

EXCESS LIABILITY DECLARATIONS

Starr Indemnity & Liability Company

Dallas, Texas
Administrative Office: 399 Park Avenue, 8th Floor New York, NY 10022

POLICY NUMBER: 1000020463

RENEWAL OF: SISCCCL01942412

PRODUCER NAME: AmWINS Brokerage of Georgia

ADDRESS: 3630 PEACHTREE ROAD NE SUITE 1700
Atlanta, GA 30326

ITEM 1. NAMED INSURED: KEY CONSTRUCTION, INC.

ADDRESS: 741 West Second ST
Wichita, KS 67203

ITEM 2. POLICY PERIOD: FROM 11/01/2013 **TO** 11/01/2014
12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED SHOWN ABOVE.

ITEM 3. COVERAGE: Commercial Excess Liability

ITEM 4. LIMITS OF INSURANCE:

The Limits of Insurance, subject to all the terms of this Policy, are:

- | | | |
|----|---------------------|---|
| A. | <u>\$10,000,000</u> | Each Occurrence |
| B. | <u>\$10,000,000</u> | Other Aggregate(s), Where Applicable |
| C. | <u>\$10,000,000</u> | Products-Completed Operations Aggregate |

ITEM 5. "UNDERLYING INSURANCE"

A. First Underlying Insurance Policy(ies)

Insurer

See attached Schedule of Underlying Insurance

Policy No.

Policy Period

B. Additional Underlying Insurance Policy(ies)

Insurer

Policy No.

Policy Period

ITEM 6. POLICY PREMIUM:

Advance Premium
\$126,000

Minimum Premium
N/A

Minimum Earned Premium
\$31,500

Estimated Exposure
N/A

Rate Per
N/A

Audit Period
N/A

ITEM 7. NOTICES

In the event of an accident, occurrence, wrongful act, claim or suit, that is reasonably likely to involve this Policy, send all pertinent facts to:

New claims can be reported to:

Email: 4869excessclaims@yorkrsg.com

Telephone: 1-866-391-9675

Fax: (973) 404-1040

Provide the following information when reporting a claim:

1. York Client Code: 4869
2. Policy Numbers

ITEM 8. ENDORSEMENTS ATTACHED:

Title	Form Number
Excess Liability Declarations	XS 101 D 10 08
Excess Liability Policy Schedule Of Underlying Insurance	XS 102 10 08
Excess Liability Policy Form	XS 100 10 08
Defense Condition Amendment	XS 143 10 08
Waiver Of Transfer Of Rights Of Recovery Against Others To Us	XS 233 10 08
Kansas Changes - Cancellation And Nonrenewal	XS 301 KS 10 08
Auto Coverage - Exclusion Of Terrorism	XS 341 10 08
Exclusion Of Terrorism	XS 346 10 08
Other Insurance - Primary and Noncontributory for Additional Insured	XS 373 04 11
Sarr Companies Excess Casualty Program Claim Reporting Guidelines	XS CLAIMS NOTICE

The foregoing discloses all hazards insured hereunder known to exist at the inception date of this Policy, unless otherwise stated herein by endorsement on this Policy.

COUNTERSIGNED 11/27/2013
DATE

BY 
AUTHORIZED REPRESENTATIVE



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Excess Liability Policy Schedule of Underlying Insurance

Policy Number: 1000020463	Effective Date: 11/01/2013 at 12:01 A.M.
Named Insured: KEY CONSTRUCTION, INC.	Issuing Company: Starr Indemnity & Liability Company

The Declarations, Schedule(s), and all terms and conditions complete this insurance Policy.

Type of Policy or Coverage and Insurer, Policy Number and Policy Period		Limits of Insurance	
A. First Underlying Insurance Policy(ies)			
Carrier:	Charter Oak Insurance Company		
Policy No.:	TBD		
		Limits:	
Coverage:	GENERAL LIABILITY	\$1,000,000	Each Occurrence Limit
Policy Period:	11/01/2013 to 11/01/2014	\$2,000,000	General Aggregate Limit
		\$2,000,000	Products/Comp. Ops. Aggregate Limit
		\$2,000,000	Per Project Limit
Carrier:	Travelers Indemnity Company		



