

**AXIS INSURANCE COMPANY**  
411 S. STATE ST, SUITE 1A NEWTOWN, PA 18940

**COMMON POLICY DECLARATION**

Policy Number

**AXGL14264 2018 0**

Renewal of Number: **AXGL14264**

**Named Insured and Mailing Address**

DAN O'GORMAN LLC AND  
DAN O'GORMAN  
10 ALBANY STREET  
EDISON, NJ 08837

**PRODUCER - 173**

JAMES C FRANCHINO AGENCY INC  
132 COLUMBIA TPKE  
FLORHAM PARK, NJ 07932  
(973) 377-6100

**Policy Term:** From 10/02/2018 to 10/02/2019 12:01 A.M. Standard Time at your mailing address shown above.

You are a: LLC

Your Business/Operation: TEACHER OF PLUMBING EDUCATION COURSES

IN RETURN FOR PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,  
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY. THERE ARE EXCLUSIONS,  
CONDITIONS AND LIMITATIONS CONTAINED IN THE POLICY FORMS AND ENDORSEMENTS.

**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM  
MAY BE SUBJECT TO ADJUSTMENT.**

(N/A MEANS NO COVERAGE)

**ADVANCE PREMIUM**

Commercial Property Coverage Part	\$	N/A
Commercial General Liability Coverage Part	\$	500
Commercial Inland Marine Coverage Part	\$	N/A
Commercial Crime Coverage Part	\$	N/A
Commercial Glass Coverage Part	\$	N/A
Certified Terrorism Coverage	\$	N/A
Total Advance Premium	\$	500
Surcharge NJ-PLIGA	\$	3

**COMMON POLICY DECLARATION****Policy No. AXGL14264**

These Declarations together with the Forms and Endorsements, if any, issued to form a part thereof, completes the above numbered policy.

<b>Form Edition</b>	<b>Description</b>
The following forms and endorsements are applicable to the Common Coverage Part	
AXIS JACKET (06-15)	AXIS JACKET
MCM 418*(01/2015)	Non-Certified Acts of Terrorism Exclusions
MCM 820*(08/2015)	Mandatory Endorsement - New Jersey
MCM 412 (01/2015)	Certified Acts of Terrorism Exclusions
TPD12 (01/2015)	Notice Of Terrorism Insurance Coverage
The following forms and endorsements are applicable to the Commercial General Liability Coverage Part	
MCL 010* (10/2007)	General Liability Form
MCL 143 (03/2014)	Data Breach Exclusion - Part II
MCL 178*(08/2000)	Exterior Insulation and Finish System Exclusion
MCL 189*(04/2007)	Lead/Lead Contamination and Asbestos Exclusions - Liability
MCL 191*(06/2002)	Sexual Abuse or Sexual Misconduct Exclusion
MCL 193*(06/2005)	Contractors New York State Bodily Injury Limitation - Part II
MCL 821*(06/2005)	Your Right to Loss Information

\* Mandatory Forms

04/23/2019

Countersignature Date

By:



Stan M. Geyer  
Representative

**AXIS INSURANCE COMPANY**  
411 S. STATE ST, SUITE 1A NEWTOWN, PA 18940

## **COMMERCIAL GENERAL LIABILITY POLICY DECLARATION**

## Policy Number

AXGL14264 2018 0

## **Renewal of Number: AXGL14264**

**Named Insured and Mailing Address**

DAN O'GORMAN LLC AND  
DAN O'GORMAN  
10 ALBANY STREET  
EDISON, NJ 08837

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CONDITIONS AND LIMITATIONS CONTAINED IN THE POLICY FORMS AND ENDORSEMENTS.

LIMITS OF INSURANCE	(N/A MEANS NO COVERAGE)		
Each Occurrence Limit	\$	1,000,000	
General Aggregate Limit (Other Than Products-Completed Operations)	\$	2,000,000	
Products-Completed Operations Aggregate Limit	\$	1,000,000	
Personal and Advertising Injury Limit	\$	1,000,000	
Fire Legal Liability Limit	\$	50,000	Any One Fire
Medical Expense Limit	\$	5,000	Any One Person

**LOCATION OF PREMISES YOU OWN, RENT OR OCCUPY**

**Prem No. 1 Bldg No. 1**  
10 ALBANY STREET EDISON, NJ 08837

**ALL KNOWN EXPOSURES AT INCEPTION OF THE POLICY TERM ARE LISTED BELOW:**

**This Policy Contains Aggregate Limits: See Part II D 2 for Details**

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04/23/2019

Countersignature Date

By:



A handwritten signature in black ink, appearing to read "John M. Gray".

Representative

# **POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If you accept this coverage, any terrorism exclusions for acts of terrorism, as defined in the Act, already contained in your policy or included in an endorsement are nullified.

If you accept this offer of coverage, you should know that coverage that may be provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under this formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the Act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

## **ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE**

You may accept or reject this offer of coverage. Your renewal policy does not include this coverage, but includes an exclusion for terrorism losses.

You may accept this coverage by signing and returning this notice to us by the date listed below. If you elect to accept this coverage, the premium is payable according to your billing notice.

The portion of your annual premium that is for the coverage for terrorism, as defined in this Act, if you accept this coverage is:  
\$       15.      

	I hereby elect to purchase terrorism coverage. Sign and return this form to us by <u>11/01/2018</u> .
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\_\_\_\_\_  
Policyholder/Applicant's Signature

AXIS INSURANCE COMPANY

\_\_\_\_\_  
Insurance Company

\_\_\_\_\_  
DAN O'GORMAN LLC AND  
Print Name

AXGL14264  
\_\_\_\_\_  
Policy Number

\_\_\_\_\_  
Date

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# GENERAL LIABILITY FORM – MCL 010 10 07

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**YOUR POLICY INCLUDES:**

- The Declarations Page, Including Information About –
  - *You and Your Business / Operations*
  - The Premises and Business / Operations Covered
  - The Applicable Coverages
  - The Applicable Limits of Liability
  - Who *We* are, and *Your* Insurance Representative
- This General Liability Form – MCL 010
- Additional Endorsements, if Applicable.

**THIS INSURANCE FORM INCLUDES:**

ITEM	PAGE
• Part II A – Main Liability Coverage <ul style="list-style-type: none"><li>• Coverage E – Liability to Others <i>Products / Completed Operations Hazard</i> Option</li><li>• Coverage F – Medical Payments To Others</li></ul>	2
• Part II B – Supplemental Coverages	3
• Part II C – Liability Not Insured	6
• Part II D – Special Liability Conditions, Including – <ul style="list-style-type: none"><li>• Duties of <i>Insureds</i></li><li>• Limits of Liability</li></ul>	9
• Part II E – Glossary	10
• Part II – Common Conditions, Including – <ul style="list-style-type: none"><li>• Action or Suit Against <i>Us</i></li><li>• Cancellation / Termination</li><li>• Concealment / Misrepresentation / Fraud</li><li>• Coverage Territory</li><li>• Examination / Changes</li><li>• Other Insurance</li><li>• And Other Conditions</li></ul>	12
• Part II – Common Exclusions	14

**DEFINITIONS AND WORD MEANINGS**

Words shown in *italics* are defined for the purposes of this insurance in Glossaries: See Part II B.8. and 10, Part II C.3, Part II E and Common Exclusion 3.

The word “Provisions,” refers to all or part of the text of this insurance contract – including agreements, conditions, exclusions, limits, limitations, and all other terms.

The meaning of other words / phrases not specially defined in this policy is to be found in their relevant conventional definition based on consideration of the context in which they are used in this policy.

**COVERAGE PARTS**

Part II – this coverage part – includes provisions relating to General Liability Insurance. If included in this insurance contract, Part I relates to Property Insurance for *your* buildings / *your* business personal property / *your* loss of business income.



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## PART II A • MAIN LIABILITY COVERAGE

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### COVERAGE E • LIABILITY TO OTHERS

- A. We pay for the benefit of *insureds*, up to the applicable limit(s) of liability (See Part II D) shown in the Declarations, those sums that *insureds* become legally liable to pay as damages because of *bodily injury* or *property damage* insured in this policy.

Such *bodily injury* or *property damage* must:

1. Be caused by an *occurrence* that takes place within the applicable coverage territory. See Common Condition 6;
2. Occur during the policy term; and
3. Prior to the policy term, no *insured* or no *employee* authorized by *you* to give or receive notice of a claim or *occurrence*, knew that the *bodily injury* or *property damage* had occurred in whole or in part. If any *insured* or authorized *employee* knew, prior to the policy term, that the *bodily injury* or *property damage* occurred, then any change in, continuation of, or resumption of such *bodily injury* or *property damage* during or after the policy term will be deemed to have been known prior to the policy term.

Damages because of *bodily injury* insured in this policy include claims by others for care, death (at any time), or loss of services resulting from such *bodily injury*.

**Products / Completed Operations Hazard** • If a specific aggregate limit of liability (See Part II D) for *products / completed operations hazard* is shown in the Declarations, then Coverage E, as described, extends to *bodily injury* and *property damage* included in the *products / completed operations hazard*.

- B. *Bodily injury* or *property damage* which occurs during the policy term, provided no *insured* or *employee* authorized by *you* to give or receive notice of a claim or *occurrence* knew, prior to the policy term, that such *bodily injury* or *property damage* had occurred, includes any change in, continuation of, or resumption of that *bodily injury* or *property damage* after the end of the policy term.
- C. *Bodily injury* or *property damage* will be deemed to have been known to have occurred at the earliest time when any *insured* or any *employee* authorized by *you* to give or receive notice of a claim or *occurrence*:
1. Reports all, or any part, of the *bodily injury* or *property damage* to *us* or any other insurer;
  2. Receives a written or verbal demand, claim or suit for damages because of the *bodily injury* or *property damage*; or
  3. Becomes aware of anything that indicates that *bodily injury* or *property damage* has occurred or is occurring.
- D. We have no obligation to pay any damages not covered in this policy or in excess of *our* limits of liability. (See Part II D) for any covered damages.

### COVERAGE F • MEDICAL PAYMENTS TO OTHERS

- A. We pay, up to the applicable limit of liability (See Part II D) shown in the Declarations, the reasonable necessary medical expenses, incurred by others, arising out of an accident which are both incurred and reported to *us* by *you* or the coverage beneficiary within three years from the date of such accident. The accident must: take place within the applicable coverage territory and policy term (See Common Conditions), and occur:

1. On *your premises*.
2. Away from *your premises*, but, if so, then only if the accident either:
  - a. Arises out of a condition at *your premises*; or
  - b. Arises out of the business / operations insured by this policy.

