

# Your Great American Insurance Policy<sup>SM</sup>

301 E. Fourth St., Cincinnati, OH 45202



Great American  
Professional Risk  
Insurance Services

800-545-4269

[GAIG.com](http://GAIG.com)

Policy No. EXC2969434

Renewal Of EXC2551057

**COMMERCIAL EXCESS LIABILITY DECLARATIONS PAGE****1. NAMED INSURED AND ADDRESS:**

University of Oregon  
 (As Per Underlying Insurance)  
 1260 University Of Oregon  
 Eugene, OR 97403-1205

**2. POLICY PERIOD:**

12:01 A.M. Standard Time at the address of the  
 Named Insured shown at left.  
 From 07/01/2019 To 07/01/2020

**IN RETURN FOR PAYMENT OF THE PREMIUM, AND  
 SUBJECT TO ALL TERMS OF THIS POLICY, WE  
 AGREE WITH YOU TO PROVIDE THE INSURANCE  
 AS STATED IN THIS POLICY.**

**PRODUCER'S NAME AND ADDRESS:**

Marsh & McLennan Companies  
 633 West 5th Street, 14th Floor  
 Los Angeles, CA 90017

Insurance is afforded by: Great American Insurance Co. of New York

<b>3. PREMIUM:</b>	Total Advance Premium	\$	45,000
	Service Charge	\$	
	Taxes	\$	
	Surcharge	\$	
	Total	\$	45,000

**BASIS OF PREMIUM:** Non-Auditable ( ☒ ) Auditable ( ☐ )

In the event of cancellation by the Named Insured, the company will receive and retain no less than \$ as a policy minimum premium.

<b>4. LIMITS OF INSURANCE:</b>	\$	25,000,000	Each Occurrence
	\$	25,000,000	Aggregate Limit (Where Applicable)

These Limits of Insurance apply in excess of the Underlying Limits of Insurance indicated in Item 5. of the Declarations.

**5. UNDERLYING INSURANCE:**

Carrier Information	Type of Coverage	Limits of Insurance
As Per GAI6011 (06/97) Attached		

**6. FORMS AND ENDORSEMENTS** applicable to all Coverage Forms and made part of this Policy at time of issue are listed on the attached Forms and Endorsements Schedule, GAI 6013 (Ed.06/97).

**FORMS AND ENDORSEMENTS SCHEDULE**

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

	Form and Edition	ST	Date Added* or Date Deleted	Form Description
1	GAI6600 06/97	OR		Commercial Excess Liability Declarations Page
2	GAI6011 06/97	OR		Schedule Of Underlying Insurance
3	GAI6551 06/97	OR		Abuse or Molestation Exclusion
4	GAI6011 06/97	OR		Brain Injuries Exclusion
5	GAI6964 11/10	OR		Crisis Response or Crisis Communication Management Insurance Exclusion
6	GAI6652 04/03	OR		Exclusion - Uninsured Underinsured Motorists or No Fault
7	GAI6011 06/97	OR		Claims Made Coverage Endorsement
8	IL7324 08/12	OR		Economic and Trade Sanctions Clause
9	GAI6785 03/15	OR		Limitation of Coverage For Underlying Sublimits
10	GAI6597 06/97	OR		Loss Defense Within Limits of Insurance
11	GAI6966 10/14	OR		Pollution Liability Coverage - Follow Form
12	GAI6452 04/15	OR		Cap On Losses From Certified Acts Of Terrorism
13	GAI6472 04/15	OR		Disclosure Pursuant to Terrorism Risk Insurance Act
14	GAI6734 04/13	OR		Oregon Changes
15	GAI6524 06/97	OR		Excess Liability Coverage Form
16	IL7268 09/09	OR		In Witness Clause

\*If not at inception

**GENERAL ENDORSEMENT****Schedule Of Underlying Insurance**

Named Insured: University of Oregon

Carrier: United Educators Insurance

Policy Number: D77-94G

Policy Period: 07/01/2019 To 07/01/2020

Type of Coverage: Excess Liability - Occurrence Basis

Limits of Insurance: \$ 40,000,000 Each Occurrence Limit

\$ 40,000,000 Aggregate for

(i) Product Completed Operations

(ii) Employee Occupational Disease

\$ 40,000,000 Sexual Molestation Annual Aggregate

\$ 40,000,000 Athletic Traumatic Brain Injury Annual Aggregate

Excess Of Underlying Limit Retention Per Occurrence

\$ 1,000,000 Each Occurrence

Or

Carrier: United Educators Insurance

Policy Number: D77-94G

Policy Period: 07/01/2019 To 07/01/2020

Type of Coverage: Educators Legal Liability Insurance - Claims Made Basis

Limits of Insurance: \$ 25,000,000 Each Claim

\$ 25,000,000 Aggregate

Excess Of Self Insured Retention Per Occurrence

\$ 1,000,000 Each Occurrence

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

**ABUSE OR MOLESTATION EXCLUSION**

The following exclusion is added to Section **IV - EXCLUSIONS**:

