

SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of the Company to pay any amount claimed to be due under this policy, the Company at the request of the Insured (or reinsured), will submit to the jurisdiction of any court of competent jurisdiction within the United States of America and will comply with all requirements necessary to give the Court jurisdiction. All matters which arise will be determined in accordance with the law and practice of the Court. In a suit instituted against any one of them under this contract, the Company agrees to abide by the final decision of the Court or of any Appellate Court in the event of an appeal.

Pursuant to any statute of any state, territory or district of the United States of America which makes a provision, the Company will designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured (or reinsured) or any beneficiary arising out of this contract of insurance (or reinsurance).

The officer named below is authorized and directed to accept service of process on behalf of the Company:

Michael D. Miller
Ategrity Specialty Insurance Company
15990 N. Greenway-Hayden Loop, Suite D-160
Scottsdale, Arizona 85260

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

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AUTHORIZED REPRESENTATIVE / DATE



ATEGRITY SPECIALTY INSURANCE COMPANY

CLAIM REPORTING INFORMATION

Your insurance policy has been placed with Ategrity Specialty Insurance Company. Promptly reporting an event that could lead to a claim, as required by your policy, helps us fulfill this commitment to you. Please refer to your policy for this and all other terms and conditions.

In the event of a claim to which this policy may apply, please give immediate notice to:

**CLAIM DEPARTMENT
ATEGRITY SPECIALTY INSURANCE COMPANY**

Email: Claims@ategrity.com
Phone: 480.237.2417
Toll Free: 1.833.783.6206
Fax: 602.419.2977

In order to expedite your claims process, please be prepared to furnish as much of the following information as possible:

- Policy Number
- Date, time and location of the accident/loss
- Details of the accident/loss
- Name, address and phone number of involved parties
- Name of law enforcement agency or fire department along with any file or incident number

PLEASE REFER TO YOUR POLICY FOR SPECIFIC CLAIM REPORTING REQUIREMENTS



TEGRITY SPECIALTY INSURANCE COMPANY

15990 N Greenway Hayden Loop, Suite D-160, Scottsdale, AZ 85260

EXCESS LIABILITY QUOTATION

Quote Number: 01-B-XL-Q00002459-0
Underwriter: Underwriter Admin
Producer: Jim-Giles Corp
Address: 7011 N Scottsdale Rd, Scottsdale, AZ 85255

Coverage: Excess Liability (CX 00 01 04 13)
Issuing Company: Ategrity Specialty Insurance Company

Named Insured: Smitch Kayaker
Address: 7809 Narragansett Ave, Abbott Park, IL 60064

Form of Business: Common Ownership

Business Description: Industrial

Policy Term: 01/01/2019 to 01/01/2020

(12:01 a.m. Standard Time on both dates, at the address of the Named Insured noted above)

This Quote is valid for 30 days from the above date or until the effective date, whichever comes first.

Limits:	\$1,000,000	Each Occurrence
	\$1,000,000	Aggregate Limit (where applicable)

(In excess of the underlying insurance shown below.)

MINIMUM & DEPOSIT PREMIUM	\$104,000
TRIA – OPTIONAL COVERAGE	\$5,200
LOSS CONTROL FEE	\$0
TOTAL	\$109,200

Auditable **Non-Auditable**

Audit Frequency (If Applicable): Annual

MINIMUM EARNED PREMIUM: 25%

COMMISSION: 15%

Underlying Insurance: See schedule of controlling underlying policies.

Applicable Forms: See schedule of forms and endorsements, applicable to all Coverage Forms and made part of this policy at time of issue.

CONDITIONS:

- THIS QUOTE MAY NOT MEET ALL OF YOUR REQUESTED SPECIFICATIONS AND/OR COVERAGES, SO PLEASE REVIEW CAREFULLY.
- ALL UNDERLYING CARRIERS MUST HAVE MINIMUM AM BEST RATING OF A-VIII
- THESE TERMS ARE BASED ON THE UNDERLYING TERMS SUBMITTED WITH THE ORIGINAL SUBMISSION. ANY CHANGES TO THE UNDERLYING MAY RESULT IN A CHANGE TO THESE TERMS OR WITHDRAWAL OF THESE TERMS.
- ATTEGRITY SPECIALTY INSURANCE COMPANY RESERVES THE RIGHT TO ALTER OR WITHDRAW THESE TERMS AT ANY TIME SHOULD WE BECOME AWARE OF ANY MATERIAL CHANGE IN UNDERWRITING INFORMAITON, OR CLAIMS ACTIVITY.
- THE SURPLUS LINES BROKER IS RESPONSIBLE FOR ALL SURPLUS LINES PAYMENTS AND FILINGS.
- ALL BINDING REQUESTS MUST BE MADE IN WRITING.
- UPON BINDING, PAYMENT WILL BE DUE TO ATTEGRITY SPECIALTY INSURANCE COMPANY NO LATER THAN 30 DAYS FROM THE EFFECTIVE DATE OF THE BINDER.

