



PACKAGE POLICY



Allied World Specialty Insurance Company
1690 New Britain Ave, Suite 101
Farmington, CT 06032
(860) 284-1300

Common Policy DECLARATIONS

WATERPLUS

POLICY NUMBER: 5105-1694-07	POLICY PERIOD: From 1/1/2022 to 1/1/2023
Replacement Number: N/A	at 12:01 a.m. Standard Time at the mailing address below

NAMED INSURED AND MAILING ADDRESS:	PROGRAM MANAGER NAME AND ADDRESS:
Last Dollar PUD Association PO Box 1106 Telluride, CO 81435	Allied Public Risk, LLC 4507 North Front Street, Suite 200 Harrisburg, PA 17110

BUSINESS DESCRIPTION: Special District

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

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

	PREMIUM
Property Coverage Form \$	1,944.00
Commercial Crime Coverage Form \$	N/A
Commercial General Liability Coverage Form \$	2,114.00
Public Officials and Management Liability Coverage Form \$	500.00
Terrorism \$	Declined
TOTAL PREMIUM: \$	4,558.00

FORMS APPLICABLE TO ALL COVERAGE PARTS SHOWN BELOW:

WA-IL 00002 00 (07/15), FORMS LOB 02 10, WA-IL 00003 00 (03/12), WA-IL 00004 05 (03/12), WA-IL 00005 00 (02/15), WA-IL 00006 00 (03/12), WA-IL 00007 00 (03/12), WA-IL 00010 00 (03/12), WA-IL 00015 05 (03/12), WA-PR 00002 00 (07/15), WA-PR 00003 00 (03/12), WA-PR 00007 00 (02/15), WA-PR 00017 00 (03/12), WA-GL 00002 00 (07/15), WA-GL 00003 00 (03/12), WA-GL 00006 00 (03/12), WA-GL 00013 00 (03/12), WA-GL 00014 00 (03/12), WA-GL 00018 00 (03/12), WA-GL 00023 00 (03/12), WA-GL 00037 05 (03/12), WA-GL 00038 05 (03/12), WA-GL 00044 00 (01/13), WA-GL 00051 00 (08/16), CG 21 32 05 09, WA-PO 00002 00 (07/15), WA-PO 00005 00 (03/12), WA-PO 00014 00 (03/12), WA-PO 00029 00 (08/16)

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM DECLARATIONS, COVERAGE FORMS, AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.



President



Secretary



AUTHORIZED REPRESENTATIVE

Schedule of Forms

Named Insured: Last Dollar PUD Association

Policy No: 5105-1694-07

Allied World Specialty Insurance Company

Water Plus Package

Form Name	Form Number
COMMON POLICY DECLARATIONS	WA-IL 00002 00 (07/15)
SCHEDULE OF FORMS LOB	FORMS LOB 02 10
Common Policy Conditions	WA-IL 00003 00 (03/12)
Cancellation and Nonrenewal - CO Changes	WA-IL 00004 05 (03-12)
Disclosure Pursuant To Terrorism Risk Insurance Act	WA-IL 00005 00 (02/15)
Nuclear Energy Liability Exclusion	WA-IL 00006 00 (03/12)
Anti-Stacking of Limits	WA-IL 00007 00 (03/12)
General Change Endorsement 25k	WA-IL 00010 00 (03/12)
Concealment Misrepresentation Fraud - CO Changes	WA-IL 00015 05 (03-12)

Property

Form Name	Form Number
PROPERTY COVERAGE FORM SUPPLEMENTAL DECLARATIONS	WA-PR 00002 00 (07/15)
Property Coverage Form	WA-PR 00003 00 (03/12)
Terrorism Exclusion	WA-PR 00007 00 (02/15)
Earthquake Endt	WA-PR 00017 00 (03/12)

General Liability

Form Name	Form Number
COMMERCIAL GENERAL LIABILITY COVERAGE FORM SUPPLEMENTAL DECLARATIONS	WA-GL 00002 00 (07/15)
General Liability Coverage Form	WA-GL 00003 00 (03-12)
Blanket A I	WA-GL 00006 00 (03/12)
Fellow Employee Endorsement	WA-GL 00013 00 (03/12)
Per Location Aggregate Limit Endorsement	WA-GL 00014 00 (03/12)
Hired and Nonowned Auto Liability	WA-GL 00018 00 (03/12)
GL Exclusion of Terrorism	WA-GL 00023 00 (03/12)
CO Changes - EBL	WA-GL 00037 05 (03/12)
CO Changes - Pollution Liability	WA-GL 00038 05 (03/12)
Deductible Excluding LAE	WA-GL 00044 00 (01/13)
Exclusion – Access to or Disclosure of Confidential or Personal Information, Data-Related Liability and Internet	WA-GL 00051 00 (08/16)
COMMUNICABLE DISEASE EXCLUSION	CG 21 32 05 09