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Policy No.:	TBD	Limits:	
Coverage:	AUTO LIABILITY	\$1,000,000	Combined Single Limit
Policy Period:	11/01/2013 to 11/01/2014		
Carrier:	Travelers Indemnity Company of CT		
Policy No.:	TBD	Limits:	
Coverage:	EMPLOYERS LIABILITY	\$1,000,000	Disease - Each Accident Limit
Policy Period:	11/01/2013 to 11/01/2014	\$1,000,000	Disease - Each Employee Limit
		\$1,000,000	Disease - Policy Limit

B. Additional Underlying Insurance Policy(ies)

Date of Issue:	11/27/2013	Authorized Representative:
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Starr Indemnity & Liability Company

Dallas, Texas

Administrative Office: 399 Park Avenue, 8th Floor, New York, NY 10022

Excess Liability Policy

Named Insured: KEY CONSTRUCTION, INC.

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

This Policy is a legal contract between the Named Insured and Starr Indemnity & Liability Company (herein referenced as "the Company"). The Company agrees to provide insurance to the Named Insured, in exchange for the payment of the required premium. Coverage is subject to the terms and conditions described in this Policy.

This Policy and the coverage provided by it become effective at 12:01 A.M. at the address of the Named Insured on the Policy Effective Date shown above. It continues in effect in accordance with the provisions set forth in this Policy.

This Policy is governed by the laws of the state where it was delivered.

Signed for the Company as of the Effective Date above:



Charles H. Dangelo, President



Nehemiah E. Ginsburg, General Counsel

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EXCESS LIABILITY POLICY FORM

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy, the words you and your refer to the Named Insured as shown in **ITEM 1.** of the Declarations. The words we, us and our refer to the Company shown in the Declaration providing this insurance.

The word Insured means the Named Insured and any person or organization qualifying as an Insured in the First Underlying Insurance Policy(ies), but only to the extent to which such person(s) or organization(s) qualify as an Insured in the First Underlying Insurance Policy(ies) at the inception date of this Policy. Newly acquired or formed organizations must comply with **SECTION IV. CONDITIONS, D. Changes** in order to qualify for coverage.

Words and phrases that appear in quotation marks have special meaning. Refer to **SECTION III. DEFINITIONS**, or to the specific section, of this Policy where such words appear.

SECTION I. COVERAGE

- A. We will pay on behalf of the Insured, the "Ultimate Net Loss" in excess of the "Underlying Insurance" as shown in **ITEM 5.** of the Declarations, that the Insured becomes legally obligated to pay for loss or damage to which this insurance applies and that takes place in the Coverage Territory. Except for the terms, definitions, conditions and exclusions of this Policy, the coverage provided by this Policy shall follow the terms, definitions, conditions and exclusions of the applicable First Underlying Insurance Policy(ies) shown in **ITEM 5.A.** of the Declarations.
- B. Regardless of any other warranties, terms, conditions, exclusions or limitations of this Policy, if any applicable Underlying Insurance Policy(ies) does not cover "Ultimate Net Loss" for reasons other than exhaustion of its limit of liability by payment of claims or suits, then this Policy will not cover such "Ultimate Net Loss".
- C. The amount we will pay for the "Ultimate Net Loss" is limited as described in **SECTION II. LIMITS OF INSURANCE.**

SECTION II. LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Declarations and the rules below describe the most we will pay regardless of the number of:
 - 1. Insureds;
 - 2. Claims made or suits brought; or
 - 3. Persons or organizations making claims or bringing suits.
- B. The Limits of Insurance of this Policy will apply as follows:
 - 1. This Policy applies only in excess of the "Underlying Insurance" scheduled in **ITEM 5.** of the Declarations.
 - 2. If our Limits of Insurance stated in **ITEM 4.** of the Declarations are less than the total Limits of Insurance stated in **ITEM 4.** of the Declarations, then our Limits of Insurance shall be that proportion of the "Ultimate Net Loss" to which our Limits of Insurance apply to the total Limits of Insurance stated in **ITEM 4.** of the Declarations and apply only in excess of the total Limits of "Underlying Insurance" scheduled in **ITEM 5.** of the Declarations.

