

COMPREHENSIVE GENERAL LIABILITY POLICY

INSURING AGREEMENTS

I. COVERAGE

COVERAGE A - BODILY INJURY

To indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages for bodily injury, sickness or disease including death at any time resulting therefrom sustained by any person, caused by accident and arising out of the hazards hereinafter as are indicated by specific premium charge in the declaration.

COVERAGE B - PROPERTY DAMAGE LIABILITY

To indemnify the Insured for all sums which the Insured shall become legally obligated to pay as damages for injury to or destruction of property, including the loss of use thereof, caused by accident and arising out of the hazards hereinafter defined as are indicated by specific premium charge in the declaration.

II. DEFENSE, SETTLEMENT, SUPPLEMENTARY PAYMENT

As respects the Insurance afforded by the other terms of this Policy the Company shall:

- (a) Defend any civil action against the Insured alleging such injury, sickness, disease, or destruction seeking damages on account thereof, even if such suit is groundless, false or fraudulent but the Company may make such investigation, negotiation and settlement of any claim or suit as it deems expedient.
- (b) Pay all premiums on bonds to release attachments for an amount not in excess of the applicable limit of liability of this Policy, all premiums on appeal bonds required in any such defended suit, but without any obligation to apply for or furnish any such bonds.
- (c) Pay all expenses incurred by the Insured all costs taxed against the Insured in any such and all interest accruing after entry of judgment until the Company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of Company's liability thereon
- (d) Pay expenses incurred by the Insured for such immediate medical and surgical relief to others as shall be imperative at the time of the accident
- (e) Reimburse the Insured for all reasonable expenses, including that for loss of earnings, incurred at the Company's request. The amounts incurred under this insuring agreement, except settlement of claims and suits payable by the Company in addition to the applicable limit of liability of this Policy.

III. DEFINITION OF INSURED

The unqualified word "Insured" includes the named insured and also includes any partner, executive officer, director or stockholder thereof while acting within the scope of his duties his such.

IV. AUTOMATIC INSURANCE OF ADDITIONAL PREMISES, OPERATION AND ELEVATORS.

Such Insurance as is afforded under Division 1 of the Definition of hazards applies also to additional or changed operations at the premises and to other premises and property of which the named Insured acquires ownership or control, and to property rented to or located for use by others away from the premises, and such insurance as is or can be afforded under Division 2 applies to elevators newly installed at the premises and to elevators at such other premises, provided:

- (a) The named insured notifies the Company within fifteen (15) days after the

commencement of each such additional hazard to which he wishes the Insurance to apply;

- (b) If no limits of liability are started in the declaration for Division 2 of the definition of hazards, the limits of liability applicable to the premises shall apply to elevators thereon.

V. POLICY PERIOD, TERRITORY

This Policy applies only to accident, which occur during the policy period within the territory mentioned in the declarations.

DEFINITIONS OF HAZARDS

1. Premises - Operations

The ownership, maintenance or use, for the purposes stated in the declaration of the premises and all operations which are necessary or incidental thereto and, when described as such in the declarations, new construction or demolition operations changing the size of or moving buildings or other structure by the Insured.

2. Elevators

The ownership, maintenance or use, for purpose stated in the declarations, of any elevators therein.

3. Independent Contractors

Operations performed of the Insured by independent contractors, and omissions or supervisory acts of the Insured in connection therewith, other than maintenance, repairs or alterations at the premises.

4. Products

- (a) The handling or use of or the existence of any conditions of goods or products manufactured, sold, handled or distributed by the named insured, other than equipment rented to or located for use of others but not sold, if the accident occurs, after the Insured has relinquished possession thereof, and away from the premises, and
- (b) Operations contemplated under Divisions 1 & 2 of the definitions of hazards other than:
 - (i) Pick-up and delivery or
 - (ii) The existence of tools, uninstalled equipment and abandoned or unused materials.

If the accident occurs after such operations have been completed or abandoned at the place of occurrence thereof and away from the premises, provided, operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to a service or maintenance agreement.

5. Contractual

The express undertaking of the named insured contained in endorsement forming a part of the Policy issued.