SUBJECTIVITIES:

- CURRENTLY SIGNED AND DATED APPLICATIONS – INCLUDING SUPPLEMENTAL IF APPLICABLE
- COPIES OF ALL UNDERLYING BINDER PRIOR TO BINDING
- FULLY EXECUTED TERRORISM ACCEPTION/REJECTION FORM
- PROJECT_TEST

SCHEDULE OF CONTROLLING UNDERLYING INSURANCE

Commercial Auto Liability	Company: ACE AMERICAN INSURANCE COMPANY
	Policy Number: 01-B-XL-P00001101-1
	Policy Period: 01/18/2019 to 01/18/2020
	Limits of Insurance: Each Accident \$ 1,000,000

Employer's Liability	Company: ADRIATIC INSURANCE COMPANY
	Policy Number: 01-B-XL-P00001101-2
	Policy Period: 01/18/2019 to 01/18/2020
	Limits of Insurance: Bodily Injury by Accident Each Accident \$ 1,000,000 Bodily Injury by Disease Policy Limit \$ 1,000,000 Bodily Injury by Disease Each Employee \$ 1,000,000

Umbrella Liability	Type of Coverage: <input type="checkbox"/> Occurrence <input checked="" type="checkbox"/> Claims-made
	Company: AIX SPECIALTY INSURANCE COMPANY
	Policy Number: 01-B-XL-P00001101-3
	Policy Period: 01/18/2019 to 01/18/2020
	Limits of Insurance: \$ 1,000,000



Ategrity Specialty Insurance Company

15990 N Greenway Hayden Loop, Suite D-160, Scottsdale, AZ 85260

FORMS AND ENDORSEMENT SCHEDULE

It is hereby understood and agreed the following forms and endorsements are attached to and are a part of this policy:

#	Form Number	Form Name
1	ASIC-AF-0003 08-18	Service Of Suit Clause
2	ASIC-NOT-0002 10-18	Claim Reporting Information
3	XL-TRIA_DOC 05-18	Tria Accept-Reject Document
4	CX 01 22 09-08	Illinois Changes - Defense Costs
5	CX 02 14 01-18	Illinois Changes - Cancellation And Non-Renewal
6	CX 22 55 09-08	Illinois Changes - Pollution Exclusion - Hostile Fire Exception
7	CX 27 06 09-08	Illinois Changes - Underlying Claims-Made Coverage
8	CX 27 08 09-08	Illinois Extended Reporting Period Endorsement
9	ASIC-XL-0001 07-18	Sub-Limited Coverage Exclusion
10	ASIC-XL-0002 07-18	War Exclusion
11	ASIC-XL-0003 07-18	Asbestos Exclusion
12	ASIC-XL-0004 07-18	Punitive Or Exemplary Damages Exclusion
13	ASIC-XL-0005 07-18	Minimum Earned And Minimum Retained Premium
14	ASIC-XL-0006 07-18	Employee Retirement Income Security Act Exclusion
15	ASIC-XL-0007 07-18	Continuous Progressive Damage Exclusion
16	ASIC-XL-0008 07-18	Lead Exclusion
17	CX 00 01 04-13	Commercial Excess Liability Coverage Form
18	CX 01 09 09-08	Condominiums
19	CX 04 01 09-08	Excess Liability Coverage For Designated Operations Covered By A Wrap
20	CX 21 01 09-08	Excl - Nuclear Energy Liability Exclusion
21	CX 21 02 04-13	Exclusion - Total Pollution Exclusion
22	CX 21 03 04-13	Exclusion - Total Pollution Exclusion With A Hostile Fire Exception
23	CX 21 04 04-13	Exclusion - Total Pollution Exclusion With A Building Heating, Cooling And Dehumidifying Equipment Exception And A Hostile Fire Exception
24	CX 21 05 04-13	Exclusion- All Hazards In Connection With Designated Premises
25	CX 21 06 04-13	Exclusion- Products-Completed Operations Hazard
26	CX 21 07 04-13	Exclusion- Designated Work
27	CX 21 08 04-13	Exclusion- Explosion, Collapse And Underground Property Damage Hazard (Specified Operations)
28	CX 21 09 04-13	Exclusion- Explosion, Collapse And Undergroudn Property Damage Hazard (Specified Operations Excepted)

29	CX 21 10 04-17	Limitation Of Coverage To Designated Premises, Project Or Operation
30	CX 21 11 04-13	Exclusion - Abuse Or Molestation
31	CX 21 12 04-13	Exclusion- Designated Ongoing Operations
32	CX 21 13 04-13	Exclusion - Fungi Or Bacteria
33	CX 21 14 04-13	Exclusion - Exterior Insulation And Finishing Systems
34	CX 21 15 04-13	Exclusion - Designated Products
35	CX 21 16 04-13	Exclusion - Silica Or Silica-Related Dust
36	CX 21 17 04-13	Exclusion - Communicable Disease
37	CX 21 18 04-13	Exclusion - Abuse Or Molestation - Specified Professional Services
38	CX 21 19 04-13	Exclusion - Employment-Related Practices
39	CX 21 20 04-13	Exclusion - Professional Services
40	CX 21 22 09-18	Auto Dealers Exclusion - Designated Products
41	CX 21 25 09-18	Auto Dealers Exclusion - Designated Work
42	CX 21 26 09-18	Auto Dealers Exclusion - Your Products And Your Work
43	CX 21 29 01-15	Conditional Exclusion Of Terrorism (Relating To Disposition Of Tria)
44	CX 21 30 01-15	Cap On Losses From Certified Acts Of Terrorism
45	CX 21 31 01-15	Exclusion Of Other Acts Of Terrorism Committed Outside The United States; Cap On Losses From Certified Acts Of Terrorism
46	CX 21 71 06-15	Exclusion - Unmanned Aircraft
47	XL-0001 05-18	Sublimited Coverage Exclusion (Non-Drop Down)

Terrorism Forms IL0952 and IL0985 will be attached if Terrorism Coverage is Accepted. Terrorism Form IL0953 will be attached if Terrorism Coverage is Rejected.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – DEFENSE COSTS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following is added to the Insuring Agreement of
Section I – Coverages:

If we initially defend an insured or pay for an insured's defense but later determine that the claim(s) is (are) not covered under this insurance, we will have the right to reimbursement for the defense costs we have incurred.

The right to reimbursement for the defense costs under this provision will only apply to defense costs we have incurred after we notify you in writing that there may not be coverage, and that we are reserving our rights to terminate the defense and seek reimbursement for defense costs.