3. Subject to Paragraph **B.2.** above, the Each Occurrence limit stated in **ITEM 4.A.** of the Declarations is the most we will pay for the "Ultimate Net Loss" for loss or damages arising out of any one occurrence to which this insurance applies.
4. Subject to Paragraphs **B.2.** and **B.3.** above, the limit stated in **Item 4.C.** of the Declarations for the Products-Completed Operations Aggregate is the most we will pay for all "Ultimate Net Loss" under the products-completed operations hazard.
5. Subject to Paragraphs **B.2.** and **B.3.** above, the Other Aggregate Limit stated in **Item 4.B.** of the Declarations is the most we will pay for all "Ultimate Net Loss" except "Ultimate Net Loss" covered under the products-completed operations hazard, that is subject to an aggregate limit provided by the First Underlying Insurance Policy(ies). The Other Aggregate Limit stated in **ITEM 4.B.** applies separately and in the same manner as the aggregate limits provided by the First Underlying Insurance Policy(ies).
6. Subject to Paragraphs **B.2., B.3., B.4.** and **B.5.** above, if the total applicable Limits of Insurance of "Underlying Insurance" scheduled in **ITEM 5.** of the Declarations are:
 - a. Exhausted by payment of "Ultimate Net Loss" arising solely out of a claim first made, or occurrence(s) which first took place, during the Policy Period shown in the Declarations and would be covered under the provisions of this Policy, this insurance applies in excess of such exhausted limit(s); or
 - b. Reduced or exhausted by payment of "Ultimate Net Loss" arising out of a claim which was not first made during the Policy Period shown in the Declarations, or occurrence(s) which took place before or after the Policy Period shown in the Declarations or would not be covered under the provisions of this Policy, this insurance applies as if such payments had not been made.
7. The Limits of Insurance shown in **ITEM 4.** of the Declarations apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown in the Declarations, unless the Policy Period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the preceding period for purposes of determining the Limits of Insurance.

SECTION III. DEFINITIONS

A. "Ultimate Net Loss"

"Ultimate Net Loss" means the total sum, after reduction for all recoveries including other valid and collectible insurance, excepting only the "Underlying Insurance" scheduled under **ITEM 5.** of the Declarations, actually paid or payable due to a claim or suit for which you or an Insured are liable either by a settlement to which we agreed or a final judgment.

The term "Ultimate Net Loss" shall also include defense costs when such defense costs are included within the limits of insurance of any applicable "Underlying Insurance".

B. "Underlying Insurance"

"Underlying Insurance" means the Policy(ies) and/or self-insured retention identified in **ITEM 5.** of the Declarations. "Underlying Insurance" shall include:

1. The First Underlying Insurance Policy(ies) scheduled in **ITEM 5.A.** of the Declarations;

2. Any Additional Underlying Insurance Policy(ies) scheduled in **ITEM 5.B.** of the Declarations;
and
3. Any renewal or replacement of such Policy(ies).

SECTION IV. CONDITIONS

A. Appeals

If the Insured or underlying insurer elects not to appeal a judgment or award in excess of the limits of the "Underlying Insurance," we may do so at our expense. We will not be liable for any judgment or award that exceeds the Limits of Insurance stated in **ITEM 4.** of the Declarations.

B. Bankruptcy or Insolvency

Your or an Insured's bankruptcy, insolvency or inability to pay will not relieve us from our obligations under this Policy.

In the event of bankruptcy, insolvency or refusal or inability to pay, of any underlying insurer or insurer providing other insurance, the insurance afforded by this Policy will not drop down or replace such "Underlying Insurance" or other insurance, but will apply as if all limits of any "Underlying Insurance" or other insurance are fully available and collectible.

C. Cancellation

1. You may cancel this Policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.
2. We may cancel this Policy. If we cancel because of non-payment of premium, we must mail or deliver to you not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to you not less than thirty (30) days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in **ITEM 1.** of the Declarations will be sufficient to prove notice.
3. The Policy Period will end on the day and hour stated in the cancellation notice.
4. If we cancel, earned premium will be calculated pro rata based on the time this Policy was in force.
5. If you cancel, earned premium will be more than a pro rata of the Advanced Premium as shown on **ITEM 6.** of the Declarations; it will be based on the time this Policy was in force and increased by the applicable short rate cancellation table and procedure.
6. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, shall be sufficient tender of any refund due you.
7. The first Named Insured in **ITEM 1.** of the Declarations shall act on behalf of all other Insured(s) with respect to the giving and receiving of notice of cancellation and the receipt of any refund that may become payable under this Policy.
8. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this Policy is changed by this statement to comply with that law.