Any liability for or arising out of:

**(a)** the actual, threatened, or alleged abuse, molestation, harassment or sexual conduct by anyone of any person; or

**(b)** the negligent

**(i)** employment,

**(ii)** investigation,

**(iii)** supervision,

**(iv)** reporting to the proper authorities, or failure to so report,

**(v)** retention, or

**(vi)** referral

of a person for whom any Insured is or ever was legally responsible and whose conduct would be excluded by **(a)** above.

This endorsement does not change any other provision of the policy.

## **GENERAL ENDORSEMENT**

### **Brain Injuries Exclusion**

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

The following exclusion is added to Section IV - Exclusions:

This Insurance does not apply to damages for "brain injuries" sustained by a "player" arising out of or in any way related to participation in any sports or athletic game, contest, event, exhibition or practice. The term "brain injuries" includes concussions, chronic traumatic encephalopathy or any other injury to the brain and any symptoms, conditions, disorders, and diseases resulting therefrom. The term "player" means a member of a team.

This endorsement does not change any other provision of this policy.

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

**CRISIS RESPONSE OR CRISIS COMMUNICATION MANAGEMENT INSURANCE EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA COVERAGE FORM  
EXCESS LIABILITY COVERAGE FORM

It is agreed that this insurance shall not become excess of Crisis Response Costs or Crisis Communication Management Insurance as may be specifically covered by and defined in the "underlying insurance".

**This endorsement does not change any other provision of this policy.**

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

**EXCLUSION - UNINSURED/UNDERINSURED MOTORISTS OR NO FAULT**

The following exclusion is added to **SECTION IV - EXCLUSIONS**:

Any "loss" arising out of any obligation of the Insured under a no fault, uninsured motorist or underinsured motorists law, or any similar law, regulation or ordinance.

This endorsement does not change any other provision of the policy.



**GENERAL ENDORSEMENT****Claims Made Coverage Endorsement****1. COVERAGE - CLAIMS MADE**

It is agreed that the insurance afforded by this policy is subject to the same terms, conditions, definitions, exclusions and warranties as contained in the claims made policy(ies) described in the Schedule of Underlying Insurance and/or Item 3. below.

The foregoing shall not apply to:

- a. the Retroactive Date of the underlying claims made policy(ies).
- b. the Extended Reporting Period of the underlying claims made policy(ies).

**2. RETROACTIVE DATE**

The Retroactive Date for this policy is July 01, 2015.

This insurance does not apply to:

- a. "bodily injury" liability or "property damage" liability which occurs before the Retroactive Date or after the end of the policy period, or
- b. "personal injury" liability or "advertising injury" liability caused by an offense committed before the Retroactive Date or after the end of the policy period.

**3. CLAIMS MADE CLAUSE**

This policy shall apply to claims first made against the Insured and reported to the Company during the policy period for which coverage is provided for in the following described underlying claims made policy(ies):

INSURANCE COMPANY

POLICY NUMBER

United Educators Insurance

D77-94G

All claims for damages because of "bodily injury" liability, "personal injury" liability and "advertising injury" liability to the same person or organization, including damages claimed by any person or organization for care, loss of services or death resulting at any time from bodily injury will be deemed to have been made at the time the first of those claims is made against any Insured.

All claims for damages because of "property damage" liability causing loss to the same person or organization as a result of an occurrence will be deemed to have been made at the time the first of those claims is made against any Insured.

**4. EXTENDED REPORTING PERIODS**

- a. The Company will provide one or more Extended Reporting Periods, as described below, if:
  - i. this policy is cancelled or not renewed; or
  - ii. the Company renews or replaces this policy with insurance that:
    - (a) has a Retroactive Date later than the date stated above in this endorsement; or
    - (b) does not apply to "bodily injury" liability, "property damage" liability, "personal injury" liability or "advertising injury" liability on a claims made basis.