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ILLINOIS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Paragraph 5. Cancellation of Section III – Conditions is replaced by the following:

5. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
- b. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice. If we cancel:
 - (1) For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - (2) For a reason other than nonpayment of premium, we will mail the notice at least:
 - (a) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (b) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- c. If this Policy has been in effect for more than 60 days or is a renewal or continuation policy, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) The Policy was obtained through a material misrepresentation;
 - (3) Any insured has violated any of the terms and conditions of the Policy;
 - (4) The risk originally accepted has measurably increased;
 - (5) Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

(6) A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this State.

d. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.

e. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

f. If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

B. Paragraph 13. When We Do Not Renew of Section III – Conditions is replaced by the following:

13. When We Do Not Renew

a. If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least:

(1) 60 days before the end of the policy period for all policies other than that described in a.(2); or

(2) 30 days before the end of the policy period for all commercial excess and umbrella liability policies as defined in 215 ILL. COMP. STAT. 143.13(h). The nonrenewal shall not become effective until at least 30 days from the proof of mailing date of the notice to you.

b. Proof of mailing will be sufficient proof of notice.

c. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known.

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

For the purposes of Paragraph **a.(2)**, commercial excess and umbrella liability policies are defined in 215 ILL. COMP. STAT. 143.13.(h) as follows:

- (h) "Commercial excess and umbrella liability policy" means a policy written over one or more underlying policies for an insured:
 - (1) that has at least 25 full-time employees at the time the commercial excess and umbrella liability policy is written and procures the insurance of any risk or risks, other than life, accident and health, and annuity contracts, as described in clauses (a) and (b) of Class 1 of Section 4 and clause (a) of Class 2 of Section 4, by use of the services of a full-time employee acting as an insurance manager or buyer; or
 - (2) whose aggregate annual premiums for all property and casualty insurance on all risks is at least \$50,000.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – POLLUTION EXCLUSION – HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following is added to Exclusion c. under Paragraph 2., **Exclusions of Section I – Coverages:**

Paragraph (1) of this exclusion does not apply to "injury or damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, pollutants.

Hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – UNDERLYING CLAIMS-MADE COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Retroactive Date:
(Enter Date Or "NONE" If No Retroactive Date Applies.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

If any "controlling underlying insurance" is written on a claims-made basis, the following applies to the insurance provided by this Coverage Part which is excess over that underlying insurance:

A. Paragraph 1.c. under Section I – Coverages is replaced by the following:

If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will only apply to that "injury or damage" which occurs on or after the Retroactive Date shown in the Schedule of this endorsement but before the end of the policy period of this Coverage Part. If the "controlling underlying insurance" requires, for a particular claim, that the "event" causing the particular "injury or damage" takes place on or after the Retroactive Date shown in the Declarations of that insurance in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place on or after the Retroactive Date shown in the Schedule of this endorsement but before the end of the policy period of this Coverage Part.

A claim for damages for such "injury or damage" must be first made against the insured during this policy period or any Extended Reporting Period provided under this Coverage Part. A claim will be considered first made under this Coverage Part:

- (1)** When notice of such claim is received and recorded by any insured or by us, whichever comes first, if the "controlling underlying insurance" is written on a claims-made and recorded basis; or

(2) When notice of such claim, after being received by any insured, is reported to us in writing, if the "controlling underlying insurance" is written on any other claims-made basis.

B. The following is added to Section II – Limits Of Insurance:

The "retained limit" will only be reduced or exhausted by payments of claims, or defense expenses if the limits of "controlling underlying insurance" are reduced by defense expenses for that insurance, that are made during the policy period, or any Extended Reporting Period, of this Coverage Part.

C. The following Section is added:

CLAIMS-MADE EXTENDED REPORTING PERIOD

1. Any provisions under the "controlling underlying insurance" relating to an Extended Reporting Period for which a separate premium charge is made do not apply to this insurance, unless an Extended Reporting Period is purchased under this insurance.
2. An Extended Reporting Period, consistent with the terms, conditions and duration of any Extended Reporting Period available in accordance with the terms of any "controlling underlying insurance", will be available for this Coverage Part by endorsement, for an additional charge, if:
 - a. This policy is cancelled or not renewed; or

- b. This policy is renewed or replaced with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - (2) Does not apply to "injury or damage" on a claims-made basis.
 - 3. If this policy and the "controlling underlying insurance" are cancelled or not renewed and an Extended Reporting Period has been provided under the "controlling underlying insurance", then an Extended Reporting Period will be available for this Coverage Part. The Extended Reporting Period available under this Coverage Part will be consistent with the terms, conditions and duration of any Extended Reporting Period provided in accordance with the terms of the "controlling underlying insurance".
 - 4. You must give us a written request for the Extended Reporting Period endorsement under this Coverage Part no later than the time allowed to purchase such endorsement under the "controlling underlying insurance". The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
 - 5. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:
 - a. The exposures insured;
 - b. Previous types and amounts of insurance;
 - c. Limits of Insurance available under this policy for future payment of damages; and
 - d. Other related factors.The additional premium will not exceed 200% of the annual premium for this Coverage Part.
 - 6. If the provisions of the Extended Reporting Period in any "controlling underlying insurance" provide for supplemental aggregate limits of insurance when the Extended Reporting Period is purchased, a supplementary aggregate limit of insurance, equal to the Aggregate Limit shown in the Declarations of this Coverage Part, will apply to claims first made during the Extended Reporting Period if the Extended Reporting Period is purchased for this insurance.