EXCLUSION

THIS POLICY DOES NOT APPLY:

1. Under Division 1, 2 and 3 of the Definitions of hazards, to liability assumed by the Insured under any contract or agreement.
2. Under Division 1 of the Definitions of hazards:
 - 2.1. To elevators at buildings owned, rented or controlled entirely by the Insured and elevators operated, maintained or controlled by the Insured at premises owned, leased or controlled in part by the Insured.
 - 2.2. To the ownership, maintenance or use, including loading or unloading of :
 - 2.2.i Aircraft by or in the interest of the Insured,
 - 2.2.ii. Or while away from the premises of defined herein, watercraft, power driven, or animal drawn vehicle, dogs owned by the Insured, draft of saddle animal, including vehicle attached thereto, vehicle from which merchandise is sold and any other vehicle while rented to another, unless such hazards are described in the Declarations or an endorsement forming a part hereof.
 - 2.3. To hazards which are or can be insured under Division 4 of the definition of hazards.
 - 2.4. To the ownership or maintenance of property away from the premises and property rented to or located for use by others or to operations in connection therewith, unless such hazards are described in the Declaration or an Endorsement forming a part hereof.
3. Under coverage A - bodily injury to or sickness, disease or death of any employee of the Insured while engaged in the employment of the Insured, or to any obligation for which the Insured or any Company as his insured may be held liable under any workmen's compensation law.
4. Under coverage B, to injury to or destruction of
 - 4.1. Property owned occupied or used by or rented to the Insured, or
 - 4.2. Except with respect to liability assumed under side track agreement and the use of elevators covered by this Policy, property in the care, custody or control of the Insured, or
 - 4.3. With respect to Division 4 of the Definitions of hazards, may any goods or products manufactured, sold, handled or distributed or premises alienated by the named insured, of work completed by or for the named insured, out of which the accident arises.
5. Under coverage B, with respect to Division 1 of the Definitions of hazards to:
 - 5.1. The discharge, leakage or overflow of water or steam from plumbing, heating, refrigeration or air-conditioning systems, elevators tanks or cylinders standpipes for fire hose, or industrial or domestic appliances, or any substance from automatic sprinkler system
 - 5.2. The collapse or tall tanks or component parts or support thereof which form a part of automatic sprinkler system, or
 - 5.3. Rain or snow admitted directly to the building interior through defective roofs, leaders or spouting or open or defective doors, windows, skylight transoms or ventilators.

In so far as many of these occur on or from premises owned or rented by the named insured and injure or destroy buildings or contents thereof.

This exclusion does not apply to any premises described in the Declarations of this Policy as apartments - one apartment, dwellings - two families, farms or private residence.

CONDITIONS

A. DEFINITION

(a) PREMISES OPERATION

The unqualified word premises wherever used in this Policy means the premises designated in the Declarations and premises to which this Policy may apply by operation by insuring agreement IV including buildings and structures thereon and except as respect the ownership, maintenance or use of watercraft and the loading and unloading thereof, the ways immediately adjoining classification covering premises include without additional charge any premises alienated by the named insured, including elevators located thereon after the Insured has relinquished possession of such premises, except premises over which the Insured has any right or control or which were constructed by the Insured for sale.

The term operation as respect Division 1 & 2 of the Definition of hazards includes pick-up and delivery, installation, servicing, removal or demonstration and as respect accidents (except accident due to misdelivery) which occur after the completion or abandonment of such operations, pick-up or delivery operation or the existence of tools, uninstalled equipment and abandonment or unused materials.

(b) POWER DRIVEN VEHICLE

The term Power Driven Vehicle shall not deemed to include the following described equipment except while towed by or the carried on a power driven vehicle not so described any crawler-type (continues tread) tractor, ditch or trench digger power, crane or shovel, grader, scraper, roller, well-drilling machinery, asphalt spreader, concrete mixer, mixing and finishing equipment for highway work, other than of concrete mixer of the mix-in transit type and, if not subject to motor vehicle registration any equipment used principally on the premises, farm tractor or trailer.

