical or electrical breakdown unless the loss results from a covered cause of loss.

### Insurance For Your Benefit

This insurance is for your benefit. No other party having possession of your auto, such as a transportation or storage company, can benefit directly or indirectly from this insurance.

### Other Insurance

This agreement is primary insurance for covered autos you own and excess insurance for covered autos you don't own. Excess insurance applies after other collectible insurance has been used up. If hired autos are covered by this agreement, they will be considered the same as covered autos you own. But this doesn't apply to autos that are hired along with a driver.

**Insurance provided by another insurer.** When loss covered by this agreement is also covered by insurance with another insurer on the same primary or excess basis, we'll pay our share of such loss. We'll pay that portion of the loss that's equal to our percentage of the total amount of insurance available. But we won't pay more than we would have paid without such other insurance.

**Insurance provided under another policy with us or any of our member insurance companies.** When this agreement and other insurance contained in a policy from us or another member insurance company of The St. Paul Group both apply to the same loss, the most we will pay is the highest amount available under any one policy. When the other insurance written by us or the member insurance company is intended to be excess over this agreement, this section does not apply.

## AUTOS RENTED BY EMPLOYEES ENDORSEMENT

This endorsement changes your Auto Liability Protection and your Auto Physical Damage Protection.

---

### How Coverage Is Changed

There are two changes that are explained below. These changes broaden coverage.

1. The definition of hired autos in the Which Autos Are Covered section is changed as follows.

*Hired autos* means any auto that you hire, rent, lease, or borrow from others, other than your employees or members of their households. Hired autos includes any autos that any employee of yours hires, rents, leases, or borrows from others in that employee's name with your permission while performing duties related to the conduct of your business. We'll consider any auto that you lease for a period of 6 months or more to be an auto that you own. However any auto that has been rented, leased, hired, or borrowed with a driver is not a covered auto.

2. The following is added to the Who is Protected Under This Agreement section. This change applies to your Auto Liability Protection.

**Employees renting covered autos.** Any of your employees while operating a covered auto that has been rented, leased, hired, or borrowed from others in that employee's name with your permission while performing duties related to the conduct of your business.

### Other Terms

All other terms of your policy remain the same.

**MOBILE EQUIPMENT SUBJECT TO COMPULSORY OR FINANCIAL RESPONSIBILITY INSURANCE LAWS REDEFINED AS AUTOS ENDORSEMENT - LIABILITY PROTECTION FOR AUTOS YOU DON'T OWN**

This endorsement changes your Liability Protection For Autos You Don't Own.

---

**How Coverage Is Changed**

There are two changes that are explained below.

1. The following replaces the definitions of auto and mobile equipment, respectively, in the What This Agreement Covers section. This change broadens coverage.

*Auto* means:

- any land motor vehicle, trailer, or semitrailer that's designed for travel on public streets or roads and isn't mobile equipment;
- any land vehicle that's subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged; or
- any mobile equipment while it's being carried or towed by a covered auto.

We'll consider any equipment or machinery that's permanently attached to an auto to be part of the auto.

*Mobile equipment* means any land vehicle that:

- is designed for use primarily off public streets or roads;
- is kept for use only on or next to premises that you rent or lease from others, or own;
- travels on crawler treads;
- is kept primarily for the ready movement of permanently attached construction equipment;
- doesn't travel under its own power and is kept primarily for the ready movement of permanently attached specialized equipment; or
- is designed or kept primarily for other purposes, but not for carrying persons or cargo, and doesn't travel on crawler treads.

But we won't consider any land vehicle that's designed or kept primarily for such other purposes to be mobile equipment if it:

- travels under its own power;
- is operated like an auto during travel on a public street or road; and
- has permanently attached specialized equipment, equipment designed for snow removal or street cleaning, or equipment designed for street or road maintenance, but not construction or resurfacing.

Instead, we'll consider it to be an auto.

Nor will we consider a land vehicle that's subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged to be mobile equipment. Instead, we'll consider it to be an auto.

2. The following is added to the Exclusions - What This Agreement Won't Cover section. This change excludes coverage.

**Supplementary equipment.** We won't cover bodily injury or property damage that results from the operation or use of supplementary equipment attached to, or part of, any land vehicle that would have been mobile equipment if that vehicle weren't subject to any compulsory or financial responsibility law, or other motor vehicle insurance law, in the jurisdiction where it's registered or principally garaged.

*Supplementary equipment* means equipment or machinery designed for work, other than the transportation of any person or property on a public street or road.

But we won't consider supplementary equipment to include:

- any communication device, such as a radio or telephone; or
- any equipment or machinery that's designed to perform any function normal to the operation of the land vehicle during travel on public streets or roads, such as a steering mechanism.

**Other Terms**

All other terms of your policy remain the same.

SAMPLE

This endorsement changes your Auto Liability Protection.

---

**How Coverage Is Changed**

Your Auto Liability Protection is extended. We'll cover claims from accidents involving covered autos that are licensed or garaged in the United States which occur in the Republic of Mexico.

**Other Terms**

All other terms of your policy remain the same.

**WARNING**

*If you have an accident in Mexico you may spend many hours or days in jail and your vehicle may be impounded. To avoid these complications and possible other penalties, you should purchase insurance coverage from a company licensed to write automobile insurance under the laws of Mexico.*