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ILLINOIS EXTENDED REPORTING PERIOD ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

- A.** An Extended Reporting Period is provided as described in Paragraph **C.** of Illinois Changes – Underlying Claims-made Coverage Endorsement **CX 27 06.**
- B.** If a supplemental aggregate limit of insurance is provided in any extended reporting period in the "controlling underlying insurance", the following provisions apply:
 1. A Supplemental Aggregate Limit, as set forth in Paragraph **2.b.** below, applies to this Coverage Part to claims first made during the Extended Reporting Period. This limit is equal to the Aggregate Limit entered on the Declarations in effect at the end of the policy period.
 2. Paragraph **2.b.** of the Limit of Insurance section of this Coverage Part is replaced by the following with respect to coverage provided on a claims-made basis:
 - b.** The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part.

However, this Aggregate Limit does not apply to claims first made during an Extended Reporting Period.

The Supplemental Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" for claims first made during an Extended Reporting Period.

- C.** The following is added to the **Other Insurance** Condition of this Coverage Part:
 - c.** This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis in which the policy period begins or continues after the Extended Reporting Period takes effect.
- D.** This endorsement will not take effect unless the additional premium for it, as required in Paragraph **C.** of Illinois Changes – Underlying Claims-made Coverage Endorsement **CX 27 06,** is paid when due. If that premium is paid when due, this endorsement may not be cancelled.



SUB-LIMITED COVERAGE EXCLUSION

This endorsement modifies Insurance provided under the following coverage part:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this coverage part does not apply:

In excess of any “sub-limited” coverage(s) that are included within, or are a part of, any “controlling underlying insurance” scheduled in this policy. “Sub-limited” coverage(s) are defined as any coverage(s) having limits of insurance less than the limit(s) of any underlying insurance included in the schedule of underlying policies.

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WAR EXCLUSION

This endorsement modifies Insurance provided under the following coverage part:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this coverage part does not apply to:

“injury or “damage” arising out of any war, invasion, acts of foreign or domestic enemies, hostilities, (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property including loss of access, by or under the order of any government, local authority or risks of contraband, illegal transportation or trade.

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ASBESTOS EXCLUSION

This endorsement modifies Insurance provided under the following coverage part:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this coverage part does not apply to:

- A. "Injury or Damage" including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants arising out of or related in any way, either directly or indirectly,to:
 1. asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust, including, but not limited to, manufacture, mining, use, sale, installation, removal, or distributionactivities;
 2. exposure to, testing for, monitoring of, cleaning up, removing, containing or treating of asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust; or
 3. any obligation to investigate, settle or defend, or indemnify any person against any claim or suit arising out of or related in any way, either directly or indirectly, to asbestos, asbestos products, asbestos-containing materials or products, asbestos fibers or asbestos dust.

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PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

This endorsement modifies Insurance provided under the following coverage part:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Regardless of any other provision of this policy, this policy does not apply to punitive or exemplary damages.

If an "action" is brought against any insured and falls within the coverage provided by the policy, seeking both "compensatory damages" and punitive or exemplary damages (damages as a means of punishment), no coverage shall be provided by this policy for any costs, interest, defense costs, attorney or legal fees of any type or damages attributable to punitive or exemplary damages.

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MINIMUM EARNED PREMIUM AND MINIMUM RETAINED PREMIUM

This endorsement modified insurance provided under the following coverage parts:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

MINIMUM EARNED PREMIUM: 25%

MINIMUM RETAINED PREMIUM: 100%

The following is added to Conditions:

A. **Minimum Earned Premium**

If this policy is cancelled either at your request or due to non-payment of premium, we will retain a minimum earned premium or the short rate earned premium, whichever is greater. The minimum earned premium will be calculated by multiplying the policy premium shown in the Declarations by the Minimum Earned Premium Percentage shown in the Schedule above.

B. **Minimum Retained Premium**

The minimum retained premium will be calculated by multiplying the policy premium shown in the Declarations by the Minimum Retained Premium Percentage shown in the Schedule above.

C. The Minimum Earned Premium and Minimum Retained Premium provisions in this endorsement replace any other similar provisions included within the policy.

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EMPLOYEE RETIREMENT INCOME SECURITY ACT EXCLUSION

The endorsement modified insurance provided under the following coverage part:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

This insurance does not apply to:

Any obligation of the insured under the Employee Retirement Income Security Act of 1974 (ERISA), and any amendments thereto or similar federal, state, or local statute.

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CONTINUOUS OR PROGRESSIVE INJURY AND DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

1. This insurance does not apply to any damages because of or related to "injury or damage":
 - a. Which first existed, or are alleged to have first existed, to any degree, in whole or in part, prior to the inception date of this Policy; or
 - b. Which are, or are alleged to be, in the process of taking place prior to the inception date of this Policy, even if the actual or alleged "injury or damage" continues during this policy period; or
 - c. Which were caused, or are alleged to have been caused, by any "occurrence", defect, deficiency, inadequacy or condition which takes place prior to the inception date of this Policy.

We shall have no duty to defend any insured against any loss, claim, "suit," or other proceeding alleging damages arising out of or related to "injury or damage" to which this endorsement applies.

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LEAD EXCLUSION

This endorsement modifies insurance under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusions are added to SECTION I – COVERAGES, Paragraph 2. Exclusions.

Lead Liability

This insurance does not apply to "Injury or Damage" arising out of:

1. actual or alleged ingestion, inhalation, or absorption of lead in any form;
2. Any loss, cost, or expense arising out of any request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of lead; or
3. Any loss, cost, or expense arising out of any claim or suit by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of lead.

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COMMERCIAL EXCESS LIABILITY COVERAGE 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 shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under the "controlling underlying insurance".

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to Section IV – Definitions. Other words and phrases that are not defined under this Coverage Part but defined in the "controlling underlying insurance" will have the meaning described in the policy of "controlling underlying insurance".

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

There may be more than one "controlling underlying insurance" listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the "controlling underlying insurance" applicable to the particular "event" for which a claim is made or suit is brought will apply.

SECTION I – COVERAGES

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this Coverage Part applies.