Fault or legal liability is not a condition for such payment (and *our* payment is not an admission of liability by any *insured*); however, we pay medical expenses only for *bodily injury* not otherwise excluded or uninsured under this policy.

- B. Medical expenses means expenses for: ambulance, dental, funeral, hospital, medical, professional nursing, surgical or x-ray services; prosthetic devices; drugs and surgical supplies.

**If no “per person” limit is shown, then Coverage F does not apply under this policy.**

### APPLICATION OF THIS INSURANCE (PART II)

- A. This insurance applies to liability arising out of *your* business/operations and *your premises*, designated in the Declarations or elsewhere in this policy, to the extent covered in this policy.
- B. Subject to Common Condition 7, such insurance also applies to the following:
1. Any additions or changes to *your business / operations* or *your premises*, as described in the preceding Paragraph A, which occur during the current policy term;
  2. Any business entity that *you* newly acquire or form during the current policy term, subject to the additional conditions described in the definition of *insureds*: See Part II E.

All provisions applicable to *your business / operations* and *your premises* designated in this policy apply to such additions, changes, and new entities, unless otherwise modified.

We have no obligations to provide any insurance or services, or pay any expenses or any sums, other than those specifically described as applicable and insured in this policy.

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## PART II B • SUPPLEMENTAL COVERAGES

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The following coverages do not extend or modify any provisions in this policy, including *our Limits of Liability* or any applicable Exclusions, except to the extent specifically described.

### 1. DEFENSE COVERAGE

- A. With counsel of *our* choice, *we* defend suits (civil proceedings) against *insureds* seeking damages covered by this insurance. *We* have no duty to investigate any claim, defend or provide for a defense for any *insured*:
  - 1. In connection with either suits seeking damages not covered by this policy or allegations within a suit which are not covered by this policy; or
  - 2. When the applicable limit of liability is used up in payment of judgments or settlements.
- B. *We* may investigate and settle any claim or suit as *we* deem such to be reasonable.
- C. *We* assume the following costs and expenses in a suit defended by *us*:
  - 1. All costs incurred by *us*.
  - 2. The interest which accrues after entry of a judgment, but only until that time when *we* pay, offer to pay, or deposit in court that part of the judgment within *our* limit of liability.
  - 3. The prejudgment interest awarded against any *insured* on that part of the judgment *we* pay. But, if *we* offer to pay *our* applicable limit of liability under this policy, *we* will not pay any prejudgment interest which is based on the period of time that follows *our* offer.
  - 4. Costs taxed against the *insured*.
  - 5. Costs of appeal bonds or bonds to release attachments, for that amount of the bond within *our* applicable limit of liability. *We* need not furnish or secure such bonds.
  - 6. The reasonable expenses incurred by the *insured* at *our* request, as well as earnings (up to \$250 per day) lost because of absence from work at *our* request.

Suit includes alternative dispute resolution proceedings to which an *insured* either must submit or may choose to submit (but only if done with *our* prior written consent).

### 2. CONTRACTUAL COVERAGE

- A. Coverage E is extended to include *your* liability to pay damages to others (third parties) because of *bodily injury* or *property damage* – to the extent otherwise insured by this policy – arising out of *your* expressed assumption of the liability of another (*your* indemnitee) under the following oral or written contracts:

#### Item 1

- 1. Agreements to indemnify a municipality as required by law or ordinance. This does not include agreements made in connection with work for a municipality: but the assumption of tort liability of another for such work is included under Item 2.

- 2. Easements. This does not include easements involving work on, or within 50 feet of, a railroad, nor is the assumption of tort liability for such included under Item 2.
- 3. Leases of premises (but not as to fire damage) or elevator maintenance agreements.
- 4. Sidetrack agreements.

#### Item 2

That part of other contracts (not as described in Item 1) in which *you* have expressly assumed the tort liability (liability imposed by law in the absence of contract) of another, providing the *bodily injury* or *property damage* is caused, in whole or in part, by *you* or by those acting on *your* behalf, but only to the extent that *you* or those acting on *your* behalf contributed to the *bodily injury* or *property damage*.

- B. Exclusion 2, in Part II C, does not apply to covered contracts under Item 2 with respect to maintenance, ownership, or use of aircraft or watercraft.
- C. This Supplemental Coverage applies only to contracts made in connection with *your* business / operations or *your* premises covered by this policy and, then, solely to *bodily injury* or *property damage* which occurs subsequent to execution of the covered contract.

**If MCL 501 is listed in the Declarations, then coverage applies solely to those written contracts that *you* furnish to *us* within 60 days of their execution.**

**If MCL 502 is listed in the Declarations, then Item 2 (tort liability) is deleted.**

**If MCL 510 is listed in the Declarations, then coverage applies solely to written contracts.**

### 3. FIRST AID EXPENSE COVERAGE

*We* pay necessary reasonable medical expenses incurred for first aid to others at the time of an accident, other than in connection with *bodily injury* otherwise excluded by this policy.

### 4. INCIDENTAL ALCOHOLIC BEVERAGE COVERAGE

Coverage E is extended to include *bodily injury* and *property damage* arising out of the furnishing, giving, serving or use of alcoholic beverages, as follows:

- A. When *you* furnish, give, or serve alcoholic beverages without charge and a license is not required for such activity.
- B. If MCL 512 is listed in the Declarations, then *we* also provide coverage when *you* furnish, give, or serve alcoholic beverages for which a charge may be made if such activities are an incidental and minor part of *your* business / operations (and such do not pertain to the distribution, manufacture, or sale of alcoholic beverages).

## **5. INCIDENTAL AUTOMOBILE COVERAGE**

Coverage E is extended to include *bodily injury* and *property damage* arising out of the following:

- A.** The parking of *automobiles* (not borrowed or owned by, or rented to, any *insured*) at *your premises*.
- B.** The operation of the following devices permanently attached to an *automobile*:
  1. Air compressors, generators, or pumps; building cleaning, geophysical exploration, lighting, spraying, welding, or well servicing equipment.
  2. Cherry pickers and similar devices used to raise / lower workers.
- C.** The operation of any device permanently attached to a vehicle that would qualify as *mobile equipment*, under the definition of *mobile equipment*, if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

## **6. INCIDENTAL FIRE LEGAL LIABILITY COVERAGE**

Coverage E is extended to include, up to the applicable limit of liability (See Part II D) shown in the Declarations for Fire Legal Liability Coverage, *property damage* as follows:

- A.** Arising out of fire at a nonowned premises rented to, or occupied by, *you*.
- B.** If MCL 511 is listed in the Declarations, then this extension also applies to *property damage* arising out of any other fortuitous direct physical loss at a nonowned premises rented to, or occupied by, *you*.

If a separate specific limit is not shown in the Declarations for Fire Legal Liability, then this Supplemental Coverage does not apply under this policy. (The specified limit is *our* maximum liability in any one *occurrence* in connection with this Supplemental Coverage).

## **7. INCIDENTAL MEDICAL / PROFESSIONAL LIABILITY COVERAGE**

Coverage E is extended to include *bodily injury* arising out of *your* providing for the benefit of others, without charge, any incidental medical or nursing services, or drugs or related supplies. This does not apply to any *insured*, or any *insured's* indemnitee, whose business/profession involves the rendering of such services or drugs or supplies.

## **8. INCIDENTAL MOBILE EQUIPMENT COVERAGE**

- A.** Coverage E is extended to include *bodily injury* and *property damage* arising out of *loading or unloading*, maintenance, ownership, or use of *mobile equipment*.

### **B. Glossary**

- 1.** *Mobile equipment* means solely land vehicles (including any equipment or machinery permanently attached to, or forming an integral part of, the vehicle) as follows:
  - a.** Vehicles used solely at *your premises*.
  - b.** Vehicles designed for primary use off public roads such as bulldozers, farm machinery, forklifts, and similar commercial types.

- c.** Vehicles used primarily to provide mobility to the following:

1. Concrete mixers (other than mix-in-transit type).\*
2. Diggers, drills, loaders, power cranes, or shovels.\*
3. Road construction and resurfacing equipment, such as graders, rollers, or scrapers.\*

- d.** Vehicles that are not self-propelled used primarily to provide mobility to:

1. Air compressors, generators, or pumps; building cleaning, geophysical exploration, lighting, spraying, welding, or well servicing equipment.\*
2. Cherry pickers and similar devices used to lower / raise workers.\*

- e.** Vehicles that travel on crawler treads.

- f.** Vehicles not otherwise used as described in the preceding Paragraphs 1.a through 1.e. that are maintained by *you* primarily for uses other than the transportation of cargo or persons: but this Supplemental Coverage does not extend to self-propelled vehicles designed as described in the following paragraphs or equipped with any of the following permanently attached devices:

1. Designed primarily for road maintenance (other than road construction or resurfacing), snow removal, or street cleaning.
2. Equipped with air compressors, generators, or pumps; building cleaning, geophysical exploration, lighting, spraying, welding, or well servicing equipment.
3. Equipped with cherry pickers and similar devices mounted on *automobile* or truck chassis and used to raise / lower workers.

All such vehicles are *automobiles* for purposes of this insurance. But see Supplemental Coverage 5 for coverage of the operation of the described devices.

- 2.** However, *mobile equipment* does not include any land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered *automobiles*.

\* **But only if permanently attached to, or forming an integral part of, the vehicle.**

## **9. INCIDENTAL WATERCRAFT COVERAGE**

Coverage E is extended to include *bodily injury* and *property damage* arising out of any of the following:

- A. Watercraft while ashore at *your premises* (other than premises *you* have abandoned, sold, or transferred to others).
- B. Watercraft not owned by, or loaned or rented to, any *insured*, if the *occurrence* arises out of *your* direct act. Direct act does not include or mean supervision of others or entrustment to others of watercraft.
- C. Watercraft not owned by *you*, if less than 26 feet in length and not used to carry persons or property for a charge.

## **10. PERSONAL INJURY / ADVERTISING INJURY COVERAGES**

### **A. Liability to Others**

We pay for the benefit of *insureds*, up to the limit of liability (See Part II D) shown in the Declarations, those sums that *insureds* become legally liable to pay as damages because of: 1. *Advertising Injury*, or 2. *Personal Injury*, as described and covered by this policy, arising out of a covered offense.