The quotation of a different premium and/or Limit of Insurance does not constitute a cancellation or refusal to renew for the purpose of this provision.

- b. Extended Reporting Periods do not extend the policy period, increase the Limits of Insurance, or change the scope of coverage provided. They apply only to claims for:
  - i. "bodily injury" liability or "property damage" liability that occur before the end of the policy period but not before the Retroactive Date; or
  - ii. "personal injury" liability or "advertising injury" liability caused by an offense committed before the end of the policy period but not before the Retroactive Date.

Once in effect, Extended Reporting Periods may not be cancelled.

- c. Sixty (60) Day Automatic Extended Reporting Period:

A sixty (60) day Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the policy period or the effective date of any cancellation and lasts for sixty (60) days.

This period does not apply to claims that are covered under any subsequent insurance policy that the Insured purchases or that would be covered but for the exhaustion of the amount of insurance applicable to such claims.

- d. Optional Extended Reporting Period:

The above sixty (60) day Extended Reporting Period may be substituted by an Extended Reporting Period endorsement for a period of twelve (12) months from the end of the policy period or the effective date of any cancellation, if the Insured makes a written request for an Extended Reported Period within sixty (60) days after the end of the policy period or the effective date of any cancellation and pays the additional premium of 100% of the one year premium hereunder within said sixty (60) days. If such request and premium payment are not so given to the Company, the Insured shall not at a later date be able to exercise such right.

The insurance provided by the Extended Reporting Period shall be excess over any other valid and collectible insurance available to the Insured whether primary, excess, contingent or on any other basis, whose policy period begins or continues after the Extended Reporting Period coverage provided hereunder takes effect.

The premium for the Extended Reporting Period endorsement will be fully earned when the endorsement takes effect.

As a condition precedent to the Insured's right to purchase the Extended Reporting Period coverage, the full policy premium (including any additional premiums) of this policy must have been paid.

#### 5. DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

The Insured shall give prompt written notice to the Company of an occurrence or an offense which may result in a claim under this policy. Such notice shall contain the fullest information obtainable at the time.

If a claim is made or a suit is brought against the Insured, the Insured shall give prompt written notice of the claim or suit and forward every demand, notice, summons or other process received.

If during the Extended Reporting Period (if purchased by the Insured in accordance with the terms of this endorsement), the Insured shall become aware of any occurrence or offense which might give rise to a claim against the Insured under this policy, then the Insured shall give prompt written notice to the Company, together with the fullest information obtainable.

Any claim that subsequently may be made against the Insured arising out of such occurrences or offenses shall be deemed, for the purposes of this insurance, to have been made on the last date of the policy period or date of cancellation, provided that the claim is for "bodily injury" liability, "property damage" liability, "personal injury" liability or "advertising injury" liability that occurred before the end of the policy period or date of cancellation but not before the Retroactive Date.

Notice of the foregoing shall be given by the Insured, or its authorized representatives, to the Company at its home office.

#### 6. APPLICATION

By acceptance of this policy, the Insured agrees that the statements in the application are the Insured's representations and that this policy embodies all agreements existing between the Insured and the Company relating to this insurance.

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

**ECONOMIC AND TRADE SANCTIONS CLAUSE**

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

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

**LIMITATION OF COVERAGE FOR UNDERLYING SUBLIMITS**

This endorsement modifies insurance provided under the following:

**EXCESS LIABILITY COVERAGE FORM**

The following is added to **SECTION I. COVERAGE**:

If any policy listed in Item **5.** of the Declarations affords coverage for any "loss" that is subject to a limit that is less than the full amount of the Underlying Limits of Insurance as set forth in Item 5. of the Declarations, coverage under this policy does not apply.

**This endorsement does not change any other provision of the Policy.**

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

**AMENDMENT OF DEFINITION OF LOSS  
DEFENSE WITHIN LIMITS OF INSURANCE IF UNDERLYING INSURANCE  
IS DEFENSE WITHIN LIMITS OF INSURANCE**

Section **V. DEFINITIONS, B. Loss** is deleted in its entirety and replaced by the following:

- B.** "Loss" means those sums actually paid in the settlement or satisfaction of a claim which you are legally obligated to pay as damages after making proper deductions for all recoveries and salvage. "Loss" includes all defense expenses we incur if such expenses are included within the Limits of Insurance of any "underlying insurance" by the terms of that policy.

This endorsement does not change any other provision of the policy.