We will have the right and duty to defend the insured against any suit seeking damages for such "injury or damage" when the applicable limits of "controlling underlying insurance" have been exhausted in accordance with the provisions of such "controlling underlying insurance".

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

- (1) The amount we will pay for "ultimate net loss" is limited as described in Section II – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of "controlling underlying insurance" specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this Coverage Part.
- b. This insurance applies to "injury or damage" that is subject to an applicable "retained limit". If any other limit, such as, a sublimit, is specified in the "controlling underlying insurance", this insurance does not apply to "injury or damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "controlling underlying insurance".
 - c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "controlling underlying insurance" requires that the "event" causing the particular "injury or damage" takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place during the policy period of this Coverage Part.

d. Any additional insured under any policy of "controlling underlying insurance" will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "controlling underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "controlling underlying insurance".

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Part. In addition, the exclusions applicable to any "controlling underlying insurance" apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Part.

Insurance provided under this Coverage Part does not apply to:

a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable "controlling underlying insurance".

b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

- (1) First-party physical damage coverage;
- (2) No-fault coverage;
- (3) Personal injury protection or auto medical payments coverage; or
- (4) Uninsured or underinsured motorists coverage.

c. Pollution

(1) "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

(2) Any 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 to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage".

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

SECTION II – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations, and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or suits brought, or number of vehicles involved;
- c. Persons or organizations making claims or bringing suits; or
- d. Limits available under any "controlling underlying insurance".

2. The Limits of Insurance of this Coverage Part will apply as follows:

- a. This insurance only applies in excess of the "retained limit".
- b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part.

However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance".

- c. Subject to Paragraph 2.b. above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event".

- d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.

- 3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.**

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of this Coverage Part and to any remaining period of this Coverage Part 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 last preceding period for purposes of determining the Limits of Insurance.

SECTION III – CONDITIONS

The following conditions apply. In addition, the conditions applicable to any "controlling underlying insurance" are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the "controlling underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II – Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the "controlling underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any "controlling underlying insurance" in the event of bankruptcy or insolvency of the "controlling underlying insurer". The insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect and recoverable.

3. Duties In The Event Of An Event, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "event", regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:**

- (1) How, when and where the "event" took place;**
- (2) The names and addresses of any injured persons and witnesses; and**
- (3) The nature and location of any "injury or damage" arising out of the "event".**

- b. If a claim is made or suit is brought against any insured, you must:**

- (1) Immediately record the specifics of the claim or suit and the date received; and**
- (2) Notify us as soon as practicable.**

You must see to it that we receive written notice of the claim or suit as soon as practicable.

- c. You and any other insured involved must:**

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;**
- (2) Authorize us to obtain records and other information;**
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and**
- (4) 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 "injury or damage" to which this insurance may also apply.**

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.**

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any "controlling underlying insurance" and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Part.

5. Cancellation

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

7. Maintenance Of/Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

8. Other Insurance

- a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:
 - (1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and
 - (2) The total of all deductible and self-insured amounts under all that other insurance.

9. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

- a. The insured or insured's "controlling underlying insurer" has become obligated to pay the "retained limit"; and
- b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant, "controlling underlying insurer" (or a representative of one or more of these) and us.

11. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, "controlling underlying insurer" and the claimant or the claimant's legal representative.

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of "controlling underlying insurance" have been exhausted, in accordance with the provisions of "controlling underlying insurance", we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

SECTION IV – DEFINITIONS

The definitions applicable to any "controlling underlying insurance" also apply to this insurance. In addition, the following definitions apply.

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance".
3. "Event" means an occurrence, offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.
4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event".
5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.
6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:
 - a. Settlements, judgments, binding arbitration; or
 - b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUMS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following is added to Paragraph **5. Cancellation** of **Section III – Conditions:**

We may cancel this Coverage Part by mailing or delivering to:

- a. The first Named Insured; and
- b. Each unit-owner to whom certificates of insurance have been issued;

written notice of cancellation at least 30 days before the effective date of cancellation.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCESS LIABILITY COVERAGE FOR DESIGNATED OPERATIONS COVERED BY A CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description And Location Of Operations:

Description Of Wrap-up Insurance:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. With respect to the operations shown in the Schedule of this endorsement, any exclusion in the "controlling underlying insurance" that precludes coverage when a "wrap-up insurance" program exists for such operations, does not apply to this excess insurance.
- B. The coverage provided by this endorsement applies only to "injury or damage" arising out of either your ongoing operations or operations included within the products-completed operations hazard at the location described in the Schedule of this endorsement when the "retained limit" has been exhausted.
- C. For the purposes of this endorsement, **Section I – Coverages**, Paragraph 1.a. is replaced by the following:

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this endorsement applies.

We will have the right and duty to defend the insured against any claim or suit seeking damages for such "injury or damage" when the "retained limit" has been exhausted through actual payments of claims, settlements or judgments. If the "retained limit" is reduced by defense expenses, any exhaustion of limits through actual payments of claims, settlements, and judgments shall include defense expenses.

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other claim or suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any claim or suit seeking damages for which insurance under this endorsement does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

- But:
- (1) The amount we will pay for "ultimate net loss" is limited as described in Section II – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part.
- D. If the "wrap-up insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "wrap-up insurance" requires that the "event" causing the particular "injury or damage" be committed during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" is committed during the policy period of this Coverage Part.
- E. For the purposes of this endorsement, **Section I – Coverages**, Paragraph 1.d. does not apply.
- F. For the purposes of this endorsement, **Section II – Limits Of Insurance** is amended as follows:
1. Paragraph 2.d. is replaced by the following:
 - d. If we defend, or participate in the defense of any suit seeking damage to which this insurance may apply and if the Limits of Insurance of the "wrap-up insurance" are reduced by defense expenses by the terms of that policy, then any defense expenses we pay will reduce our applicable Limits of Insurance in the same manner.
 2. Paragraph 3. is replaced by the following:
 - 3. If any "wrap-up insurance" has a policy period that is different from the policy period of this Coverage Part, for the purposes of this insurance the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this endorsement.