A covered offense must take place within the policy term and within the applicable coverage territory: See Common Condition 6.

**If a specific separate limit of liability for Personal Injury / Advertising Injury is not shown in the Declarations, then this Supplemental Coverage does not apply under this policy.**

This Supplemental Coverage applies only to the following:

1. *Advertising injury* arising out of an offense committed in the course of advertising goods, products, or services of *your* business / operations covered by this policy.
  2. *Personal injury* arising out of an offense committed in the conduct of *your* business / operations covered by this policy, but not advertising, broadcasting, publishing, or telecasting done either by *you* or on *your* behalf.
- B. Defense in Connection with Advertising Injury / Personal Injury**
- Defense is provided in connection with these coverages in accordance with the defense provisions described under Supplemental Coverage 1.

### **C. Liability Not Insured (Additional Exclusions)**

We do not provide insurance for any sort of damages or liability directly or indirectly, wholly or partially, aggravated by, caused by, or resulting from any of the following:

***Advertising Injury / Personal Injury Exclusions. We do not insure any of the following:***

1. Injury arising out of oral or written publication of material, done by or at the direction of any *insured* with knowledge that such is false or such would

violate the rights of another and would inflict the injury.

2. Injury arising out of oral or written publication of material whose first publication took place prior to the beginning of this policy or such coverage under this policy.
3. Injury arising out of rendering / failure to render professional advice or service.
4. Injury for which the *insured* has assumed liability in an implied, oral, or written agreement or contract. This does not apply to liability for damages, otherwise insured in this policy, that the *insured* has in the absence of contract.
5. Injury to *you* or *your* members or partners (if *you* are a joint venture, limited liability company or partnership).
6. Injury arising out of an electronic bulletin board or chatroom hosted or owned by the *insured* or over which the *insured* exercises control.
7. Injury arising out of the unauthorized use of another's name or product in *your* e-mail address, domain name or metatags, or any other similar methods to mislead another's current or potential customers.

***Advertising Injury – Additional Exclusions. We do not insure any of the following:***

8. Injury arising out of breach of contract, other than misappropriation of advertising ideas under an implied contract.
9. Injury arising out of the failure of goods, products, or services to conform with advertised quality or performance.
10. Injury arising out of the wrong description of the price of goods, products, or services.
11. Injury arising out of an offense committed by an *insured* whose business is:
  - a. Advertising, broadcasting, publishing, or telecasting;
  - b. Designing or determining the content of websites for others; or
  - c. Providing internet access, content, search or service.

### **D. Glossary**

*Advertising injury* means solely the following:

1. Infringement of copyright, slogan, title or trade dress.
2. Misappropriation of advertising ideas or style of doing business.
3. Oral or written publication of material that: slanders or libels a person or organization; disparages a person's or organization's goods, products, or services.

4. Oral or written publication of material that violates a person's right of privacy.

*Personal injury* means solely the following:

1. False arrest, detention, or imprisonment.
2. Malicious prosecution.
3. Oral or written publication of material that: slanders or libels a person or organization; disparages a person's or organization's goods, products, or services.
4. Oral or written publication of material that violates a person's right of privacy.

5. Wrongful entry into, eviction of a person from, or invasion of the right of private occupancy of, a dwelling, room, or other private premises that the person occupies: but only if done by, or on behalf of, the landlord, lessor, or owner of such premises.

***Advertising Injury / Personal Injury do not include bodily injury or property damage. Accordingly, Part II C – other than Exclusions 5, 7, 9, and 12 – does not apply: however, Advertising Injury / Personal Injury do not include or extend coverage in any way to any costs, damages, liability, or loss expressly excluded under Coverage E.***

## PART II C • LIABILITY NOT INSURED

We do not provide insurance for any sort of costs, damages, expenses, or liability, directly or indirectly, wholly or partially, aggravated by, caused by, or resulting from any of the following, even if an occurrence otherwise covered contributes to such concurrently or in any sequence – except to the extent otherwise specifically described and provided for in this policy.

### 1. ALCOHOLIC BEVERAGE EXCLUSION

We do not insure *bodily injury* or *property damage*, arising out of: contributing to any person's intoxication; furnishing alcoholic beverages to persons under the legal drinking age or under the influence of alcohol; violating any law, ordinance, or regulation relating to the distribution, gift, sale, or use of alcoholic beverages: but see Supplemental Coverage 4.

### 2. AUTOMOBILES / AIRCRAFT / WATERCRAFT EXCLUSIONS

We do not insure *bodily injury* or *property damage* arising out of the *loading or unloading*, loaning, maintenance, operation, renting, use, or entrustment to others (whether supervised or not) of any aircraft, *automobile*, or watercraft operated or owned by, or loaned or rented to, any *insured*. This also applies to such *bodily injury* or *property damage* arising out of: any device, equipment, machinery, parts, trailers or semi-trailers attached to any aircraft, *automobile*, or watercraft. But see Supplemental Coverages 2.B, 5, and 9.

### 3. BUSINESS ACTIVITIES / BUSINESS RISK EXCLUSIONS

**A.** We do not insure *bodily injury* or *property damage* included in the *products / completed operations hazard* – unless shown as covered by this policy with a specific aggregate limit for *products / completed operations hazard* coverage shown in the Declarations.

**Note:** The *products / completed operations hazard* (whether covered by this policy or not) does not include *bodily injury* or *property damage* arising out of:

1. Materials which are abandoned or unused, tools, or uninstalled equipment; or
2. Transporting property, unless the *occurrence* results from a condition in or on a vehicle created by *loading or unloading* of the vehicle.

**B.** We do not insure any *property damage* to *your products* or *your work* caused, to any extent, by *your products* or *your work* or any part of such.

This Exclusion does not apply to *your work* if:

1. The work has not, at the time of damage, been abandoned or completed; or
2. The damaged work, or work out of which the damage arises, was performed on *your* behalf by a subcontractor.
- C. With respect to *impaired property* or property that has not been physically damaged, we do not insure *property damage* arising out of any of the following:
  1. An inadequacy, defect, deficiency, or dangerous condition in *your products* or *your work*.
  2. A delay or failure by *you* or others acting on *your* behalf to perform an agreement or contract in accordance with its terms.

This Exclusion does not apply to loss of use of other property arising out of abrupt (sudden in time – not gradual or ongoing) accidental physical damage to *your products* or *your work* after such is put to its intended use.

- D.** We do not insure any costs, expenses, liability or loss, incurred by *you* or others, arising out of recall by *you* or any other person or organization, of *your products*, *your work*, or *impaired property* when such must be taken from the market or from others because it is known to be, or is thought to be, dangerous, defective, deficient, or inadequate.

Recall includes adjustment, disposal, inspection, loss of use, recall, removal, repair, replacement, or withdrawal of *your products*, *your work*, or *impaired property*.

- E.** We do not insure *property damage* to any of the following:
  1. That part of real property on which work is being performed by either *you*, or any contractor or subcontractor working (directly or indirectly) on *your* behalf, if the *property damage* arises out of such work.

2. That part of any property that must be repaired, replaced, or restored because *your work* was faulty or incorrectly performed on it: this does not apply to *property damage* included in the *products / completed operations hazard*.

This Exclusion does not apply to liability assumed under a written sidetrack agreement.

- F. We do not insure *bodily injury* arising out of body massaging, chiropody, cosmetic, ear piercing, reducing or slenderizing services or preparations or the use of sun or tanning lamps or other irradiating devices.
- G. We do not insure *bodily injury* arising out of the piercing of any skin or body part; skin dyeing or tattooing; or the application of, or injection into or under the skin, of any permanent cosmetic or make-up.

#### H. Glossary

*Impaired property* means tangible property (other than *your products* or *your work*) that cannot be used, or is less useful, because one or both of the following apply:

1. It incorporates *your products* or *your work* that is known to be, or is thought to be, dangerous, defective, deficient, or inadequate – and it can be restored by adjustment, removal, repair, or replacement of *your products* or *your work*.
2. You have failed to fulfill the terms of an agreement or contract and it can be restored by *your* fulfilling the terms of the agreement or contract.

#### 4. CONTRACTUAL LIABILITY EXCLUSION

We do not insure *bodily injury* or *property damage* for which the *insured* is liable to pay damages because of the assumption of liability for such in an implied, oral, or written agreement or contract. But see Supplemental Coverage 2.

To the extent that Supplemental Coverage 2 otherwise applies, we do not insure under such coverage: any liability to indemnify another for fire damage to a premises loaned or rented to, or occupied by, *you*; any *bodily injury* or *property damage* which first occurs prior to execution of the agreement or contract.

This Exclusion does not apply to liability for damages, otherwise insured in this policy, that the *insured* has in the absence of contract.

#### 5. EMPLOYEE, EMPLOYMENT, AND RELATED INJURY EXCLUSIONS

- A. We do not insure any obligations of any *insureds* under a disability benefit, unemployment compensation, workers' compensation, or similar law.
- B. We do not insure *bodily injury* to any of *your employees* arising out of and in the course of:
  1. Employment by *you*; or
  2. Performing duties related to the conduct of *your business / operations*.

- C. We do not insure *bodily injury* or *personal injury* arising out of the following:

1. Coercion, defamation, demotion, discipline, discrimination, evaluation, harassment, humiliation, reassignment, or other employment-related acts, omissions, policies, or practices.

2. Refusal to employ.

3. Termination of employment.

- D. We do not insure *bodily injury* or *personal injury*:

1. Sustained by the brother, child, parent, sister, or spouse of *your employees* arising out of any injury described in the preceding Paragraphs 5.B and C.
2. With respect to any *employee* (including any *executive officer*) as an *insured* in this policy, in connection with *bodily injury* or *personal injury* to *you*, *your* members or partners (if *you* are a joint venture, limited liability company or partnership) or a fellow *employee*, caused by the *employee* while in the course of employment by *you*.

- E. We do not insure any obligation to share damages with, or repay, others who must pay damages because of any *bodily injury* described in the preceding Paragraphs 5.B, C, and D.

Exclusions 5.B through E apply whether the claim or suit is brought by *your employees* or by any others or whether *you* are liable as an employer or in any other capacity. However, Exclusion B does not apply to liability assumed under a contract covered under Supplemental Coverage 2.

#### 6. ENDANGERMENT OR HARM EXCLUSION

We do not insure *bodily injury* or *property damage*, whether or not expected or intended by any *insured*, which is a consequence of an *insured's* willfully harmful act or knowing endangerment.