D. Changes

You must promptly notify us of any newly acquired or formed organizations, or coverage or limit changes made after the inception date of this Policy to the First Underlying Insurance Policy(ies) as scheduled in **ITEM 5.A.** of the Declarations.

Coverage under this Policy will apply to newly acquired or formed organizations only if we endorse the organization as an Insured onto this Policy. Any newly acquired or formed organizations endorsed onto this Policy may be subject to an additional premium and to a premium audit.

E. Coverage Territory

Any claim or suit for loss or damage occurring within the Coverage Territory must be brought within the United States of America.

Coverage Territory shall be deemed to be anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America.

Payments under this Policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

F. Defense

We have no duty to defend any claim or suit and will not be obligated to assume charge of the investigation, settlement or defense of any claim, suit or proceeding instituted against you or any Insured for loss or damages to which this insurance may apply. We will have the right and opportunity to participate or associate in the investigation, settlement or defense of any claim, suit or proceeding against you or an Insured for loss or damage to which this insurance may apply. If we exercise such right, which is at our sole discretion, we will do so at our own expense.

G. Maintenance of "Underlying Insurance"

You agree to maintain all "Underlying Insurance" in full force and effect during our Policy Period stated in **ITEM 2.** of the Declarations, except for the reduction of the aggregate limits of the "Underlying Insurance" due to payment of claim(s) or suit(s) for loss or damage to which this insurance may apply. If you fail to comply with this condition precedent, then the insurance provided by this Policy shall only apply as though such "Underlying Insurance" had been in full force and effect by you.

H. Notification of Accidents or Occurrences

1. You or an Insured must see to it that we are notified as soon as practicable of an accident, occurrence or wrongful act which is reasonably likely to result in a claim or suit to which this insurance may apply.

To the extent possible, notice will include:

- a. How, when and where the accident, occurrence or wrongful act took place;
- b. The names and addresses of any injured persons and witnesses;
- c. The nature and location of any loss, injury or damage arising out of the accident, occurrence or wrongful act.

2. If a claim is made or a suit is brought against an Insured that is reasonably likely to involve this Policy, you or an Insured must notify us in writing as soon as practicable.
3. You and an Insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - b. Authorize us to obtain records and other information;
 - c. Cooperate with us in the investigation, settlement or defense of the claim or suit; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of loss or damage to which this insurance may also apply.
4. No Insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

I. Other Insurance

If other insurance applies to "Ultimate Net Loss" that is also covered by this Policy, this Policy will apply excess of, and will not contribute to, the other insurance. Nothing herein will be construed to make this Policy subject to the terms, conditions and limitations of such other insurance. However, other insurance does not include:

1. "Underlying Insurance";
2. Insurance that is specifically written as excess over this Policy; or
4. Insurance held by a person(s) or organization(s) qualifying as an additional insured in "Underlying Insurance", but only when the written contract or agreement between you and the additional insured requires a specific limit of insurance that is in excess of the Underlying Limits of Insurance. However, the Limits of Insurance afforded the additional insured in this paragraph shall be the lesser of the following:
 - a. The minimum limits of insurance required in the contract or agreement between you and the additional insured; or
 - b. The Limits of Insurance shown in the Declarations of this Policy.

Other insurance includes any type of self-insurance or other mechanism by which an Insured arranges for the funding of legal liabilities.

J. Premium

The first Named Insured shown in **ITEM 1.** of the Declarations shall be responsible for payment of all premiums when due.

The Advanced Premium shown in **ITEM 6.** of the Declarations is a flat premium for this Policy Period, unless Estimated Exposure, Rate Per and Audit Period are completed on the Declarations. In that case a Premium Audit Endorsement will be attached to the Policy.

Earned Premium in a Policy Period shall be subject to the Minimum Premium and the Minimum Earned Premium as stated in the Declarations, if applicable.

K. Transfer of Rights of Recovery Against Others to Us

If the Insured has rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. The Insured must do nothing after loss to impair them. At our request, the Insured will bring suit or transfer those rights to us and help us enforce them. Reimbursement of recovery(ies), minus expenses incurred by us in the process of recovery, will be first made to any interest (including the Insured) who has paid any amounts in excess of the limits of this Policy; then next to us; and then finally to all other interests (including the Insured and the underlying insurer) with respect to the remaining amounts, if any.