Public Officials Management Liability

Form Name	Form Number
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY WITH EMPLOYMENT PRACTICES AND EMPLOYEE BENEFITS COVERAGE FORM (OCCURRENCE) SUPPLEMENTAL DECLARATIONS	WA-PO 00002 00 (07/15)
Public Officials Occurrence Coverage Form	WA-PO 00005 00 (03/12)
Employment Practices Exclusion	WA-PO 00014 00 (03/12)
Privacy and Network Security Exclusion	WA-PO 00029 00 (08/16)

COMMON POLICY CONDITIONS

WATER PLUS

THE FOLLOWING CONDITIONS ARE INCLUDED UNDER EACH COVERAGE FORM WHICH IS PART OF THE POLICY, UNLESS OTHERWISE STATED.

A. Cancellation

1. The first Named Insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.
2. We may cancel this policy or any of its individual coverages at any time by sending to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 60 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of the cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.
6. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

C. Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved insured have fully complied with all of the terms and conditions of the policy.

D. Compliance with Applicable Trade Sanctions

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

E. Conformance

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

F. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterwards.

G. First Named Insured

The person or organization first named in the Declarations is primarily responsible for 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 non-renewal and the receiving of any return premiums that become payable under this policy.

H. Inspections and Surveys

We may:

1. make inspections and surveys at any time;
2. give you reports on the conditions we find; and
3. recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for health or safety of workers or the public. And we do not warrant that conditions:

1. are safe or healthful; or
2. comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations for us.

I. Titles of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

J. Transfer of Rights and Duties

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

K. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first Named Insured stated in the Declarations written notice of the non-renewal not less than 60 days before the expiration date. If notice of non-renewal is mailed, proof of mailing will be sufficient proof of notice.

L. Deductible Waiver

If a covered loss involves multiple policies, Coverage Forms or Coverages within a Coverage Form issued to you by us, only one deductible, the largest, will be applied. The deductible under the other policies or Coverage Forms will be waived.

COLORADO CHANGES – CANCELLATION AND NONRENEWAL

THIS ENDORSEMENT CHANGES THE POLICY.

PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES THE FOLLOWING FORM: COMMON POLICY CONDITIONS

- A. Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:
2. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
- B. The following is added to the **Cancellation** Common Policy Condition:

7. Cancellation Of Policies In Effect For 60 Days Or More

- a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy by mailing through first-class mail to the first Named Insured written notice of cancellation:

- (1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- (2) At least 45 days before the effective date of cancellation if we cancel for any other reason.

We may only cancel this policy based on one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

- C. The following is added and supersedes any other provision to the contrary:

NONRENEWAL

If we decide not to renew this policy, we will mail through first-class mail to the first Named Insured shown in the Declarations written notice of the nonrenewal at least 45 days before the expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

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

- D. The following condition is added:

INCREASE IN PREMIUM OR DECREASE IN COVERAGE

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we mail through first-class mail written notice of our intention, including the actual reason, to the first Named Insured's last mailing address known to us, at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

1. Nonpayment of premium;
2. A false statement knowingly made by the insured on the application for insurance; or
3. A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept such change.

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

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

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.

SCHEDULE

Terrorism Premium (Certified Acts) \$Declined

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):

Additional information, if any, concerning the terrorism premium:

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, as amended, (the "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, as defined in Section 102(1) of the 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 for losses caused by a Certified Act of Terrorism under a formula established by federal law. However, your policy may contain other exclusions that might affect coverage, such as an exclusion for nuclear events. Under the formula, the United States Government will generally reimburse 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 that must be met by the Company, and which deductible is based on a percentage of the Company's direct earned premiums for the year preceding the Certified Act of Terrorism. 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 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.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM)

THIS ENDORSEMENT CHANGES THE POLICY.

PLEASE READ IT CAREFULLY.

The following Exclusion is added:

A. Nuclear Energy

The insurance does not apply:

1. Under any Liability Coverage, to "bodily injury", "property damage", "injury" or "liability":
 - a. 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
 - b. 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.
2. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
3. Under any Liability Coverage, to "bodily injury", "property damage", "injury" or "liability" resulting from "hazardous properties" of "nuclear material", if:
 - a. 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;
 - b. 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
 - c. The "bodily injury" or "property 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.

As used in this endorsement:

1. "Hazardous properties" includes radioactive, toxic or explosive properties.
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material".
3. "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.
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

5. **"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".
6. **"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.
7. **"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.
8. **"Property damage"** includes all forms of radioactive contamination of property.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

ANTI-STACKING OF LIMITS
THIS ENDORSEMENT CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.