#### 7. FUNGI / MOLD EXCLUSION

- A. We do not insure *bodily injury*, *property damage*, *advertising injury*, or *personal injury* resulting from or caused by the actual, alleged, or threatened absorption of, contact with, existence of, exposure to, inhalation of, ingestion of, or presence of any *fungi*.

- B. We do not insure any cost, expense, liability or loss arising out of any of the following:

1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to *fungi*.

2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to *fungi*.

However, these exclusions do not apply to *bodily injury* resulting from the ingestion of foods, goods or products intended for human consumption.

## **8. MOBILE EQUIPMENT EXCLUSION**

We do not insure *bodily injury* or *property damage* arising out of any of the following:

- A.** *Mobile equipment* not specifically covered under Supplemental Coverage 8; transportation of *mobile equipment* by an *automobile* borrowed, operated, or owned by, or rented to, any *insured* – even if such *mobile equipment* is otherwise covered by this policy.
- B.** *Mobile equipment* while being used in a prearranged demolition, racing, or speed contest or stunting activity, including preparation or practice for such – even if such *mobile equipment* is otherwise covered by this policy.

*Mobile equipment* means those vehicles described as such in Supplemental Coverage 8.

## **9. POLLUTION / ENVIRONMENTAL DAMAGE EXCLUSION**

- A.** We do not insure *bodily injury*, *property damage*, *advertising injury* or *personal injury* arising out of the actual, alleged, or threatened discharge, dispersal, emission, escape, flowing, leakage, migration, release, or seepage of *pollutants* or other similar forms of environmental damage, regardless of where or how such may take place.

Paragraph A of this Exclusion does not apply to *bodily injury*, *property damage*, *advertising injury* or *personal injury* caused by:

The fumes, heat, smoke, or soot that are products of combustion arising out of a fire at *your premises*, other than such that are the products of burning *pollutants*.

However, if the fire is a controlled act, the following additional conditions apply:

- 1.** All materials burned (and the burning process) must give rise solely to ordinary combustion particulate and products, such as those usual to a building (materials) fire;
  - 2.** The fire must not involve any industrial, manufacturing, or processing activities; and
  - 3.** The premises, site or location is not or was not at any time used by or for any *insured* or others for the disposal, handling, processing, storage, or treatment of waste. Waste includes materials to be reclaimed, reconditioned or recycled.
- B.** We do not insure under this policy any cost, expense, liability, or loss arising out of any of the following:
- 1.** Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, treat, or in any way assess the effects of or respond to *pollutants*; or
  - 2.** Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to *pollutants*.

## **10. PREMISES / OTHER PROPERTY ADDITIONAL EXCLUSIONS**

We do not insure *property damage* to any of the following premises or property:

- A.** Personal property in the care, control, or custody of any *insured* or any property borrowed by *you*. This does not apply to liability assumed under a written sidetrack agreement.
- B.** Premises *you* have abandoned, sold, or transferred to others, if the damage arises out of any part of such premises.  
This does not apply to premises that are *your work* and have been neither occupied by *you* nor rented or held for rental by *you* to others.
- C.** Property occupied or owned by, or rented to, *you*: but see Supplemental Coverage 6.
- D.** With respect to an *employee*, to property borrowed, occupied, owned, or rented by: such *employee*, any of *your other employees*, or any of *your members* or partners (if *you* are a joint venture, limited liability company or partnership).

## **11. PROFESSIONAL ACTIVITIES EXCLUSION**

We do not insure *bodily injury* or *property damage* arising out of the rendering or failure to render any sort of professional advice, product, or service whether such are those of any *insured* or *insured's* indemnitee or any *employees* of an *insured* or employees of an *insured's* indemnitee.

But see Supplemental Coverage 7 for certain coverage.

**If MCL 505 is listed in the Declarations, this Exclusion is waived with regard to products or services which are an incidental and minor part of your principal business / operations otherwise covered by this policy.**

## **12. SILICA EXCLUSION**

- A.** We do not insure *bodily injury*, *property damage*, *advertising injury*, or *personal injury*, resulting from or caused by the actual, alleged, or threatened absorption of, contact with, existence of, exposure to, inhalation of, ingestion of, or presence of silica in any form, including silica particles or dust, or any products or substances containing silica.
- B.** We do not insure any cost, expense, liability or loss arising out of any of the following:
  - 1.** Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to silica in any form, including silica particles or dust, or any products or substances containing silica.
  - 2.** Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to silica in any form,

including silica particles or dust, or any products or substances containing silica.

### **13. VIRUS CONTAMINATION EXCLUSION**

- A.** We do not cover *bodily injury, property damage*, or medical payments resulting from or caused by the actual, alleged, or threatened exposure to contamination at *your premises* by any virus or other pathological agent that causes disease or illness in humans, animals, birds or other creatures.
- B.** We do not insure any cost, expense, liability or loss arising out of any of the following:
  1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to any virus or other pathological agents.
  2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to any virus or other pathological agents.

However, these exclusions do not apply to *bodily injury* resulting from the ingestion of foods, goods or products intended for human consumption.

### **THE FOLLOWING ADDITIONAL EXCLUSIONS APPLY ONLY TO COVERAGE F**

#### **14. PRODUCTS / COMPLETED OPERATIONS HAZARD EXCLUSION**

We do not insure medical expenses in connection with *bodily injury* included in the *products/completed operations hazard*.

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## **PART II D • SPECIAL LIABILITY CONDITIONS**

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#### **1. DUTIES OF INSUREDS – WHAT TO DO IN CASE OF CLAIM, INJURY, OCCURRENCE, OR SUIT**

*You, other insureds, and other coverage beneficiaries must do all of the following things:*

- A.** Immediately notify *us* of all relevant circumstances relating to a claim or any incident which may result in a claim, with all necessary information. For example: who *you* are; the time, place, and circumstances of the injury or *occurrence*; the names and addresses of injured persons and witnesses.
- B.** Immediately send *us* all bills, documents, notices, papers, or summonses related to any claim or suit brought against any *insured* or to any medical expense claims.
- C.** Cooperate with *us* in matters relevant to the claim or suit. Assist *us* in: conducting suits, including by attending hearings and trials and giving evidence; enforcing any *insured's* rights of contribution or indemnity against others; investigating *occurrences*; making settlements; obtaining records (or other information) or the attendance of witnesses.

- D.** Submit to examination and provide statements under oath and sign and swear to such. If more than one person is examined, *we* reserve the right to examine and receive statements from each person separately and out of the presence of the others. *We* also reserve the right to video record any examination.

- E.** Refrain from voluntarily making payments, assuming obligations, or incurring defense, investigative, or any other expenses – unless with *our* specific written authorization to do so (otherwise such undertakings will be at the *insured's* own expense and *we* will not pay for them). This does not apply to first aid expense coverage.

- F.** With regard to Coverage F, coverage beneficiaries must, as *we* may reasonably require: provide written proof of claim (under oath, if required); submit, at *our* expense, to physical examinations by physicians of *our* choice; and authorize *us* to obtain medical records.

Failure to comply with these (or other conditions) can alter or void *our* obligations under this policy.

## **2. LIMITS OF LIABILITY**

*Our* maximum total liability payable for the sum of all damages, injury, liability and loss covered by this policy is limited as follows – regardless of the number of *insureds*, or claims made or suits brought by one or more persons or organizations. *Our* obligation to make payments ceases when the applicable limit is used up in payment of judgments or settlements.

**A. General Coverage Limits** – The following limits apply for all damages or medical expenses in any one *occurrence*, accident, or injury, as indicated:

### **1. Occurrence Limits – Coverages E and F**

*Our* maximum limit of liability payable under Coverages E and F in any one *occurrence* is the *occurrence* limit shown in the Declarations; but see sublimits applicable to Supplemental Coverage 6.

### **2. Accident Limit / Per Person Limit – Coverage F**

*Our* maximum limit of liability payable under Coverage F for any one person in any one accident is the “per person” limit shown in the Declarations.

### **3. Personal Injury / Advertising Injury Limit**

*Our* maximum limit of liability payable under *Personal Injury / Advertising Injury* Coverage for all such injuries sustained by any one person or organization is the limit shown in the Declarations.

**B. Aggregate / Total Limits** – The following limits apply for all damages or medical expenses for all *occurrences*, accidents, or injuries that may occur in the period(s) described in C.

### **1. Aggregate / Total Limit – General Coverages**

*Our* maximum limit of liability payable for:

- a. Coverage E;
- b. Coverage F; and
- c. *Personal Injury / Advertising Injury*;

is the general aggregate / total limit shown in the Declarations.

This general aggregate / total limit does not apply to the *products / completed operations hazard*, which is subject to a separate specific aggregate / total limit.

**If a specific aggregate / total limit is not shown in the Declarations, then a general aggregate / total limit does not apply to the subject coverages.**

### **2. Aggregate / Total Limit – Products / Completed Operations Hazard**

*Our* aggregate / total maximum limit of liability payable under Coverage E for all damages included in the *products / completed operations hazard* is the limit shown in the Declarations for *products / completed operations*.

## **C. Application of Limits**

1. The limits described in the preceding paragraphs apply separately to each consecutive 12 month period, beginning with the policy term shown in the Declarations.

2. If the policy is originally issued for more than 12 consecutive months with a terminal period less than 12 months, the limits apply separately to: each consecutive 12 month period; the terminal period. For example; if 27 months: 12 months, 12 months; 3 months. However, if extended after issuance, the terminal period is included in the last 12 month period. For example, 12 months and 15 months.

## **3. OTHER CONDITIONS**

**A. Except for the limits of liability and any duties / rights assigned to the first named insured,** this insurance applies separately: to each *insured* against whom claim is made or suit is brought; to each *named insured* as if the only *named insured*.

**B. Bankruptcy of the insured** does not relieve *us* of *our* obligations under this policy.

### **C. Two or More Policies Issued by Us**

If this policy and any other policy or coverage form issued to *you by us*, or by any company affiliated with *us*, apply to the same *occurrence*, accident or injury, *our* maximum limit of liability under all of the policies and coverage forms shall not exceed the highest applicable limit of liability provided under any one policy or coverage form. In no event will any limit of liability of this policy be excess over or added to the limit of any other such policy or coverage form.

This Condition does not apply to any policy or coverage form issued by *us*, or by any company affiliated with *us*, as an umbrella / excess liability policy and which specifically applies as excess insurance over this policy.