L. Unintentional Errors or Omissions

Your failure to disclose all hazards existing as of the inception date of this Policy shall not prejudice you with respect to the coverage afforded by this Policy provided such failure or any omission is not intentional.

M. When "Ultimate Net Loss" is Payable

Coverage under this Policy will not apply unless and until the Insured or the Insured's "Underlying Insurance" has paid or is obligated to pay the full amount of the limits of the "Underlying Insurance" scheduled in **ITEM 5.** of the Declarations. If other insurance applies, coverage under this Policy will not apply until the other insurance has paid or is obligated to pay the full amount of its limit of insurance.

When the "Ultimate Net Loss" is determined, we will pay on behalf of the Insured the amount of "Ultimate Net Loss" to which this insurance applies.

SECTION V. EXCLUSIONS

This insurance shall not apply to:

A. Asbestos

1. "Ultimate Net Loss" arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust;
2. Any obligation of the Insured to indemnify any party because of damages arising out of such "Ultimate Net Loss" as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust; or
3. Any obligation to defend any suit or claim against the Insured seeking damages, if such suit or claim arises from "Ultimate Net Loss" as a result of the manufacture of, mining of, use of, sales of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust.

B. Auto Coverages

"Ultimate Net Loss" arising out of or resulting from any first party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law.

C. Nuclear

"Ultimate Net Loss":

1.
 - a. With respect to which the Insured is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability-Property Insurance Assoc., Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "hazardous properties" of "Nuclear Material" and with respect to which **(1)** any person or any organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(2)** the Insured is, or had this Policy not been available would be, entitled to indemnity from the United States of America or any agency thereof, under any agreement entered into by the United States of America or any agency thereof, with any person or organization.
2. "Ultimate Net Loss" resulting from the hazardous properties of "Nuclear Material", if:
 - a. The "Nuclear Material" **(1)** is at any "nuclear facility" owned by the Insured or operated by the Insured or on the Insured's behalf, or **(2)** has been discharged or dispensed therefrom;
 - b. The "Nuclear Material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by the Insured or on the Insured's behalf; or
 - c. The "Ultimate Net Loss" arises out of the furnishing by the Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "Nuclear Facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **c.** applies only to property damage to such "Nuclear Facility" and any property thereat.
3. As used in this exclusion:
 - a. "Hazardous Properties" includes radioactive, toxic or explosive properties;
 - b. "Nuclear Material" means "Source Material", "Special Nuclear Material" or "By-Product Material;"
 - c. "Source Material", "Special Nuclear Material" and "By-product Material" have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof;
 - d. "Spent Fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;
 - e. "Waste" means any waste material **(1)** containing "By-Product Material" and **(2)** resulting from the operation by any person or organization of a "Nuclear Facility" included within the definition of "Nuclear Facility" below;
 - f. "Nuclear Facility" means:

- (1) Any nuclear reactor;
 - (2) Any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing "Spent Fuel", or (iii) handling, processing or packaging wastes;
 - (3) Any equipment or device used for the processing, fabricating, or alloying of "Special Nuclear Material" if at any time the total amount of such material in the Insured's custody at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (4) Any structure, basin, excavation, premises or place prepared or used for storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
- g. "Nuclear Reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- h. "Ultimate Net Loss" includes all forms of radioactive contamination of property.

D. Pollution

- 1. "Ultimate Net Loss" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.
- 2. Loss, cost or expense arising out of any:
 - a. Request, demand, order or statutory or regulatory requirement that any Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
 - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

This exclusion does not apply if valid "Underlying Insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of the applicable limits of the Underlying Insurance. Coverage provided under this Policy will follow the terms, definitions, conditions, exclusions and limitations of the First Underlying Insurance Policy(ies).