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

**POLLUTION LIABILITY COVERAGE - FOLLOW FORM**

This endorsement modifies insurance provided under the following:

**EXCESS LIABILITY COVERAGE FORM**

**Section IV Exclusions** - Exclusion **B.** is deleted in its entirety and replaced by the following:

- B.** Any liability, including, but not limited to settlements, judgments, costs, charges, expenses, costs of investigations, or the fees of attorneys, experts, or consultants arising
1. directly or indirectly out of the actual, alleged or threatened existence, discharge, seepage, migration, disposal, release or escape of pollutants.
  2.
    - a. from any request, demand or order 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. from any claim or suit by or on behalf of 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.

As used in this endorsement "pollutants" means "pollutants" as defined in the "underlying insurance".

However, it is agreed that this exclusion does not apply to any liability, damage, loss or expense as described herein for which coverage is afforded under United Educators Insurance,

Policy Number D77-94G,

and then for no broader coverage than is afforded by such insurance (hereafter referred to as the Underlying Pollution Coverage). In the event that Underlying Pollution Coverage is amended or deleted after the inception date of this policy, we must be so advised within 14 days after the effective date of such amendment or deletion.

Any amendment which deletes in part or in whole the Underlying Pollution Coverage shall in like manner delete the coverage provided by this endorsement.

Any amendment which broadens coverage under the Underlying Pollution Coverage shall not be binding upon us unless our agreement is acknowledged in writing by an authorized representative of the Company.

In no event will this policy provide broader coverage in any respect than would be provided by any of the "underlying insurance."

**This endorsement does not change any other provision of the policy.**

**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 UMBRELLA  
EXCESS LIABILITY

The following is added to **SECTION II. LIMITS OF 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 the federal Terrorism Risk Insurance 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.

**This endorsement does not change any other provision of the policy.**



**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

**DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA  
EXCESS LIABILITY

**Schedule\***

**Terrorism Premium (Certified Acts) \$ 0**

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

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in paragraph D. below) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

If aggregate insured losses attributable to terrorist acts certified under the 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.

**D. Federal Share of Losses Under the Terrorism Risk Insurance Act**

85% Year: 2015  
84% Year: 2016  
83% Year: 2017  
82% Year: 2018  
81% Year: 2019  
80% Year: 2020

**This endorsement does not change any other provision of the policy.**

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

**OREGON CHANGES**

This endorsement modifies insurance provided under the following:

**EXCESS LIABILITY COVERAGE FORM**

The following is added to Section **V - DEFINITIONS**:

The term "spouse" is defined as a spouse or Registered Domestic partners recognized under Oregon Law.

The following is added to Section **VI - CONDITIONS D. Cancellation**:

- 9.** If this policy has been in effect for 90 days or more, except as provided in Paragraph **10.** below, we may cancel this policy only for one or more of the following reasons:
  - a.** the policy was obtained by material misrepresentation;
  - b.** there has been a substantial change in the risk we originally assumed, except to the extent that we should have foreseen the change or considered the risk in writing this policy;
  - c.** there have been substantial breaches of contractual duties, conditions or warranties; or
  - d.** nonpayment of premium.

If we cancel, we will mail or deliver to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

- 10.** We may cancel any policy with a term of more than one year by mailing or delivering to the first Named Insured written notice of cancellation at least 30 days before the anniversary date of the policy. Such cancellation will be effective on the policy's anniversary date.

**This endorsement does not change any other provision of the policy.**

**EXCESS LIABILITY COVERAGE FORM**

There are provisions in this policy that 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. The words "we," "us" and "our" refer to the Company providing this insurance. The word Insured means any person or organization qualifying as such in the "first underlying insurance." Other words and phrases that appear in quotation marks have special meaning and can be found in the **DEFINITIONS** Section or the specific policy provision where they appear.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations we agree with you to provide the coverage as follows:

**INSURING AGREEMENTS****I. COVERAGE**

We will pay on behalf of the Insured the amount of "loss" covered by this insurance in excess of the "Underlying Limits of Insurance" shown in Item **5.** of the Declarations, subject to **INSURING AGREEMENT** Section **II., Limits of Insurance.** Except for the terms, conditions, definitions and exclusions of this policy, the coverage provided by this policy will follow the "first underlying insurance."

pay for all "loss" that is subject to an aggregate limit provided by the "first underlying insurance." The aggregate limit applies separately and in the same manner as the aggregate limits provided by the "first underlying insurance," provided that all "underlying insurance" applies their aggregate limit in the same manner as the "first underlying insurance."