## **PART II E • GLOSSARY**

**The following words are defined for the purposes of this Part:**

### **Automobile**

*Automobile* means:

1. Any land motor vehicle or trailer (including semi-trailers) designed for travel on public roads, including any equipment or machinery attached to such vehicle or trailer.
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

*Automobile* does not include vehicles covered under this policy as *mobile equipment*.

### **Bodily Injury**

*Bodily injury* means bodily harm, sickness or disease sustained by any person including death at any time resulting from such, caused by a covered *occurrence*.

### **Employee**

*Employee* means a person employed by *you* and includes a *leased worker*. *Employee* does not include a *temporary worker* or independent contractor.

### **Executive Officer**

*Executive officer* means a person who holds any of the officer positions created by *your* bylaws, charter, constitution, or other similar governing document.

### **Fungi**

*Fungi* means any type or form of fungus, mold, mildew spores, algae, smut, protists, rusts or *rot and decay organisms*, and any similar or related organisms and any mycotoxin, substance, compounds, chemicals, mist or vapor produced by any *fungi* in any form, or any by-products or waste produced by *fungi*, but does not include any *fungi* intended to be edible.

### **Insured**

*Insured* means the following, as designated in the Declarations, to the extent set forth below:

1. **Individual** – If *you* are an individual: *you* and *your* spouse with respect to the conduct of the business / operations of which *you* are the sole proprietor.
2. **Partnership, Joint Venture or Limited Liability Company**  
– If *you* are a partnership, joint venture or limited liability company: the partnership, joint venture or limited liability company and any partners or members, and their spouses, with respect to the conduct of such partnership, joint venture or limited liability company.
3. **Other Organization** – If *you* are an organization other than a partnership, joint venture or limited liability company: the organization and any *executive officers* or directors while acting within the scope of their duties as such; stockholders with respect to their liability as such.
4. *Your employees* (other than *executive officers*) while acting within the scope of their duties as such.

### **If MCL 506 is listed in the Declarations, this extension to employees is deleted.**

5. Persons (other than *your employees*) or organizations acting as real estate manager for *you*.
6. A business entity (not a partnership, joint venture or limited liability company) that *you* newly acquire or form, if owned with majority interest by *you*: but only up to 120 days after *you* first acquire or form such or the end of the policy term, whichever comes first. Such entity is not an *insured* under this policy if there is other similar insurance available to it or for any accidents, *occurrences* or offenses prior to the time of such acquisition or formation.

### **If MCL 507 is listed in the Declarations, this extension to new entities is deleted.**

This insurance does not apply to any partnership, joint venture or limited liability company – of which the *insured* is a partner or member – if not named in this policy, including those responsible for such.

### **Leased Worker**

*Leased worker* means a person who is leased to *you* by a labor leasing firm under an agreement between *you* and such firm to perform duties related to the conduct of *your* business / operations. *Leased worker* does not include a *temporary worker*.

### **Loading / Unloading**

*Loading or unloading* means the handling or movement of property as follows:

1. Beginning while being moved from the place where it is accepted for movement into or onto an aircraft, *automobile*, or watercraft;
2. While in or on an aircraft, *automobile* or watercraft;
3. While being moved from an aircraft, *automobile*, or watercraft to the place where it is finally delivered.

*Loading or unloading* does not include movement of property by any mechanical device which is not attached to the aircraft, *automobile*, or watercraft other than a hand truck.

### **Occurrence**

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

### **Pollutants**

*Pollutants* are any gaseous, liquid, solid, or thermal contaminant or irritant, including acids, alkalis, chemicals, fumes, smoke, soot, vapors, and waste (including materials to be reclaimed, reconditioned, or recycled).

### **Products / Completed Operations Hazard**

*Products/Completed Operations Hazard* includes all *bodily injury* and *property damage* occurring away from *your premises* arising out of *your products* or *your work*, other than that arising out of any of the following:

1. Products that are in *your* physical possession.
2. Work that has not been completed or abandoned.

*Your work* is deemed completed at the earliest one of the following times:

- A. When all the work called for in *your* contract is completed.
- B. When all the work called for in *your* contract at the job location is completed if *your* contract calls for work at more than one location.
- C. When that part of the work at a job location is put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that needs final correction, maintenance, repair, replacement, or service – but is otherwise complete – is deemed completed.

### **If MCL 508 is listed in the Declarations, then with respect to your products this includes all bodily injury and property damage occurring after you relinquish possession of your products to others – whether on or away from your premises.**

### **Property Damage**

*Property damage* means the following, caused by a covered occurrence:

1. Direct physical injury to tangible property, including loss of use of such property (the loss of use is deemed to occur at the time of such direct physical injury).
2. Loss of use of tangible property that is not physically injured: all such loss of use is deemed to occur at the time of the occurrence causing the loss.

### **Rot and Decay Organisms**

*Rot and decay organisms* means any living organism that causes decomposition of physical property.

### **Temporary Worker**

*Temporary worker* means a person who is furnished to *you* as a substitute for a permanent *employee* on leave or to meet seasonal or other short-term workload conditions.

*Temporary worker* does not include a *leased worker*.

### **We / Us / Our**

*We, us, and our* refer to the Insurance Company named in this policy.

### **You / Your / Yourself**

*You, your and yourself* refer to the *named insureds* who are the *insureds* named in the Declarations. *First named insured* is the *insured* named first in the Declarations. *You* also includes any business / organization that *you* newly acquire or form to the extent covered in this policy (see “insured” in Glossary).

### **Your Premises**

*Your premises* means: premises occupied or owned by, or rented to, *you*; and – whether or not such premises are designated in the Declarations or elsewhere in this policy – premises *you* have abandoned, sold, or transferred to others.

### **Your Products**

*Your products* means the following:

1. Goods or products disposed of, distributed, handled, sold, or manufactured by: *you*; others trading under *your* name; persons or organizations whose business or assets *you* have acquired.
2. Containers (other than vehicles), equipment, materials, or parts furnished in connection with such goods or products.

*Your products* also includes the following: warranties or representations made at any time with respect to the durability, fitness, performance, quality or use of any of *your products*; providing or failing to provide instructions or warnings.

*Your products* does not include: real property; vending machines or other property either rented to others or placed for the use of others, but not sold.

### **Your Work**

*Your work* means the following:

1. Operations or work performed by *you* or on *your* behalf.
2. Equipment, materials, or parts furnished in connection with such work or operations.

*Your work* also includes the following: warranties or representations made at any time with respect to the durability, fitness, performance, quality or use of any of *your work*; providing or failing to provide instructions or warnings.

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## **COMMON CONDITIONS – PART II**

**These Common Conditions Apply in Addition to Part II D.**

### **1. ACTION OR SUIT AGAINST US**

No action may be brought against *us* until all conditions in this policy are complied with, and until the amount of the *insured's* obligation (payable under this policy) has been determined by judgment in trial or by agreement made with *our* written consent.

No right exists in this policy for *you* or others to make *us* party to an action against any *insured*.

### **2. ASSIGNMENT OF YOUR INTEREST**

No assignment of an interest in this policy is binding on *us* without *our* written consent. However, if *you* are an individual and die, this insurance applies to the following who become *insureds* under this policy in the described capacity:

- A. *Your* legal representative, while acting within the scope of the representative's duties.
- B. Those with custody of *your* property prior to appointment of a legal representative.

### **3. CANCELLATION / TERMINATION**

#### **A. General**

*You* may cancel this policy by: surrendering the policy to *us* or *our* agent or by mailing *us* or *our* agent notice stating a subsequent cancellation date for the policy. Such request made by the *first named insured* applies for all *insureds* / interests named under this policy. All cancellations are pro rata, but a minimum earned premium may apply. Any return premium is payable to the *first named insured* – within 30 days after the cancellation date.

If *you* secure insurance with another insurer to replace *our* policy and do not pay the premium, or installment payment, for this policy when due: this policy terminates at the time such other insurance becomes effective. If *you* sell the described business or premises to others, coverage under this policy terminates at the time title is transferred to others with respect to such business or premises – unless *you* retain an insurable interest.

## **B. Our Right to Cancel or Terminate**

*Our* rights to cancel or terminate this insurance are described elsewhere in this policy in the state mandatory endorsement.

## **4. CONCEALMENT / MISREPRESENTATION / FRAUD**

This policy is void if, either before or after an *occurrence* or claim, any *insured* misrepresents or knowingly conceals any material fact or circumstance, commits fraud, or swears falsely relating to any aspect of this insurance (including the information *we* relied upon in issuing this contract). However, if *we* specifically choose not to declare this policy void, *we* do not provide insurance under this policy to, or for the benefit of, any such *insureds*.

## **5. CONFORMITY WITH STATUTE**

It is agreed by *us* that the provisions in this policy are amended to conform to all applicable statutory requirements.

## **6. COVERAGE TERRITORY**

Coverage under this policy applies only within the following territories:

- A. The United States of America (including its possessions and territories), the District of Columbia, Puerto Rico and Canada.
- B. International waters or air space, if the *bodily injury* or *property damage* occurs while in the course of transit to or from the territory described in the preceding Paragraph A.
- C. Anywhere in the world with respect to damages because of *bodily injury* or *property damage* arising out of either:
  - 1. Activities of a person whose home is in the territory described in the preceding Paragraph A, but is away for a brief time in the course of *your* business / operations covered in this policy; or
  - 2. Goods or products made or sold by *you* in the territory described in the preceding Paragraph A.

However, all coverage under this policy applies only to suits which are brought or agreements made with *our* written consent within the territory described in the preceding Paragraph A.

## **7. EXAMINATION / CHANGES**

*We* may, at *our* option, inspect *your* property and operations at any time, make surveys, and make recommendations. However, *our* reports or recommendations or those of any inspection bureau or rating bureau do not constitute a determination or representation that *your premises* or operations are in compliance with any law or regulation, healthful, or safe.

*We* may inspect and audit *your* books and records at any time (including up to 3 years after termination of this insurance contract) to the extent such pertains to the subject of this insurance or payment of premium. The *first named insured* is required to keep all records necessary for such and send complete accurate copies to *us* at *our* request.

*We* may make premium adjustments: because of inspection and audit; because of the use of premises not described in this

policy or any other rateable additions or changes; because of newly acquired or formed business entities.