E. Workers Compensation and Similar Laws

"Ultimate Net Loss" for any obligation of the Insured under any worker's compensation, disability benefits or unemployment compensation law or any similar law.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Defense Condition Amendment

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

SECTION IV. CONDITIONS, condition **F. Defense** is deleted in its entirety and replaced with the following:

F. Defense

1. At our discretion, we may:
 - a. Investigate any occurrence, claim or suit;
 - b. Settle any claim or suit of which we assume control of the settlement or defense.
2. We have the right, but not the duty, to associate with any underlying insurer or other insurers in the defense and control of any claim or suit seeking damages to which this insurance may apply.
3. We have the right and duty to defend any claim or suit against any Insured seeking damages to which this insurance applies when "Underlying Insurance" ceases to apply because of exhaustion of its limits of insurance solely by payment of claims, settlements, judgments, or defense costs subject to such limits, for damages to which this insurance also applies.
4. We will pay, with respect to any claim we investigate or settle, or any suit against an Insured we defend, when the duty to defend exists:
 - a. All expenses we incur.
 - b. Up to \$2000 for cost of bail bonds (including bonds for related traffic law violations) required because of an occurrence we cover. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the Insured at our request to assist us in the investigation or defense of the claim or suit, including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the Insured in the suit. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the Insured.
 - f. Prejudgment interest awarded against the Insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
5. If we exercise our rights or duties as stated in paragraphs 2. and 3. above, any expense related to such right or duty will be defense costs under this Policy.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

6. After the Limits of Insurance of this policy are used up in the payment of:

- a. Judgments;
- b. Settlements; or
- c. Defense costs, if defense costs are included within and erode the limits of insurance of the applicable "Underlying Insurance",

we will not provide any defense under this Policy.

All other terms and conditions of this Policy remain unchanged.

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Waiver of Transfer of Rights of Recovery Against Others to Us

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

SCHEDULE

Name Of Person Or Organization:

All as required by written contract.

SECTION IV. CONDITIONS, condition **K. Transfer of Rights of Recovery Against Others to Us** is amended to include the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule of this endorsement because of payments we make for injury or damage arising out of your ongoing operations or your work done under a contract with that person or organization and included in the products-completed operations hazard. This waiver applies only to the person or organization shown in the Schedule of this endorsement.

All other terms and conditions of this Policy remain unchanged.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Kansas Changes – Cancellation and Nonrenewal

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

- A.** If you are an individual and a covered auto you own is of the private passenger type, and this Policy covers fewer than five autos and does not insure the motor vehicle hazard of garages, motor vehicle sales agencies, repair shops, service stations or public parking places, **SECTION IV. CONDITIONS**, condition **C. Cancellation** is deleted in its entirety and replaced with the following:

ENDING THIS POLICY

1. Cancellation

- a.** You may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- b.** We may cancel this Policy by mailing you notice of cancellation. If we cancel for nonpayment of premium, we will mail you at least 10 days notice. If we cancel for any other reason, we will mail you at least 30 days written notice.
- c.** When this Policy is in effect 60 days or more or is a renewal or continuation Policy, we may cancel Liability Coverage and Personal Injury Protection only for one or more of the following reasons:
 - (1)** Nonpayment of premium.
 - (2)** Fraudulent misrepresentation in obtaining this Policy.
 - (3)** The Insured violates any terms or conditions of the Policy.
 - (4)** You or any other operator who either resides in the same household or customarily operates a covered auto:
 - (a)** Has had his or her driver's license suspended or revoked during the Policy Period.
 - (b)** Is or becomes subject to epilepsy or heart attacks and cannot produce a physician's certificate stating that he or she can operate a motor vehicle safely.



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(c) Has been convicted during the Policy Period or 36 months before it, for:

- (i)** Any felony, or
- (ii)** Criminal negligence resulting in death, homicide or assault, arising from the operation of a motor vehicle, or
- (iii)** Driving a motor vehicle while intoxicated or under the influence of drugs, or
- (iv)** Leaving the scene of an accident without stopping to report, or
- (v)** Theft of a motor vehicle, or
- (vi)** Making false statements when applying for a driver's license, or
- (vii)** A third moving violation, committed within a period of 18 months of:
 - i.** Any regulation limiting the speed of motor vehicles, or
 - ii.** Any of the provisions in the motor vehicle laws of any state, the violation of which constitutes a misdemeanor or traffic infraction, or
 - iii.** Any ordinance traffic infraction, or ordinance which prohibits the same acts as a misdemeanor statute of the uniform act regulating traffic on highways, whether or not the violations were repetitions of the same offense or were different offenses.