**II. LIMITS OF INSURANCE**

**A.** The Limits of Insurance shown in the Declarations and the rules below describe the most we will pay under the terms of this insurance regardless of the number of:

1. Insureds;
2. claims made or suits brought;
3. persons or organizations making claims or bringing suits.

**B.** The Limits of Insurance of this policy will apply as follows:

1. This policy applies only in excess of the "Underlying Limits of Insurance" shown in Item **5.** of the Declarations.
2. The aggregate limit shown in Item **4.** of the Declarations is the most we will

**3.** Subject to **B.2.**, the occurrence limit stated in Item **4.** of the Declarations is the most we will pay for all "loss" arising out of any one occurrence to which this policy applies.

**4.** Subject to Paragraphs **B.2.** and **B.3.** above, if the "Underlying Limits of Insurance" described in Item **5.** of the Declarations are either reduced or exhausted solely by payment of "loss," such insurance provided by this policy will apply in excess of the reduced underlying limit or, if all underlying limits are exhausted, will apply as "underlying insurance" subject to the same terms, conditions, definitions and exclusions of the "first underlying insurance," except for the terms, conditions, definitions and exclusions of this policy.

However, we will not pay that portion of a "loss" that is within the "Underlying Limits of Insurance" which the Insured has agreed to fund by self-insurance or means other than insurance.

5. The limits of this policy apply separately to each consecutive annual period, and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations unless the policy period is extended after issuance for an additional period of less than 12 months. In that case the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### III. DEFENSE

- A. We will not be required to assume charge of the investigation of any claim or defense of any suit against you.
- B. We will have the right, but not the duty, to be associated with you or your underlying insurer or both in the investigation of any claim or defense of any suit which in our opinion may create liability on us for "loss." If we exercise such right, we will do so at our own expense, but not after the limits of this policy are exhausted.

### IV. EXCLUSIONS

This policy does not apply to:

- A. Any liability, 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 distribution activities;
  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.

- B. Any liability, 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 in any way related to:

1. the actual, alleged or threatened presence, discharge, dispersal, seepage, migration, release or escape of "pollutants," however caused;
2. 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 "pollutants." This includes demands, directives, complaints, suits, orders or requests brought by any governmental entity or by any person or group of persons;
3. steps taken or amounts incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize or assess the effects of "pollutants."

This exclusion will apply to any liability, costs, charges or expenses, or any judgments or settlements, arising directly or indirectly out of pollution whether or not the pollution was sudden, accidental, gradual, intended, expected, unexpected, preventable or not preventable.

As used in this exclusion "pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including, but not limited to, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

- C. Any liability excluded by the Nuclear Energy Liability Exclusion attached to this policy.

**V. DEFINITIONS**

- A.** "First underlying insurance" means the policy or policies of insurance stated as such in Item 5. of the Declarations.
- B.** "Loss" means those sums actually paid in the settlement or satisfaction of a claim which you are legally obligated to pay as damages after making proper deductions for all recoveries and salvage.
- C.** "Underlying insurance" means "first underlying insurance" and all policies of insurance listed in Item 5. of the Declarations.
- D.** "Underlying Limits of Insurance" means the total sum of the limits of all applicable "underlying insurance" stated in Item 5. of the Declarations, including self-insurance, or means other than insurance.

**VI. CONDITIONS****A. Appeals**

In the event you or any underlying insurer elects not to appeal a judgment in excess of the amount of the "Underlying Limits of Insurance," we may elect to appeal at our expense. If we do so elect, we will be liable for the costs and interest incidental to this appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section II. of this policy.

**B. Bankruptcy or Insolvency**

The bankruptcy, insolvency or inability to pay of any Insured or the bankruptcy, insolvency or inability to pay of any of the underlying insurers will not relieve us from the payment of any claim or suit covered by this policy.

In the event of bankruptcy or insolvency of any underlying Insurer, the insurance afforded by this policy will not replace such "underlying insurance," but will apply as if the "underlying insurance" was available and collectible.

**C. Changes**

Notice to any agent or knowledge possessed by any agent or any other person will not effect a waiver or change in any part of this policy. This policy can only be

changed by a written endorsement that becomes a part of this policy and that is signed by one of our authorized representatives.

**D. Cancellation**

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

8. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with the law.

#### **E. First Named Insured Duties**

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for the giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

We will be furnished a complete copy of the "first underlying insurance" described in Item 5. of the Declarations and any subsequently issued endorsements which may in any way affect this insurance.