(c) ELEVATORS

The word Elevator means elevators, escalators, hoists and appliances thereof including cars, platforms, shafts, hoist-ways, stairways, runways, power equipment and machinery.

The following shall not be deemed to be elevators: elevator shaft-ways in which there are not elevators; dumbwaiters or special platform lift as defined in the Company's Elevators Liability Manual; hoists located inside the walls of the building and not operated through hatchways or located outside the walls of the building and (1) manually operated or (2) mechanically operated and not attached to the building walls; hydraulic or mechanical hoists used for raising or lowering automobiles for lubricating or servicing; hold or material hoists used in alterations, construction or demolition operation; escalators and conveyors used exclusively for freight.

The named insured agrees to maintain in using during the Policy period, such hoist-way door interlocks and car gate or care door-locks or interlocks as are described in the Declaration and agrees further to use due care in maintaining the efficiency of such devices during the Policy period.

(d) ASSAULT AND BARRATRY

Assault and barratry shall be deemed an accident unless committed by or at the direction of the Insured.

B. LIMITS OF LIABILITY

(a) COVERAGE A

The limit of bodily injury liability stated in the Declaration as applicable to "each person" is the limit of the Company's liability for all damages, including damages for care and loss of services, arising out of bodily injury, sickness or disease, including death at any time therefrom, sustained by one person in any one accident.

The limits of such liability stated in the Declaration as applicable to "each accident" is subject to the above provision respecting each person, the total limits of the Company's liability for all damages, including damages for care and loss services, arising out of bodily injury, sickness or disease, including death at any time therefrom, sustained by two person in any one accident.

(b) COVERAGE B

The limits of property damages liability stated in the Declaration as "aggregate operations" is the total limits of the Company's liability for all damages arising out of injury to or destruction of property, including the loss of use thereof, caused the ownership, maintenance or use of premises or operations rated upon remuneration premium basis or by contractors equipment rated on a receipts premium basis.

The limits of property damages liability stated in the Declaration as "aggregate protective" is the total limits of the Company's liability for all damages arising out of injury to or destruction of property including the loss of use thereof, caused by operations performed for the named insured by independent contractors or omissions or supervisory acts of the Insured in connection therewith, except maintenance or ordinary alterations and repairs on the premises.

The limits of property damages liability stated in the Declaration as "aggregate contractual" is the total limits of the Company's liability for all damages arising out of injury to or destruction of property, including the loss of use thereof with respect to each contract.

(c) DIVISION 4 OF DEFINITION OF HAZARDS

The limits of bodily injury liability and property damages liability stated in the Declaration as "aggregate products" are respectively the total limits of the company's liability for all damages arising out of the product's hazards. All such damages arising out one prepaid or acquired lot of goods or products shall be considered as arising out of one accident.

Limits of liability the Inclusion herein of more than one Insured shall not operate to increase the limits of the Company's liability.

C. NOTICE OF ACCIDENT

When an accident occurs written notice shall be given by or on behalf of the Insured to the Company or any of its authorized agents as soon as practicable. Such notice shall contain particulars sufficient to identify the Insured and also reasonable obtaining information respecting the time places and circumstances of the accident, the end addresses of the

injured and of available witnesses.

D. NOTICE OF CLAIM OR SUIT

If claim or suit is brought against the Insured, the Insured shall immediately forward to the Company every demand, notice, summons or other process received by him or him representative.

E. ASSISTANCE AND CO-OPERATION OF THE INSURED

The Insured shall co-operate with the Company and upon the Company's request, shall attend hearing and trial and shall assist in effecting settlement, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suit. The Insured shall not, except at his own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and surgical relief to others as shall be imperative at the time of accident.

F. ACTION AGAINST THE COMPANY

If a claim be made, rejected and an action so suit be not commenced either in the insurance commission or any court of competent jurisdiction within twelve (12) months from receipt of notice of such rejection or in case of arbitration taking place as provided herein, within twelve (12) months after due notice of the awards by the Arbitrator(s) or Umpire, then the claim shall for all purposes be deemed to have been abandoned shall not there after be recoverable hereunder.