*But we* are not obligated to continue insurance on additions or changes, new entities, or premises described in the preceding paragraphs. Nor, in any event, are such covered on renewal (of the expiring policy term) unless *you* report such to *us* and such are described in the renewal Declarations: this condition does not apply to additions or changes (other than new entities) effected within 60 days prior to the renewal date of the expiring policy term.

## **8. INSURANCE UNDER MORE THAN ONE COVERAGE**

In the event that more than one coverage under this policy covers the same loss *we* are liable only for the amount of *our* obligation, up to *our* limit of liability, not exceeding the amount of loss.

## **9. LIBERALIZATION**

This policy is automatically extended to include provisions approved during the policy period or within 45 days prior to its inception, which would broaden coverage under this policy, if such are not subject to additional premium or concurrent with coverage restrictions.

## **10. OTHER INSURANCE**

A. This insurance is excess insurance over insurance provided on any basis:

- 1. That is not subject to the same provisions contained in this policy, other than an umbrella / excess liability policy which applies in excess of the limits of this policy.
- 2. That is property insurance (including fire, allied lines, inland marine) for *your work* or a premises loaned or rented to, or occupied by, *you*.
- 3. That is liability insurance (including an umbrella/ excess liability policy) for aircraft, *automobiles*, watercraft, or pollution, to the extent otherwise covered in this policy.
- 4. That is primary liability insurance available to *you* when *you* have been added or named as an additional insured on such other insurance for damages arising out of the business / operations or premises described in that other policy.

B. When this insurance is excess over other insurance:

- 1. *We* have no obligation to defend or provide a defense – but, *we* may defend:
  - a. If no other insurer defends: *we* are then entitled to the *insured's* rights against all other insurers; or
  - b. If, at *our* option, *we* choose to join the defense provided by other insurers or provide a separate defense.
- 2. *We* pay only *our* share of the remaining loss that exceeds the sum of both:
  - a. The total amount payable by all such insurance, as described, in the absence of this insurance; plus

- b. The total of any deductibles or self-insured amounts under all such insurance.

Furthermore, any remaining loss is then shared by *us* with any other insurance remaining on the loss in accordance with the provisions described in the following Paragraph C (other than an umbrella / excess liability policy which applies in excess of the limits of this policy).

- C. With regard to other insurance subject to the same provisions contained in this policy or where *we* are a primary insurer (among others) *we* pay in one of the following ways:

1. If all such other insurers provide for contributions by equal shares: *we* and all other insurers contribute equal amounts until the total amount of obligation is paid (or each insurer exhausts its applicable limit of liability).
2. If any other insurer does not provide for equal shares: *we* pay no greater proportion of the total amount of the *insured's* obligation than the applicable limit of liability of this policy bears to the total amount of insurance of all insurers covering the loss.

## 11. PREMIUMS

The *first named insured* is responsible for the payment of all premiums, and will be the sole payee of any premiums *we* return. Premium adjustments, including audit premium adjustments, are due and payable on *our* notice of such to the *first named insured*.

## COMMON EXCLUSIONS – PART II

**We provide no insurance for any sort of damages, expenses, liability, or loss directly or indirectly, wholly or partially, aggravated by, consisting of, or resulting from the following – even if loss or an occurrence otherwise covered contributes to such concurrently or in any sequence.**

**These Common Exclusions Apply in Addition to Part II C.**

### 1. EARTHQUAKE

Earthquake.

### 2. GOVERNMENTAL / LEGAL / WAR

- A. Any act or condition of war (declared or not), civil war, invasion, insurrection, rebellion, revolution, or seizure of power, including acts done to defend against any such act or condition, whether actual or expected.
- B. Knowing violation of penal law or ordinance committed by, or with the consent of, any *insured*. Statutory fines or liability. Exemplary or punitive damages. Illegal trade.
- C. Violation of any ordinance, regulation or statute that prohibits or limits the communicating, distributing, sending or transmitting of material or information such as the Telephone Consumer Protection Act (TCPA) or the CAN-SPAM Act of 2003, including any amendments or additions to such laws.
- D. Confiscation, loss, or seizure under customs, drug enforcement, or quarantine legislation or regulations.

### 12. RECOVERY FROM OTHERS

If any *insured* (or others) to whom, or for whom, *we* make payment has any rights of recovery on the loss from another, those rights are transferred to *us* to the extent of *our* payment under this policy. *Insureds* (or such others) must do whatever *we* require to secure these rights. *You* may waive such rights in writing prior to a covered loss. *You* may also waive such rights after a loss, but only if the waiver is given to either:

- A. Another *insured* under this policy; or
- B. A business either controlled or owned by *you* or that controls or runs *your* business.

But *we* have no obligation to pay under this policy on the loss if these rights are otherwise waived.

### 13. TIME OF INCEPTION

The time of inception and expiration is 12:01 A.M. Standard Time at the mailing address shown in the Declarations.

### 14. WAIVER OR CHANGE OF PROVISIONS

Only the *first named insured* may request changes in this policy. The terms in this policy may not be waived or changed except in writing, signed by our agent and attached to this policy. The exercise of our rights under this policy is not an act of waiver. This policy contains all related agreements between *you* and *us*.

**NOTE: Similar Common Conditions are included in Part I (if made part of this Contract).**

### 3. NUCLEAR ENERGY

*We* do not insure *bodily injury* or *property damage* as follows:

- A. With respect to which any *insured* in this policy is also an insured under any nuclear energy liability policy (or would have been an insured under such but for its termination upon exhaustion of its limits).
- B. Resulting from the *hazardous properties* of *nuclear material*, with respect to which:
  1. Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any amendments; or
  2. The *insured* is (or would be if this policy did not exist) entitled to indemnity from the United States of America or its agencies under any agreement entered into by the United States of America or its agencies.
- C. Resulting from the *hazardous properties* of *nuclear material*, if:
  1. The *nuclear material* is at, or is discharged or dispersed from, any *nuclear facility* owned or operated by or on behalf of any *insured*; or

- 2. The *nuclear material* is contained in *spent fuel* or *waste* at any time disposed of, handled, possessed, processed, stored, transported, or used by or on behalf of any *insured*.
- D. The furnishing by any *insured* of equipment, materials, parts, or services in connection with the construction, maintenance, operation, planning, or use of any *nuclear facility*: but if such facility is located within the United States of America, its possessions or territories, or Canada, this applies only to *property damage* to such facility and property located at such facility.
- E. **Glossary**  
The following special definitions apply to this Exclusion:
  - 1. *Hazardous Properties* include explosive, radioactive, or toxic properties.
  - 2. *Nuclear Facility* means any of the following:
    - a. Any *nuclear reactor*;
    - b. Any equipment or device designed or used for: separating the isotopes of uranium or plutonium; processing or utilizing *spent fuel*; handling, processing or packaging *waste*;
    - c. Any device or equipment used for alloying, fabricating, or processing of *special nuclear material* if at any time the total amount of such material in the custody of the *insured* at the premises where such device or equipment is located consists of, or contains more than, 25 grams of plutonium or uranium-233, or any combination of such materials, or more than 250 grams of uranium-235;
  - d. Any basin, excavation, place, premises, or structure prepared for, or used for, the storage or disposal of *waste*; or
  - e. The site on which any of the foregoing property is located, all operations conducted on such site, and all premises used for such operations.
- 3. *Nuclear Material* means *source*, *special nuclear*, or *by-product material*.
- 4. *Nuclear Reactor* means any apparatus designed or used: to sustain nuclear fission in a self-supporting chain reaction; to contain a critical mass of fissionable material.
- 5. *Property Damage* also includes all forms of radioactive contamination of property.
- 6. *Source Material*, *Special Nuclear Material*, and *Byproduct Material* have the meanings given them in the Atomic Energy Act of 1954, or any amendments.
- 7. *Spent Fuel* means any fuel component or element, whether solid or liquid, which has been either used in, or exposed to radiation in, a *nuclear reactor*.
- 8. *Waste* means any material, resulting from the operation of a *nuclear facility* as defined in the first two items of *nuclear facility*, containing *by-product material* other than the tailings or wastes produced by the extraction or concentration of thorium or uranium from any ore processed primarily for its *source material* content.

**NOTE: Similar Common Exclusions are included in Part I (if made part of this Contract).**

**CERTIFIED ACTS OF TERRORISM EXCLUSIONS • PARTS I AND II**

*This endorsement extends the policy to exclude certain loss arising out of terrorism.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

---

**1. COVERAGE MODIFICATION – PROPERTY**

If Part I is included in this policy, the following exclusion is added to the PART I COMMON EXCLUSIONS:

**CERTIFIED ACTS OF TERRORISM EXCLUSION**

We do not provide insurance for any loss or damage directly or indirectly arising out of or resulting from a *certified act of terrorism*. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

If loss resulting from fire (to the extent insured by this policy) ensues, we insure such resulting loss. However, this exception for fire applies only to direct physical loss by fire to covered property. Therefore, this exception does not apply to any sort of consequential loss, loss of use, or loss of utility, including losses under Business Income and / or Extra Expense coverages.

However, if the Secretary of the Treasury determines that the amount of *certified terrorism loss* has exceeded the maximum annual liability under the terms of the Federal Terrorism Risk Insurance Act of 2002 or any subsequent action of Congress pursuant to the Act, we will not pay for any amount of *certified terrorism loss* that exceeds such maximum annual liability.

**2. COVERAGE MODIFICATION – LIABILITY**

If Part II is included in this policy, the following exclusion is added to the PART II – COMMON EXCLUSIONS:

**CERTIFIED ACTS OF TERRORISM EXCLUSION**

We do not insure *bodily injury, property damage, personal injury or advertising injury* arising directly or indirectly out of a *certified act of terrorism*.

**3. OTHER EXCLUSIONS**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy by the Governmental / Legal / War Exclusion, the Nuclear / Radioactive Loss Exclusion or any other exclusion.

**4. ADDITIONAL DEFINITIONS**

The following definitions apply:

*Certified act of terrorism* means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism that is:

1. A violent act or an act that is dangerous to human life, property or infrastructure and that resulted in damage with an aggregate loss exceeding \$5,000,000:
  - a. Within the United States;
  - b. At the premises of a United States Mission; or
  - c. To an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs;
2. Committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

*Certified terrorism loss* means loss that results from a *certified act of terrorism*.