(5) We replace this Policy with another one providing similar coverages and the same limits for the covered auto. The replacement Policy will take effect when this Policy is cancelled, and will end a year after this Policy begins or on this Policy's expiration date, whichever is earlier.

- d.** Renewal or continuation of this Policy does not act as a waiver or estoppel of any reasons for cancellation which existed before the effective date of renewal or continuation.
- e.** If this Policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not offered a refund.
- f.** Notice of cancellation will state the effective date of cancellation. The Policy Period will end on that date.



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2. Nonrenewal

- a. If we decide not to renew or continue this Policy we will mail you written notice at least 30 days before the end of the Policy Period.
- b. We may not renew or continue this Policy only for one or more of the following reasons:
 - (1) When we are required or have been permitted by the Commissioner of Insurance, in writing, to reduce premium volume in order to preserve our financial integrity.
 - (2) When we cease to transact such business in this state.
 - (3) When we are able to show competent medical evidence that the Insured has a physical or mental disablement that impairs his or her ability to drive in a safe and reasonable manner.
 - (4) When unfavorable underwriting factors, pertinent to the risk, are existent, and of a substantial nature, which could not have reasonably been ascertained by us at the initial issuance or the last renewal of the Policy.
 - (5) When the Policy has been continuously in effect for a period of 5 years, provided that such 5 year period shall begin at the first anniversary date following the Policy effective date.
 - (6) When any of the reasons specified as reasons for cancellation are existent.
- c. If we offer to renew or continue this Policy and you do not accept, this Policy will terminate at the end of the Policy Period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
- d. If we fail to mail proper notice of nonrenewal and you obtain other insurance, this Policy will end on the effective date of that insurance.

3. Mailing Of Notices

We will mail any notice of cancellation or nonrenewal by certified or registered mail or United States post office certificate of mailing to your last mailing address known to us. Proof of mailing will be sufficient proof of notice.

- B.** For all policies not described in Paragraph **A.** above **SECTION IV. CONDITIONS**, condition **C. Cancellation** is deleted in its entirety and replaced with the following:



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ENDING THIS POLICY

1. Cancellation

- a. You may cancel this Policy by returning it to us or by giving us advance notice of the date cancellation is to take effect.
- b. We may cancel this Policy by mailing you written notice of cancellation, stating our reasons for cancellation. If we cancel for nonpayment of premium we will mail you at least 10 days notice. If we cancel for any other reason, we will mail you at least 30 days notice.
- c. When this Policy is in effect for 90 days or more or is a renewal or continuation Policy, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium.
 - (2) This Policy was issued because of material misrepresentation.
 - (3) Any Insured violated any of the material terms and conditions of this Policy.
 - (4) Unfavorable underwriting factors, specific to the Insured, exist that were not present at the inception of this Policy.
 - (5) A determination by the insurance commissioner that continuation of coverage could place us in a hazardous financial condition or in violation of the laws of Kansas.
 - (6) A determination by the insurance commissioner that we no longer have adequate reinsurance to meet our needs.
- d. The effective date of cancellation stated in the notice shall become the end of the Policy Period.
- e. If this Policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not offered a refund.

2. Nonrenewal

- a. If we decide not to renew or continue this Policy, we will mail you written notice at least 60 days before the end of the Policy Period stating the reasons for nonrenewal. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current Policy Period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.



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- b. If we fail to mail proper notice and you obtain other insurance, this Policy will end on the effective date of that insurance.

3. Mailing Of Notices

Any notice of cancellation or nonrenewal will be mailed by certified or registered mail or United States post office certificate of mailing to the first Named Insured's last mailing address known to us. Proof of mailing of any notice will be sufficient proof of notice.

4. Notice To Director Of Vehicles

If you are a Vehicle Dealer or Mobile Home Dealer, the following provision applies:

If the Policy is cancelled, we will notify the Director of Vehicles 30 days before the effective date of cancellation.

All other terms and conditions of this Policy remain unchanged.

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

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Auto Coverage – Exclusion of Terrorism

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

Any endorsement addressing acts of terrorism (however defined) in any "Underlying Insurance" does not apply to this Policy.

A. The provisions of this endorsement:

1. Apply only to loss or damage arising out of the ownership, maintenance or use of any auto that is a covered auto under this Policy; and
2. Supersede the provisions of any other endorsement addressing terrorism attached to this Policy only with respect to injury or damage arising out of the ownership, maintenance or use of any auto that is a covered auto.