G. For the purposes of this endorsement, **Section III – Conditions** is amended as follows:

1. The **Appeals** Condition is replaced by the following:

APPEALS

If the "wrap-up insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II – Limits Of Insurance.

2. The **Bankruptcy** Condition is replaced by the following:

BANKRUPTCY

a. Bankruptcy Of Insured

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

b. Bankruptcy Of Wrap-up Insurer

Bankruptcy of the "wrap-up insurer" will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any "wrap-up insurance" in the event of bankruptcy or insolvency of the "wrap-up insurer". The insurance provided under this Coverage Part will apply as if the "wrap-up insurance" were in full effect.

3. The **Maintenance Of/Changes To Controlling Underlying Insurance** Condition is replaced by the following:

CHANGES TO WRAP-UP INSURANCE

The first Named Insured must notify us in writing as soon as practicable after you become aware that the "wrap-up insurance" is cancelled, not renewed or otherwise terminated or if the limits or scope of coverage of the "wrap-up insurance" is changed.



4. The **Transfer Of Defense** Condition is replaced by the following:

TRANSFER OF DEFENSE

When the limits of the "wrap-up insurance" have been exhausted, we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits against the insured seeking damages to which this insurance applies and which would have been covered by the "wrap-up insurance" had the applicable limit not been used up.

5. The **Loss Payable** Condition is replaced by the following:

LOSS PAYABLE

Liability under this Coverage Part does not apply to a given claim unless and until the insured has become obligated to pay the "ultimate net loss" in excess of the "retained limit" and such obligation has been determined by a final settlement or judgment or written agreement among the insured, claimant, "wrap-up insurer" (or a representative of one or more of these) and us.

6. The **Legal Action Against Us** Condition is replaced by the following:

LEGAL ACTION AGAINST US

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or

- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured, "wrap-up insurer" and the claimant or the claimant's legal representative.

- H. For the purposes of this endorsement, **Section IV - Definitions** is amended as follows:

1. The definition of "retained limit" is replaced by the following:

"Retained limit" means the available limits of the "wrap-up insurance" applicable to the claim.

2. The following additional definitions apply:

a. "Wrap-up insurance" means any insurance that is provided to you by a consolidated (wrap-up) insurance program that covers the operations listed in the Schedule of this endorsement.

b. "Wrap-up insurer" means the insurer that issued the "wrap-up insurance".



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(BROAD FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.,
Exclusions:

2. Exclusions

NUCLEAR ENERGY LIABILITY

- a. Under any Liability Coverage, to "injury or damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued 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.

- b. Under any Liability Coverage, to "injury or damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "injury or damage" arises out of the furnishing by an 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 (3) applies only to property damage to such "nuclear facility" and any property thereat.

- c. As used in this endorsement:

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

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";



- (c) 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 custody of the "insured" 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;
- (d) Any structure, basin, excavation, premises or place prepared or used for the 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.

"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.

"Injury or damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Exclusion **c.** under Paragraph **2. Exclusions** of **Section I – Coverages** is replaced by the following:

Insurance provided under this Coverage Part does not apply to:

2. Exclusions

c. Pollution

- (1) "Injury or damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time; or
- (2) Any 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 ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION WITH A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Exclusion c. under Paragraph 2. Exclusions of **Section I – Coverages** is replaced by the following:

Insurance provided under this Coverage Part does not apply to:

2. Exclusions

c. Pollution

(1) "Injury or damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

Paragraph c.(1) does not apply to "injury or damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:

- (a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or
- (b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, pollutants.

For the purposes of this insurance, hostile fire means one that becomes uncontrollable or breaks out from where it is intended to be.

- (2) Any 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 ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Exclusion **c.** under Paragraph **2. Exclusions** of **Section I – Coverages** is replaced by the following:

Insurance provided under this Coverage Part does not apply to:

2. Exclusions

c. Pollution

- (1) "Injury or damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

Paragraph **c.(1)** does not apply to:

- (a) "Injury or damage" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Injury or damage" arising out of heat, smoke or fumes from a hostile fire unless that hostile fire occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, pollutants.

For the purposes of this insurance, hostile fire means one that becomes uncontrollable or breaks out from where it is intended to be.

- (2) Any 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 ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ALL HAZARDS IN CONNECTION WITH DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description Of Premises:
Location Of Premises:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of:

- a. The ownership, maintenance or use of the premises shown in the Schedule or any property located on these premises;

- b. Operations on those premises or elsewhere which are necessary or incidental to the ownership, maintenance or use of those premises; or
- c. Goods or products manufactured at or distributed from those premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PRODUCTS-COMPLETED OPERATIONS HAZARD

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" included in the products-completed operations hazard.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description Of Your Work:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph **2. Exclusions** of
Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" included in the products-completed operations hazard and arising out of your work shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXPLOSION, COLLAPSE AND UNDERGROUND PROPERTY DAMAGE HAZARD (SPECIFIED OPERATIONS)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Location Of Operations:
Description Of Operations:
Excluded Hazard(s):

- A. The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this Coverage Part does not apply to property damage included within the "explosion hazard", the "collapse hazard" or the "underground property damage hazard" if any of these hazards is entered as an excluded hazard on the Schedule.

This exclusion does not apply to:

- a. Operations performed for you by others; or
- b. Property damage included within the products-completed operations hazard.

- B. The following definitions are added to the Definitions section:**

1. "Collapse hazard" includes "structural property damage" and any resulting property damage to any other property at any time.