#### **F. Legal Actions Against Us**

There will be no right of action against us under this insurance unless:

1. you have complied with all the terms of this policy; and
2. the amount you owe has been determined by settlement with our consent or by actual trial and final judgment.

This insurance does not give anyone the right to add us as a party in an action against you to determine your liability.

#### **G. Maintenance of Underlying Insurance**

During the period of this policy, you agree:

1. to keep the policies listed in Item 5. of the Declarations in full force and effect;
2. that the Limits of Insurance of the "underlying insurance" policies listed in Item 5. of the Declarations will be maintained except for any reduction or exhaustion of aggregate limits by payment of claims or suits for "losses" covered by "underlying insurance."

If you fail to comply with these requirements, we will only be liable to the same extent that we would have been had you fully complied with these requirements.

#### **H. Notice of Occurrence**

1. You must see to it that we are notified as soon as practicable of an occurrence which may result in a claim or suit which may involve this policy. To the extent possible, notice will include:
  - a. how, when and where the occurrence took place;
  - b. the names and addresses of any injured persons and witnesses;
  - c. the nature and location of any injury or damage arising out of the occurrence.
2. If a claim or suit against any Insured is reasonably likely to involve this policy you must notify us in writing as soon as practicable.
3. You and any other involved Insured must:
  - a. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
  - b. authorize us to obtain records and other information;
  - c. cooperate with us in the investigation, settlement or defense of the claim or suit; and
  - d. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the Insured because of injury or damage to which this insurance may also apply.
4. If the "Underlying Limits of Insurance" are exhausted solely by payment of "loss," no Insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**I. Other Insurance**

If other insurance applies to a "loss" that is also covered by this policy, this policy will apply excess of the other insurance. Nothing herein will be construed to make this policy subject to the terms, conditions and limitations of such other insurance. However, this provision will not apply if the other insurance is specifically written to be excess of this policy.

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

**J. Premium**

Unless otherwise provided, the premium for this policy is a flat premium and is not subject to adjustment except as provided herein or amended by endorsement. If any additional premium charge is made to the "underlying insurance" during the policy period or if there is an increase in the risk assumed by us, our premium may be adjusted accordingly.

**K. Terms Conformed to Statute**

The terms of this policy which are in conflict with the statutes of the state where this policy is issued are amended to conform to such statutes.

If we are prevented by law or statute from paying on behalf of the Insured, then we will, where permitted by law or statute, indemnify the Insured.

**L. When "Loss" is Payable**

Coverage under this policy will not apply unless and until the Insured or the Insured's "underlying insurance" is obligated to pay the full amount of the "Underlying Limits of Insurance."

When the amount of "loss" has finally been determined, we will promptly pay on behalf of the Insured the amount of "loss" falling within the terms of this policy.

**NUCLEAR ENERGY LIABILITY EXCLUSION**

This policy does not apply to:

**A. Any liability, injury or damage:**

1. with respect to which any 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 Limits of Insurance; or
2. resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) a person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) any 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. Any injury or "nuclear property damage" resulting from the "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, any Insured or (b) has been discharged or dispersed therefrom;
2. the "nuclear material" is contained in "spent fuel" or "nuclear waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of any Insured; or
3. the injury or "nuclear property damage" arises out of the furnishing by any Insured of services, materials, parts of 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 **B.3.** applies only to "nuclear property damage" to such "nuclear facility" and any property therein.

**C.** As used in this exclusion:

1. "Hazardous properties" includes radioactive, toxic or explosive properties.
2. "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 "nuclear 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 any 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, "nuclear waste," and includes the site on which

any of the foregoing is located, all operations considered on such site and all premises used for such operations.

3. "Nuclear material" means "source material," "special nuclear material" or by-product material.
4. "Nuclear property damage" includes all forms of radioactive contamination of property.
5. "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.
6. "Nuclear waste" means any "nuclear waste" material **(a)** containing "by-product material" other than the tailings of "nuclear waste" 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 within the definition of "nuclear facility" under Paragraph **C.2.a.** or **C.2.b.**
7. "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.
8. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

This endorsement does not change any other provision of the policy.

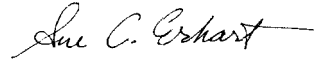


**In Witness Clause**

In Witness Whereof, we have caused this Policy to be executed and attested, and, if required by state law, this Policy shall not be valid unless countersigned by our authorized representative.



**President**



**Secretary**