If any claim and / or suit gives rise to coverage under this Coverage Form, and / or any other Coverage Form(s) or Policy(ies) issued by the company or any of its affiliates; the maximum limit of liability for all loss under this Coverage Form and / or the other Coverage Form(s) or Policy(ies) combined shall not exceed the largest single applicable limit of liability under any of the Coverage Form(s) or Policy(ies). The Limits of Liability under this Coverage Form shall be reduced, and may be exhausted, by payments under this Coverage Form and / or payments under the other Coverage Form(s) or Policy(ies).

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

GENERAL CHANGE
THIS ENDORSEMENT CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.

PREMIUM CHARGE: \$ N/A

COVERAGE PARTS AFFECTED: Property Coverage Form

DESCRIPTION OF CHANGE(S): Stipulating the deductible that applies to WA-PR 00017 00 (03-12), Earthquake Endorsement/Earth Movement Clarification per Proposal

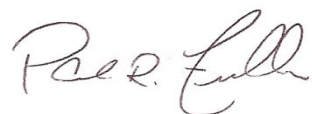
FORMS ADDED: N/A

FORMS DELETED: N/A

FORMS AMENDED: WA-PR 00002 00, Property Coverage Form Supplemental Declarations.

Earthquake Deductible = \$25,000 (per occurrence). Earth movement associated with non-seismic activity is hereby excluded.

Countersigned: 1/7/2022
Date

By: 
Authorized Representative

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**COLORADO CHANGES – CONCEALMENT,
MISREPRESENTATION OR FRAUD**

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

THIS ENDORSEMENT MODIFIES THE INSURANCE PROVIDED UNDER THE FOLLOWING:

**COMMERCIAL AUTOMOBILE COVERAGE FORM
PROPERTY COVERAGE FORM**

The **CONCEALMENT, MISREPRESENTATION OR FRAUD** Condition is replaced by the following:

CONCEALMENT, MISREPRESENTATION OR FRAUD

We will not pay for any loss or damage in any case of:

- 1.** Concealment or misrepresentation of a material fact; or
- 2.** Fraud;

committed by you or any other insured ("insured") at any time and relating to coverage under this policy.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Property Coverages**Limit of Insurance**

Property in Transit	\$ 100,000
Pollution Remediation Expenses (Specified Cause of Loss)	\$ 250,000
Limited Coverage for "Fungus", Wet Rot or Dry Rot	\$ 25,000
"SCADA" Upgrades	\$ 100,000
New Locations or Newly Constructed Property	\$ 1,000,000
Fire Department Service Charge	\$ 5,000
"Dependent Business Premises"	\$ 250,000
Property at Other Locations	\$ 250,000
Tools and Equipment Owned by Your Employees	\$ 5,000
"Personal Effects" and Property of Others	\$ 5,000
"Outdoor Property"	\$ 25,000
Trees, Shrubs, and Plants	\$ 25,000
Non-owned Detached Trailers	\$ 5,000
Accounts Receivable	\$ 500,000
"Valuable Papers and Records"	\$ 500,000
Fire Protection Devices	\$ 2,500
Cost of Inventory or Adjustment	\$ 5,000
Utility Services – Direct Damage	\$ 250,000
Utility Services – "Business Income" and "Extra Expense"	\$ 250,000
Unintentional Errors	\$ 100,000
Contract Penalties	\$ 100,000
Arson Reward	\$ 10,000
Indoor and Outdoor Signs	\$ 25,000
"Fine Arts"	\$ 25,000
Contamination	\$ 100,000
Business Personal Property at New Locations	\$ 1,000,000
Pollution Remediation Expense (Covered Cause of Loss)	\$ 100,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$ 100,000
Patterns/Dies/Molds/Forms	\$ 2,500
Ordinance or Law Provision	25% of Scheduled Limit
Debris Removal	25% of Scheduled Limit

THE COVERAGES LISTED IN THE SUMMARY ABOVE ARE PROVIDED AS EXTENSIONS OR ADDITIONS TO YOUR INSURANCE PROGRAM. OUR PAYMENT FOR LOSS OR DAMAGE UNDER THESE EXTENSIONS AND ADDITIONS IS SUBJECT TO THE DEDUCTIBLE STATED ABOVE UNLESS OTHERWISE STATED IN THE PROPERTY COVERAGE FORM.

ENDORSEMENTS ATTACHED TO THIS POLICY:

WA-PR 00002 00 (07/15)
WA-PR 00003 00 (03/12)
WA-PR 00007 00 (02/15)
WA-PR 00017 00 (03/12)

In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.



President



Secretary



AUTHORIZED REPRESENTATIVE

PROPERTY COVERAGE FORM

PLEASE READ THIS COVERAGE FORM CAREFULLY.

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

Throughout this Coverage Form, the words “you” and “your” refer to the Named Insured shown in the Declarations. The words “we,” “us”, and “our” refer to the Company stated in the Declarations as providing this insurance.