AXIS INSURANCE COMPANY

## Commercial Lines Policy

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**Home Office:**

111 South Wacker Dr.  
Suite 3500  
Chicago, IL 60606

**Administrative Office:**

11680 Great Oaks Way  
Suite 500  
Alpharetta, GA 30022

**Servicing Office:**

G&G Underwriters  
411 South State St., Suite 1A  
Newtown, PA 18940  
(888) 654-3100

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## This Policy Consists of:

- Declarations
- Common Policy Conditions
- One or more coverage parts

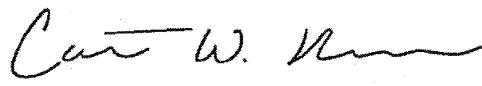
A coverage part consists of  
One or more coverage forms  
Applicable forms and endorsements

IN WITNESS WHEREOF, the Insurer has caused this policy to be issued by affixing hereto the facsimile signatures of its President and Secretary.



Secretary

Andrew Weissert, Secretary



President

Carlton Maner, President

**DATA BREACH EXCLUSION • PART II**

*This endorsement extends the Part II exclusions to any occurrence or injury arising out of a Data Breach.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

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**ADDITIONAL EXCLUSION – DATA BREACH**

**Part II C is extended to include the following:**

- A. *We do not insure bodily injury, property damage, advertising injury, or personal injury, resulting from or caused by a data breach.*
- B. *We do not insure any costs, expenses, liability or loss incurred by you or others, arising out of any notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense arising out of a data breach.*

**GLOSSARY**

*Data Breach* means loss, theft, or accidental release, disclosure or publication of any person's or organization's confidential or personal information. This includes:

- A. Personally identifiable information such as:
  - 1. Identification and contact information.
  - 2. Government issued identification numbers.
  - 3. Financial information.
- B. Protected health information as defined by the Health Information Portability and Accountability Act (HIPAA) including any amendments or additions to such law.
- C. Customer lists, financial information, formulas, patents, processing methods, trade secrets, or other items of information that are not available to the general public.
- D. Any other type of nonpublic information as defined in Title V of the Gramm-Leach Bliley Act of 1999 including any amendments or additions to such law.



**EXTERIOR INSULATION AND FINISH SYSTEM EXCLUSION • PART II**

*This endorsement extends the exclusions to any occurrence or injury arising out of Exterior Insulation and Finish Systems as described.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

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**ADDITIONAL EXCLUSIONS — EXTERIOR INSULATION AND FINISH SYSTEM****A. Part II C is extended to include the following:**

*We do not insure bodily injury, property damage, personal injury or advertising injury resulting from or caused by:*

1. the construction, correction, design, fabrication, installation, maintenance, manufacture, preparation, remodeling, replacement, repair or service of an exterior insulation finish system (EIFS), synthetic stucco, or any similar product or any part; or
2. the application or use of accessories, caulking, coatings, conditioners, paints, primers or sealants in connection with such a product.

**B. Supplemental Coverage 2 in Part II B is extended to include the following:**

*We do not insure bodily injury or property damage for which the insured is liable to pay damages because of the assumption of liability for injury or damage resulting from or caused by:*

1. the construction, correction, design, fabrication, installation, maintenance, manufacture, preparation, remodeling, replacement, repair or service of an exterior insulation finish system (EIFS), synthetic stucco, or any similar product or any part; or
2. the application or use of accessories, caulking, coatings, conditioners, paints, primers or sealants in connection with such a product.



**LEAD/ LEAD CONTAMINATION AND ASBESTOS EXCLUSIONS • PART II**

*This endorsement extends the exclusions to any occurrence or injury arising out of lead or asbestos as described.*

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

---

**ADDITIONAL EXCLUSIONS**

Part II C is extended to include the following:

**LEAD / LEAD CONTAMINATION EXCLUSIONS**

- A. As to *your premises* that were constructed prior to 1978, we do not cover *bodily injury* or medical payments resulting from or caused by lead or lead contamination arising out of any *occurrence* at such premises. This includes such caused by or through:
  - 1. Absorbing lead;
  - 2. Chewing on, eating or otherwise ingesting lead; or
  - 3. Inhaling lead.

If MCL 589 is listed in the Declarations, this exclusion (Paragraph A) does not apply to premises that have been certified, according to the standards established by the New Jersey Department of Community Affairs, as being free of existing lead hazards.

- B. We do not cover *property damage, advertising injury or personal injury* resulting from or caused by lead or lead contamination arising out of any *occurrence* at *your premises*. This includes such caused by or through any sort of lead contamination or existence of lead in:
  - 1. Air, ground, or water; or
  - 2. Any part of the premises including, but not limited to, building materials and paint.
- C. We do not insure any cost, expense, liability or loss arising out of any of the following:
  - 1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to lead or lead contamination.
  - 2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to lead or lead contamination.

**ASBESTOS EXCLUSIONS**

- A. We do not cover *bodily injury, property damage, advertising injury, personal injury, or medical payments* resulting from or caused by the actual, alleged, or threatened exposure to *asbestos*, or the presence of *asbestos* in any place.
- B. We do not insure any cost, expense, liability or loss arising out of any of the following:
  - 1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the effects of or respond to *asbestos*.
  - 2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assessing the effects of or responding to *asbestos*.

*Asbestos* as used in this exclusion means the mineral in any form, including but not limited to fibers or dust.



**SEXUAL ABUSE OR SEXUAL MISCONDUCT EXCLUSION • PART II**

*This endorsement extends the exclusions to any occurrence or injury arising out of sexual abuse or sexual misconduct as described.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

**ADDITIONAL EXCLUSION**

**PART II C • Liability Not Insured is extended to include the following:**

- A. *We do not insure bodily injury, property damage, advertising injury, personal injury or medical payments arising out of any actual, alleged or threatened sexual abuse or sexual misconduct committed by any insured or any person performing services for or on behalf of any insured.*
- B. *We do not insure any insured's liability arising out of the employment, investigation, retention, supervision of any person, or the reporting to the proper authorities, or failure to so report, of any act of any person whose conduct would be excluded either under this or any other exclusion in this policy.*

**ADDITIONAL DEFINITIONS**

*Sexual abuse or sexual misconduct* means any illegal or offensive physical act, contact or conduct of a sexual nature.



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**CONTRACTORS NEW YORK STATE BODILY INJURY LIMITATION •PART II**

*This endorsement provides limited liability coverage for bodily injury arising out of an accident occurring in the State of New York.*

**The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.**

**Except as provided below, all other provisions in this policy are unchanged.**

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Policy # **14264**

**SCHEDULE**

**Limit of Liability**

\$ **15,000**

**COVERAGE MODIFICATIONS**

Coverage E is extended to include, up to the limit of liability shown in the Schedule of this endorsement, *bodily injury to your employees, contractors, or employees of your contractors arising out of an accident occurring in the State of New York, or arising out of your doing business in the State of New York.*

**ADDITIONAL DEFINITION**

*Employee* means a person employed by *you* and includes a *leased worker*. *Employee* does not include a *temporary worker*.

*Leased worker* means a person who is leased to *you* by a labor leasing firm under an agreement between *you* and such firm to perform duties related to the conduct of *your business / operations*. *Leased worker* does not include a *temporary worker*.

*Temporary worker* means a person who is furnished to *you* as a substitute for a permanent *employee* on leave or to meet seasonal or other short-term workload conditions. *Temporary worker* does not include a *leased worker*.

**MANDATORY ENDORSEMENT — NEW JERSEY**

*This endorsement establishes loss information conditions.*

**Except as provided below, all other provisions in this policy are unchanged.**

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**YOUR RIGHT TO LOSS INFORMATION**

**The Conditions in this policy are amended to include the following:**

- A. *We will provide the first named insured loss information relating to this policy and any preceding General Liability Insurance we have issued to you during the previous three years, as follows:*
  - 1. A report of each occurrence of which we were notified in accordance with the DUTIES OF INSUREDS Condition in Part II D including a brief description of each occurrence and whether any claim arising out of such is open or closed.
  - 2. A summary, by policy year, of payments made and amounts reserved stated separately under any General Coverage Aggregate / Total Limits or Products / Completed Operations Hazard Aggregate / Total Limits, as may be applicable.

The amounts reserved are based on *our* judgment. They are subject to change and *you* should not regard them as ultimate settlement values.

- B. *We will provide this information only if we receive written request from the first named insured during the policy period. We will provide the information no later than 45 days after receiving such request.*
- C. *You must not disclose this information to any claimant's representative without our consent.*
- D. *We compile claim, occurrence and other relevant information for our own business purposes and we exercise reasonable care in doing so. By providing information to the first named insured, we make no representations or warranties to insureds, insurers or others to whom this information is furnished by, or on behalf of, any insured.*



**NON-CERTIFIED ACTS OF TERRORISM EXCLUSIONS • PARTS I AND II**

This endorsement extends the policy to exclude certain loss arising out of terrorism.

The provisions of this endorsement apply only when the endorsement number is listed in the Declarations.

Except as provided below, all other provisions in this policy are unchanged.

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**1. COVERAGE MODIFICATION – PROPERTY**

- A. If Part I is included in this policy, the following exclusion is added to the PART I COMMON EXCLUSIONS:

**NON-CERTIFIED ACTS OF TERRORISM EXCLUSION**

1. We do not provide insurance for any loss or damage directly or indirectly arising out of or resulting from a *non-certified act of terrorism*, including any action taken in hindering or defending against an actual or expected *non-certified act of terrorism*. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

If loss resulting from fire (to the extent insured by this policy) ensues, we insure such resulting loss. However, this exception for fire applies only to direct physical loss by fire to covered property. Therefore, this exception does not apply to any sort of consequential loss, loss of use, or loss of utility, including losses under Business Income and / or Extra Expense coverages.

2. Regardless of the amount of damage and losses, this *Non-certified Acts of Terrorism* Exclusion applies to any *non-certified act of terrorism*:
  - a. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
  - b. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
  - c. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *non-certified act of terrorism* was to release such materials.

In incidents of *non-certified acts of terrorism* other than those described in the preceding Paragraphs 1.A. 2.a, b, and c, the *Non-certified Acts of Terrorism* Exclusion will not apply unless the *insured damage* to all types of property (in the United States, its territories and possessions, the District of Columbia, Puerto Rico and Canada), sustained by all persons and entities affected by the *non-certified act of terrorism* (and including loss of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds a total of \$25,000,000. Multiple *non-certified acts of terrorism* which occur within a

seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one *non-certified act of terrorism*.

