

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MINNESOTA CHANGES**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL LIABILITY UMBRELLA COVERAGE PART**

**A.** Paragraph **A.2.** of the **Cancellation** Common Policy Condition is replaced by the following:

**2.** We may cancel this policy by giving the first Named Insured written notice of cancellation at least:

- a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- b.** 30 days before the effective date of cancellation if we cancel for any other reason.

**B.** Paragraph **A.6.** of the **Cancellation** Common Policy Condition is replaced by the following:

**6.** If notice is mailed, proof of mailing of any notice will be sufficient proof of notice.

**C.** Paragraph **2.b.** of **Exclusions** of **Section I – Coverages – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1)** That the insured would have in the absence of the contract or agreement; or
- (2)** Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

**D. Section I – Coverages – Supplementary Payments – Coverages A And B** is replaced by the following:

**1.** We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a.** All expenses we incur.
- b.** Up to \$2,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c.** The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e.** All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f.** Prejudgment interest awarded against the insured on that part of the judgment we pay.
- g.** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. When we have the right but not the duty to defend the insured and elect to participate in the defense, we will pay our own expenses but will not contribute to the expenses of the insured or the "underlying insurer".
3. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f. The indemnitee:
    - (1) Agrees in writing to:
      - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
      - (c) Notify any other insurer whose coverage is available to the indemnitee; and
      - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
    - (2) Provides us with written authorization to:
      - (a) Obtain records and other information related to the "suit"; and
      - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
  - b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.
- E. The following is added to Paragraph 1. Appeals of Section IV – Conditions:**
- All such costs and expenses are payable in addition to the limit of liability.
- F. Paragraph a. of 2. Bankruptcy Of Insured of Section IV – Conditions is replaced by the following:**
- a. Bankruptcy Of Insured**
- Bankruptcy, insolvency or dissolution of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part, and in case an execution against the insured on a final judgment is returned unsatisfied, then such judgment creditor shall have a right of action on this Coverage Part against the company to the same extent that the insured would have, had the insured paid the final judgment.
- G. The following is added to Paragraph 3. Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section IV – Conditions:**
- The requirement to notify us can be satisfied by notifying our agent. Notice can be by any means of communication.
- H. Paragraph d. of 7. Representations Or Fraud of Section IV – Conditions is replaced by the following:**
- d. This policy is void in the event:**
- (1) You have made any misrepresentation with the intent to deceive and defraud; or
  - (2) You have made any misrepresentation that increases the risk of loss.

- I. The following is added to Paragraph **9. Transfer Of Rights Of Recovery Against Others To Us** Condition of **Section IV – Conditions**:

Our rights do not apply against any person or organization insured, under this or any other Coverage Part we issue, with respect to the same "occurrence".

- J. Paragraph **10. When We Do Not Renew** Condition under **Section IV – Conditions** is replaced by the following:

If we decide not to renew or continue this Coverage Part, we will give the first Named Insured shown in the Declarations and any agent notice of our intent not to renew at least 30 days before the expiration date. Such notice will be mailed or delivered to the first Named Insured and any agent at their last mailing addresses known to us.

If notice is mailed, proof of mailing of any notice will be sufficient proof of notice.

- K. Paragraph **C. Examinations Of Your Books And Records** of the Common Policy Conditions is replaced by the following:

**C. Examinations Of Your Books And Records**

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to one year afterward.