2. "Explosion hazard" includes property damage arising out of blasting or explosion. The "explosion hazard" does not include property damage arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.
3. "Structural property damage" means the collapse of or structural injury to any building or structure due to:
 - a. Grading of land, excavating, borrowing, filling, back-filling, tunnelling, pile driving, cofferdam work or caisson work; or
 - b. Moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support of that building or structure.
4. "Underground property damage hazard" includes "underground property damage" and any resulting property damage to any other property at any time.

5. "Underground property damage" means property damage to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus used with them beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, borrowing, filling, back-filling or pile driving.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXPLOSION, COLLAPSE AND UNDERGROUND PROPERTY DAMAGE HAZARD (SPECIFIED OPERATIONS EXCEPTED)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Location Of Operations:
Description Of Operations:
Covered Hazard(s):

- A. The following exclusion is added to Paragraph 2.**

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to property damage arising out of the "explosion hazard", the "collapse hazard" or the "underground property damage hazard".

This exclusion does not apply to:

- a. Operations performed for you by others;
- b. Property damage included within the products-completed operations hazard; or
- c. Any operation described in the Schedule above, if any of these hazards is entered as a covered hazard.

- B. The following definitions are added to the Definitions section:**

1. "Collapse hazard" includes "structural property damage" and any resulting property damage to any other property at any time.

- 2. "Explosion hazard" includes property damage arising out of blasting or explosion. The "explosion hazard" does not include property damage arising out of the explosion of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.
- 3. "Structural property damage" means the collapse of or structural injury to any building or structure due to:
 - a. Grading of land, excavating, borrowing, filling, back-filling, tunnelling, pile driving, cofferdam work or caisson work; or
 - b. Moving, shoring, underpinning, raising or demolition of any building or structure or removal or rebuilding of any structural support of that building or structure.
- 4. "Underground property damage hazard" includes "underground property damage" and any resulting property damage to any other property at any time.

5. "Underground property damage" means property damage to wires, conduits, pipes, mains, sewers, tanks, tunnels, any similar property, and any apparatus used with them beneath the surface of the ground or water, caused by and occurring during the use of mechanical equipment for the purpose of grading land, paving, excavating, drilling, borrowing, filling, back-filling or pile driving.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Premises:
Project Or Operation:
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 1. Insuring Agreement of Section I – Coverages:

- e. This insurance applies to "injury or damage", other than personal and advertising injury, only if the "injury or damage":
 - (1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or
 - (2) Arises out of the project or operation shown in the Schedule.
- f. With respect to any "injury or damage" that is personal and advertising injury, this insurance applies but only if the personal and advertising injury is caused by an offense arising out of your business:
 - (1) Performed on the premises shown in the Schedule; or

- (2) In connection with the project or operation shown in the Schedule.

However, with respect to Paragraph 1.f.(1) of this Insuring Agreement, if the applicable "controlling underlying insurance" provides coverage for personal and advertising injury caused by:

- (1) False arrest, detention or imprisonment; or
- (2) The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ABUSE OR MOLESTATION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of:

- a. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or
- b. The negligent:
 - (1) Employment;

- (2) Investigation;
- (3) Supervision;
- (4) Reporting to the proper authorities, or failure to so report; or
- (5) Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph a. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED ONGOING OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description Of Designated Ongoing Operation(s):
Specified Location (If Applicable):
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of the ongoing operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described ongoing operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FUNGI OR BACTERIA

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this Coverage Part does not apply to:

Fungi Or Bacteria

a. "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such "injury or damage".

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following definition is added to the Definitions section:**

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" arising out of, caused by, or attributable to, whether in whole or in part, the following:

- a.** The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
- b.** Your product or your work with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.

- B. The following definition is added to the Definitions section:**

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
3. A reinforced or unreinforced base coat;
4. A finish coat providing surface texture to which color may be added; and
5. Any flashing, caulking or sealant used with the system for any purpose.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DESIGNATED PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Designated Product(s):

Information required to complete this Schedule, if not shown above, will be shown in the Declarations

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" included in the products-completed operations hazard and arising out of any of your products shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – SILICA OR SILICA-RELATED DUST

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this Coverage Part does not apply to:

Silica Or Silica-related Dust

- a.** "Injury or damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b.** Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following definitions are added to the Definitions section:**

- 1.** "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
- 2.** "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – COMMUNICABLE DISEASE

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to:

Communicable Disease

"Injury or damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ABUSE OR MOLESTATION – SPECIFIED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

With respect to any professional services described in the Schedule, insurance provided under this Coverage Part does not apply to "injury or damage" arising out of:

- a. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or
- b. The negligent:
 - (1) Employment;

- (2) Investigation;
- (3) Supervision;
- (4) Reporting to the proper authorities, or failure to so report; or
- (5) Retention;
 - of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph a. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – EMPLOYMENT-RELATED PRACTICES

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.

Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" to:

a. A person arising out of any:

- (1) Refusal to employ that person;
- (2) Termination of that person's employment; or
- (3) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

b. The spouse, child, parent, brother or sister of that person as a consequence of "injury or damage" to that person at whom any of the employment-related practices described in Paragraph (1), (2) or (3) above is directed.