G. OTHER INSURANCE

If the Insured has other insurance against a loss covered by this Policy, the Company can not liable under this Policy for a greater proportion of such loss than the applicable limit of liability stated in the Declaration bears to the total applicable limit of liability of all valid and collectible insurance against such loss. In which case the Company shall make a rateable return to the Insured of premiums proportional to the amount by which the aggregate sum insured in all the Policies excludes the determined full insurable value of the property at risk.

H. SUBROGATION

In the even of any payment under this Policy, the Company shall be subrogated to all the Insured's rights of recovery therefore against any person or organization and the Insured shall execute and deliver instruments and papers do whatever else is necessary to secure such rights. The Insured shall do nothing after loss to prejudice such rights.

I. CHANGES

None of the provisions, conditions and terms of this Policy shall be waived or altered except by endorsement signed or initialed by an authorized official of the Company an issued in accordance with the provisions of Section 50 of the Insurance Code.

J. ASSIGNMENT

Assignment of interest under this Policy shall not bind the Company until its consent is endorsed hereon, if however, the named insured shall die or be judged bankrupt or insolvent within the Policy period. This Policy, unless cancelled, shall, if written notice be given to the Company within sixty (60) days after the date of such death or adjudication, cover the named Insured's legal representative as the named insured.

K. CANCELLATION

This Policy shall not cancelled by or on behalf of the Company except of the accordance

and pursuant to the provisions of Sections 64 and 65 of the Insurance Code. In the event of such cancellation, the Company shall refund the paid premiums less the earned portion thereof the Insured; likewise this Policy may be cancelled on the short rate cancellation table at the request of the Insured.

SHORT PERIOD RATE SCALE

It is hereby agreed, in the even this Policy is surrendered by the Insured for cancellation, the Company shall retain a premium in accordance with the following scale for the time the Policy has been in force.

Number of Months	Percentage
1	20
2	30
3	40
4	50
5	60
6	70
7	75
8	80
9	85
10	90
11	95

L. DECLARATION

By acceptance of this Policy the named Insured agrees that the statement in the Declaration are his agreement and representations, that this Policy is issued in reliance upon the truth of such representation and that this Policy embodies all agreements existing between himself and the Company or any of its agents relating to this insurance.

M. RENEWAL CLAUSE

Unless the Company at least forty five (45) days in advance of the end of the Policy period mails or delivers to the Insured at the address shown in the Policy notice of its intention not to renew the Policy or to condition its renewal upon reduction of limits or elimination of coverage, the Insured shall be entitled to renew the Policy upon payment of the premium due on the effective date of renewal.

N. ARBITRATION CLAUSE

All the differences as to the amount of any loss or damage coverage by this Policy shall be referred to the decision of an Arbitrator to be appointed by the Parties in difference or if they can not agree upon a single Arbitrator to the decision of two (2) Arbitrators, one to be appointed in writing by each of the Parties within thirty (30) days after have been required in writing to do so by either Party or in case in disagreement between the Arbitrator to the decision of an Umpire to be appointed in writing by the Arbitrator before entering upon the reference.

The Umpire shall sit the Arbitrator and preside at their meetings. The making of an award as provided herein shall be a condition precedent to any right of action against the Company only in case of differences as to the amount of liability actually arising out of this Policy.

O. SETTLEMENT OF CLAIM CLAUSE

The amount of any loss damage for which the Company may be liable under this Policy shall be paid within thirty (30) days after proof of loss is received by the Company and ascertainment of the loss or damage is made either by agreement between the Insured and the Company or arbitration; but if such ascertainment is not had or made within sixty (60) days after such receipt by the Company of the proof of loss, then the loss or damage shall be paid within ninety (90) days after such receipt.

P. RECEIPT OF PAYMENT CLAUSE

Except, only in those specific cases where corresponding rules and regulation which now are or may hereinafter be in force the payment of the stipulated premiums in periodic installment at fixed percentages, it is hereby declared, agreed and warranted that this Policy shall be deemed effective valid and binding upon the Company only when the premiums therefore have actually been paid in full and duly acknowledged in a receipt signed by any authorized official or representative or agent of the Company in such manner as provided herein.