B. The following definition is added to **SECTION III. DEFINITIONS** and applies under this endorsement wherever the term terrorism is enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
 - a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.



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C. The following exclusion is added to SECTION V. EXCLUSIONS:

Exclusion of Terrorism

This insurance shall not apply to loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Any loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such

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

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, 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; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraph **C.5.** or **C.6.** above are exceeded.

With respect to this exclusion, Paragraphs **C.5.** and **C.6.** above describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the



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purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Policy.

In the event of any incident of "terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Policy.

All other terms and conditions of this Policy remain unchanged.

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



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Exclusion of Terrorism

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

A. The following definitions are added to **SECTION III. DEFINITIONS:**

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

a. That involve the following or preparation for the following:

- (1)** Use or threat of force or violence; or
- (2)** Commission or threat of a dangerous act; or
- (3)** Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

b. When one or both of the following applies:

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

2. "Any loss or damage" means any loss or damage covered under any Policy or "Underlying Insurance" to which this endorsement is applicable, and includes but is not limited to bodily injury, property damage, personal and advertising injury, injury or environmental damage as may be defined in any applicable Policy or "Underlying Insurance".

B. The following exclusion is added to **SECTION V. EXCLUSIONS:**

Terrorism

This policy shall not apply to "any loss or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any loss or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such loss or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**



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1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, 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; or
6. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - a. Physical injury that involves a substantial risk of death; or
 - b. Protracted and obvious physical disfigurement; or
 - c. Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in Paragraphs **B.5.** or **B.6.** above are exceeded.

With respect to this exclusion, Paragraphs **B.5.** and **B.6.** above describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this exclusion will apply to that incident. When the exclusion applies to an incident of "terrorism", there is no coverage under this Policy.

In the event of any incident of "terrorism" that is not subject to this exclusion, coverage does not apply to "any loss or damage" that is otherwise excluded under this Policy.



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All other terms and conditions of this Policy remain unchanged.

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Other Insurance – Primary and Noncontributory for Additional Insured

Policy Number: 1000020463

Effective Date: 11/01/2013 at 12:01 A.M.

Named Insured: KEY CONSTRUCTION, INC.

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY FORM

- A. Sub-paragraph 3. of item I. Other Insurance under SECTION IV. CONDITIONS is replaced with the following:
3. Insurance held by a person(s) or organizations(s) qualifying as an additional insured in "Underlying Insurance", but only when the written contract or agreement between you and the additional insured:
- a. Requires a specific limit of insurance than is in excess of the Underlying Limits of Insurance;
 - b. Requires that your insurance be primary and not contribute with that of the additional insured; and
 - c. Executed prior to the loss.

In such case as described in sub-paragraph 3. above, we shall not seek contribution from the additional insured's primary or excess insurance for which they are a named insured for amounts payable under this insurance.

All other terms, definitions, conditions and exclusions of this policy remain unchanged.

Signed for the Company as of the Effective Date above:


Charles H. Dangelo, President


Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

CLAIM REPORTING PROCEDURES

All claims for **Starr Excess Liability Program**, regardless of severity or location should be reported to the YORK Claims Intake Center. The YORK Claims Intake Center is ready to accept new losses and provides three ways for you to submit new loss reports:

1. **Email:** **4869excessclaims@yorkrsg.com**
2. **Fax:** **(973) 404-1040**
3. **Telephone:** **1-866-391-9675 (YORK)**

To expedite the handling of your new claim, the following information must be provided when reporting a claim:

1. **York Client Code: 4869**
2. **Complete Policy Numbers**

The York Claims Intake Center will review all claims notices upon receipt and assign to the York handling branch office. A claim acknowledgement will then be transmitted to the designated individuals advising of the York claim number and the adjuster assigned to the claim.

Key Contacts:

Sonia Acevedo, Manager, Claims Intake Center Tel: (973) 404-1134
Sonia.acevedo@yorkisg.com

Maria Alford, Director of Client Relations Tel: (845) 831-3175
Maria.alford@yorkisg.com Cell: (973) 289-8586

Paul Lettieri, Claim Director Tel: (646) 227-6742
Paul.letteri@starrcompanies.com Cell: (646) 217-1258