The preceding paragraph describes the threshold used to measure the magnitude of a *non-certified act of terrorism* and the circumstances in which the threshold will apply, for the purpose of determining whether the *Non-certified Acts of Terrorism* Exclusion will apply to that incident. When the *Non-certified Acts of Terrorism* Exclusion applies to a *non-certified act of terrorism*, there is no coverage under this insurance.

In the event of any *non-certified act of terrorism* that is not subject to the *Non-certified Acts of Terrorism* Exclusion, coverage does not apply to any element of loss or damage that is otherwise excluded under this insurance.

3. However, with respect to any activity that also comes within the terms of the Governmental / Legal / War Exclusion, that exclusion supersedes this *Non-certified Acts of Terrorism* Exclusion.

In the event of a *non-certified act of terrorism* that involves nuclear reaction or radiation, or radioactive contamination, this *Non-certified Acts of Terrorism* Exclusion supersedes the Nuclear / Radioactive Loss Exclusion.

- B. If Part I is included in this policy, the PART I – GOVERNMENTAL / LEGAL / WAR COMMON EXCLUSION is replaced by the following:

**GOVERNMENTAL / LEGAL / WAR**

1. Any act or condition of: war (declared or not), civil war, invasion, insurrection, rebellion, revolution, or seizure of power, including acts done to defend against any such act or condition, whether actual or expected. With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this exclusion supersedes the Nuclear / Radioactive Loss Exclusion.
2. Knowing violation of penal law or ordinance committed by, or with the consent of, an *insured*. Statutory fines or liability. Exemplary or punitive damages.
3. Confiscation, loss, or seizure under customs, drug enforcement, or quarantine legislation or regulations. Loss to property that is contraband or in the course of illegal transportation or trade.



4. Damage or destruction of property ordered by civil authority, other than immediate acts of destruction ordered by authorized civil authorities for the purpose of preventing the spread of fire – provided the fire originates from a cause of loss covered by this policy.

## 2. COVERAGE MODIFICATION – LIABILITY

If Part II is included in this policy, the following exclusion is added to the PART II – COMMON EXCLUSIONS:

### **NON-CERTIFIED ACTS OF TERRORISM EXCLUSION**

We do not insure *bodily injury, property damage, personal injury or advertising injury* arising directly or indirectly out of a *non-certified act of terrorism*, including any action taken in hindering or defending against an actual or expected *non-certified act of terrorism*.

However this exclusion only applies if one or more of the following are attributable to a *non-certified act of terrorism*:

- A. The total of *insured damage* to all types of property sustained by all persons and entities affected by the *non-certified act of terrorism* (and including loss of Business Income and Extra Expense sustained by owners or occupants of such damaged property), exceeds \$25,000,000; or
- B. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
  1. Physical injury that involves a substantial risk of death; or
  2. Protracted and obvious physical disfigurement; or
  3. Protracted loss of or impairment of the function of a bodily member or organ; or
- C. The *non-certified act of terrorism* involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- D. The *non-certified act of terrorism* is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- E. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the *non-certified act of terrorism* was to release such materials.

The preceding Paragraphs 2.A and B describe the thresholds used to measure the magnitude of a *non-certified act of terrorism* and the circumstances in which the threshold will apply for the purpose of determining whether the *Non-certified Acts of Terrorism* Exclusion will apply to that incident. When the *Non-certified Acts of Terrorism* Exclusion applies to a *non-certified act of terrorism*, there is no coverage under this insurance.

In the event of any *non-certified act of terrorism* that is not subject to the *Non-certified Acts of Terrorism* Exclusion,

coverage does not apply to any loss or damage that is otherwise excluded under this insurance.

Multiple *non-certified acts of terrorism* which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one *non-certified act of terrorism*.

## 3. OTHER EXCLUSIONS

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy by the Governmental / Legal / War Exclusion, the Nuclear / Radioactive Loss Exclusion or any other exclusion.

## 4. ADDITIONAL DEFINITIONS

The following definitions apply:

*Certified act of terrorism* means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism that is:

- A. A violent act or an act that is dangerous to human life, property or infrastructure and that resulted in damage with an aggregate loss exceeding \$5,000,000:
  1. Within the United States;
  2. At the premises of a United States Mission; or
  3. To an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs;
- B. Committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

*Insured damage* means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions.

*Non-certified act of terrorism* means a violent act or an act that is dangerous to human life, property or infrastructure and that is:

- A. Committed by an individual or individuals and appears to be a part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion; and
- B. Not deemed to be a *certified act of terrorism* under the terms of the Federal Terrorism Risk Insurance Act of 2002 or any subsequent action of Congress pursuant to the Act.

**MANDATORY ENDORSEMENT – NEW JERSEY**

This endorsement establishes Cancellation / Termination conditions in conformance with New Jersey Laws with regard to our rights as to such as provided under N.J.A.C. 11:1-20 et al., adds a failure to disclose any lead-based paint and any lead-based paint hazard exclusion, and also modifies other policy provisions of this policy.

**Except as provided below, all other provisions in this policy are unchanged.**

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**ADDITIONAL CONDITIONS****The COMMON CONDITION – CANCELLATION / TERMINATION is supplemented as follows:****B. Our Right to Cancel / Terminate****1. Cancellation/Termination for Nonpayment of Premium**

- a. If the *first named insured* fails to pay, when due, any premium or installment for this policy, it may be cancelled by *us* by mailing or delivering notice of cancellation to the *first named insured* not less than 10 days prior to the effective date of cancellation.
- b. This policy terminates automatically on the expiration date of the expiring policy term if the *first named insured* does not pay when due any renewal premium, or installment payment, for this policy. Notice of the amount of renewal premium must be mailed or delivered by *us* to the *first named insured* not less than 30 days but not more than 120 days prior to the premium due date.

**2. Cancellation / Termination for Causes Other Than Nonpayment of Premium**

- a. *We* may cancel or nonrenew for reasons other than nonpayment of premium by mailing notice to the *first named insured* not less than 30 days (except for reasons of moral hazard which require only 10 days' notice) but not more than 120 days prior to the effective date of cancellation or termination.
- b. This policy cannot be cancelled or terminated for any underwriting reason or guideline that is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the *first named insured*. The underwriting reasons or guidelines that *we* can use to cancel or terminate this policy are maintained on file by *us*. *We* will furnish such to *you / your* lawful representative upon written request.
- c. This provision does not apply to any policy that has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.
- 3. *We* mail or deliver *our* notice of cancellation or termination to the *first named insured's* last mailing address known to *us*. *We* also agree to mail or deliver the notice of cancellation to the mortgagee named in this policy and to any other person entitled to such notice under this policy.

**COVERAGE MODIFICATIONS – LIABILITY AND PROPERTY**

Throughout this policy, the term "spouse" also includes a person with whom an *insured* has entered into a civil union as recognized under the New Jersey Civil Union Act.

**COVERAGE MODIFICATIONS – PROPERTY**

If Part I is included in this policy, the following provisions apply:

**The COMMON CONDITION – ACTION OR SUIT AGAINST US** is supplemented as follows:

No action may be brought against *us* until all conditions in this policy are complied with, and unless brought within 12 months after *our* denial of the entire claim or that part of the claim in dispute (where *we* pay part of the claim but deny payment on the remaining part).

No right exists under this policy for *you* or others to make *us* party to an action against any *insured*.

**COVERAGE MODIFICATIONS – LIABILITY**

If Part II is included in this policy and this policy covers a *residential dwelling* under Part II, the following provisions apply:

**PART II C – LIABILITY NOT INSURED**

1. *We* will not insure *bodily injury* or *property damage* arising out of any consequences of the failure of any *insured* to disclose the presence of any *lead-based paint* or *lead-based paint hazard* at the time of the sale or lease of a *residential dwelling*.

2. *We* will not defend any action which arises out of such failure.

As used in this endorsement, the following definitions apply:

**Lead-based Paint**

*Lead-based paint* means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

**Lead-based Paint Hazard**

*Lead-based paint hazard* means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

**Residential Dwelling**

*Residential dwelling* means:

1. A single-family dwelling, including attached structures such as porches and stoops; or
2. A single-family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each unit is used or occupied, or intended to be used or occupied, in whole or in part, as the residence of one or more persons.



## COMMON EXCLUSIONS

- A. The following exclusion is added to PART I:

### ***Fracking***

We do not provide insurance for any loss or damage arising out of or resulting from *fracking*. This includes, but is not limited to: any earthquake, earth movement or sinkhole collapse.

However, if loss resulting from fire or explosion, or theft (to the extent otherwise insured by this policy) ensues, we insure such resulting loss.

- B. The following exclusion is added to PART II:

### ***Fracking***

We do not insure *bodily injury, property damage, advertising injury, personal injury* or medical payments caused by, or resulting from *fracking*. This includes any damages, expenses, liability, or loss, aggravated by, consisting of, or resulting from any of the following:

1. Earthquake, earth movement, or sinkhole collapse;
2. The actual, alleged, or threatened discharge, dispersal, emission, escape, flowing, leakage, migration, release, or seepage of *fracking* fluids, *pollutants* or other similar forms of environmental damage into land, any body of water, above ground or underground water, or wells;
3. Contamination resulting in any virus or other pathological agent that causes disease or illness in humans, animals, birds, or other creatures;
4. The leasing or renting of *your* premises for the purpose of *fracking*;
5. The removal, storage or transportation of waste water or other chemicals from the *fracking* drilling site;
6. The extraction of *fracking* fluids or other *pollutants* caused by *fracking* from land or water;
7. The removal, replacement, or restoration of land or water that is polluted with *fracking* fluids or other *pollutants* caused by *fracking*.

- C. We do not insure under this policy any cost, expense, liability, or loss arising out of any of the following:

1. Any demand, directive, order, or request that any *insured* or others clean up, contain, detoxify, monitor, neutralize, remove, test for, or treat, or in any way assess the harmful effects associated with the process of *fracking*; or
2. Any claim or suit by, or on behalf of, any governmental authority for damages or reimbursement because of cleaning up, containing, detoxifying, monitoring, neutralizing, removing, testing for, treating, or in any way assess the harmful effects associated with the process of *fracking*.

## COMMON GLOSSARY

The following definition is added:

### ***Fracking***

*Fracking* means any process of drilling and injecting chemicals, gas, propane gel, sand, water, or other fluids or substances at high pressure into the ground to break up shale rocks from below the earth's surface in order to release natural gas and oil from below the earth's surface.