This exclusion applies whether the injury-causing event described in Paragraph (1), (2) or (3) above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity, and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:

2. Exclusions

Insurance provided under this Coverage Part does not apply to "injury or damage" due to the rendering of or failure to render any professional service. This includes but is not limited to:

- a. Legal, accounting or advertising services;
- b. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings or specifications;
- c. Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager;
- d. Engineering services, including related supervisory or inspection services;
- e. Medical, surgical, dental, X-ray or nursing services treatment, advice or instruction;
- f. Any health or therapeutic service treatment, advice or instruction;
- g. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement, or personal grooming or therapy;
- h. Any service, treatment, advice or instruction relating to physical fitness, including service, treatment, advice or instruction in connection with diet, cardiovascular fitness, bodybuilding or physical training programs;
- i. Optometry or optical or hearing aid services including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- j. Body piercing services;
- k. Services in the practice of pharmacy;
- l. Law enforcement or firefighting services; and
- m. Handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "event" which caused the "injury or damage" involved the rendering of or failure to render any professional service.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS EXCLUSION – DESIGNATED PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Designated Product(s):

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided for other than the ownership, maintenance or use of covered autos, when the "controlling underlying insurance" is an Auto Dealers Coverage Form, the following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverages:**

Designated Products

"Injury or damage" that is both:

- (1) Sustained away from locations owned, maintained or used for your auto dealer operations; and

- (2) Arising out of any of your products shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS EXCLUSION – DESIGNATED WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Description Of Your Work:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided for other than the ownership, maintenance or use of covered autos, when "controlling underlying insurance" is an Auto Dealers Coverage Form, the following exclusion is added to Paragraph 2. Exclusions of Section I – Coverages:

Designated Work

"Injury or damage" that is both:

- (1) Sustained away from locations owned, maintained or used for your auto dealer operations; and

- (2) Arising out of your work shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO DEALERS EXCLUSION – YOUR PRODUCTS AND YOUR WORK

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

With respect to coverage provided for other than the ownership, maintenance or use of covered autos, when "controlling underlying insurance" is an Auto Dealers Coverage Form, the following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverages:**

Your Products And Your Work

"Injury or damage" that is both:

- (1) Sustained away from locations owned, maintained or used for your auto dealer operations; and

- (2) Arising out of your products or your work.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance.

A. Applicability Of The Provisions Of This Endorsement

1. The provisions of this endorsement become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Part; or
 - b. A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
 - (1) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or
 - (2) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or

- (3) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.
2. If the provisions of this endorsement become applicable, such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to an incident(s) of terrorism (however defined) which results in injury or damage that occurs on or after the date when the provisions of this endorsement become applicable (for claims-made policies, such an endorsement is superseded only with respect to an incident of terrorism (however defined) that results in a claim for injury or damage first being made on or after the date when the provisions of this endorsement become applicable); and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
3. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

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

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

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information or mechanical system; and
2. When one or both of the following applies:
 - a. 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
 - b. 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.

- C.** The following exclusion is added:

Exclusion Of Terrorism

We will not pay for "injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Injury 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.** are exceeded.

With respect to this exclusion, Paragraphs **C.5.** and **C.6.** 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 Coverage Part.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for "injury or damage" that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

- A.** Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance:

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- 1.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - 2.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for "injury or damage" that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

Any endorsement addressing acts of terrorism (however defined) in any "controlling underlying insurance" does not apply to this excess insurance. The following provisions addressing acts of terrorism apply with respect to this excess insurance:

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the coverage territory. However, this exclusion applies only when one or more of the following are attributed to such act:

1. The total of insured damage to all types of property exceeds \$25,000,000 (valued in US dollars). 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
2. 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; or

3. The terrorism involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
4. The terrorism is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
5. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

B. The following definitions are added:

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
 - b. The act resulted in damage:
 - (1) Within the United States (including its territories and possessions and Puerto Rico); or

- (2) Outside of the United States in the case of:
- (a) An air carrier (as defined in Section 40102 of title 49, United States Code) or 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; or
 - (b) The premises of any United States mission; and
- c. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is 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.
2. "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".
- Multiple incidents of an "other act 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 shall be considered to be one incident.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for "injury or damage" that is otherwise excluded under this Coverage Part.
- D. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS COVERAGE PART

- A. The following exclusion is added to Paragraph 2.
Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this Coverage Part does not apply to:

Unmanned Aircraft

"Injury or damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and loading or unloading.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "event" which caused the "injury or damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

As used in this exclusion, loading or unloading means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an "unmanned aircraft";
- b.** While it is in or on an "unmanned aircraft"; or
- c.** While it is being moved from an "unmanned aircraft" to the place where it is finally delivered;

but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the "unmanned aircraft".

- B. The following definition is added to the Definitions section:**

"Unmanned aircraft" means an aircraft that is not:

- 1.** Designed;
- 2.** Manufactured; or
- 3.** Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SUB-LIMITED COVERAGE EXCLUSION

This endorsement modifies Insurance provided under the following coverage part:
COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2.Exclusions of Section I – Coverages:**

2. Exclusions

Insurance provided under this coverage part does not apply:

In excess of any “sub-limited” coverage(s) that are included within, or are a part of, any “controlling underlying insurance” scheduled in this policy. “Sub-limited” coverage(s) are defined as any coverage(s) having limits of insurance less than the limit(s) of any underlying insurance included in the schedule of underlying policies

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

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TEGRITY SPECIALTY INSURANCE COMPANY

IMPORTANT INFORMATION

POLICYHOLDER DISCLOSURE

NOTICE OF INSURANCE COVERAGE FOR ACTS OF TERRORISM

You are hereby notified that under the Terrorism Risk Insurance Act, as amended you have a right to purchase insurance coverage for losses resulting from 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 certain air carriers or vessels 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.

YOU SHOULD KNOW THAT WHERE COVERAGE PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT 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 THE 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 THAT MAY BE 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.

If you do not respond to our offer and do not return this notice to the Company, you will have no Terrorism Coverage under this policy.

**PLEASE SELECT ONE OF THE FOLLOWING TO EITHER ACCEPT OR REJECT
TERRORISM INSURANCE COVERAGE:**

- I hereby elect to purchase terrorism coverage for a prospective premium of \$5,200
- I hereby decline to purchase coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Smitch Kayaker
Named Insured

Policyholder/Applicant's Signature

Date

Please return the original form to us through your agent. Please also keep a copy of this notice for your records.