Other words and phrases that appear in quotation marks have special meanings. Refer to **SECTION VIII – DEFINITIONS** and other provisions of this Coverage Form for such meanings.

SECTION I – COVERAGES

A. Property Covered

We will pay for direct physical loss of or damage to “real property” and “business personal property” caused by or resulting from a peril not otherwise excluded, not to exceed the applicable Blanket Limit of Insurance for “real property” and “business personal property” described in the Declarations caused by or resulting from any Covered Cause of Loss.

The loss or damage to “real property” or “business personal property” must occur at, or within 1000 feet of, the premises shown in the Declarations, unless otherwise stated. This coverage applies only at those premises shown in the Declarations.

B. Property Not Covered

1. Accounts, bills, currency, food stamps or evidences of debt, “money”, notes or “securities” (lottery tickets held for sale are not “securities”);
2. Aircraft;
3. Animals;
4. Automobiles;
5. Bridges greater than 50 feet in length;
6. Canals, ditches, flumes or aqueducts;
7. Contraband or property in the course of illegal transportation or trade;
8. Cost of excavations, grading, backfilling or filling;
9. Cost to replace or restore the information on “valuable papers and records”, including those which exist as “electronic data”, except as provided for in the Coverage Extensions in **SECTION III** of this Coverage Form;
10. Dams, locks, levees, or reservoirs;
11. Electric utility power transmission and distribution lines, poles and related equipment;
12. “Electronic data”, except as provided for in the Coverage Extensions in **SECTION III** of this Coverage Form;
13. Land (including land on which the property is located);
14. Lawns;
15. Foundations of buildings, structures, machinery or boilers if their foundations are below the lowest basement floor or the surface of the ground, if there is no basement;

16. Property that is covered under another Coverage Form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
17. Pump motors and engines exceeding 1000 horsepower capacity;
18. Retaining walls that are not part of a building except as provided for in the Additional Coverages in **SECTION III** of this Coverage Form;
19. Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers while outside of buildings all except as provided for in the Additional Coverages in **SECTION III** of this Coverage Form;
20. Roadways;
21. Saltwater piers, docks, and wharves;
22. Trees, shrubs, and plants except as described in the Additional Coverages in **SECTION III** of this Coverage Form;
23. Underground flues, drains or well structures;
24. Underground piping located more than 1000 feet from premises described in the Declarations;
25. "Watercraft" greater than 50 feet in length;
26. Water

C. Covered Causes of Loss

1. When Special is shown in the Declarations, Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by this Coverage Form.
2. "Equipment Breakdown" is added as an additional Covered Cause of Loss for direct physical loss to covered property.

SECTION II – EXCLUSIONS AND LIMITATIONS

Unless otherwise stated, these Exclusions and Limitations apply to all coverages provided in this Coverage Form, including those listed in **SECTION III – COVERAGES SPECIFIC TO WATER RELATED ENTITIES, COVERAGE EXTENSIONS, AND ADDITIONAL COVERAGES, and to Endorsements attached to this Coverage Form.**

- A.** We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

1. Earth Movement

- a. Earthquake, including any earth sinking, rising or shifting related to such event; and
- b. Landslide, including any earth sinking, rising or shifting related to such event;
- c. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- d. Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **A.1.a.** through **A.1.d.** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- e. Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or "volcanic action", we will pay for the loss or damage caused by that fire, building glass breakage or "volcanic action".

2. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Form.

3. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contaminations, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss or damage caused by that fire.

4. War and Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

5. Water

- a. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- b. Mudslide or mudflow;
- c. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, ceilings, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings.

But if water, as described in **5.a.** through **5.c.** above, results in fire, explosion, sprinkler leakage, or "equipment breakdown", we will pay for the loss or damage caused by that fire, explosion, sprinkler leakage, or "equipment breakdown".

B. We will not pay for loss or damage caused by or resulting from any of the following:

- 1. Delay, loss of use or loss of market;
- 2. Smoke, vapor or gas from agricultural smudging or industrial operations;
- 3. Wear and tear;
- 4. Rust, corrosion, fungus, decay, deterioration, hidden or latent defect of any quality in property that causes it to damage or destroy itself;
- 5. Smog;
- 6. Settling, cracking, shrinking or expansion;
- 7. Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- 8. The following causes of loss:

- a. Dampness or dryness of atmosphere;
- b. Changes in or extremes of temperature; or
- c. Marring or scratching.

But if an excluded cause of loss that is listed in **B.1.** through **B.8.** above results from a “specified cause of loss” or building glass breakage, we will pay for the loss or damage caused by that “specified cause of loss” or building glass breakage.

9. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - a. You do your best to maintain heat in the building or structure; or
 - b. You drain the equipment and shut off the supply if heat is not maintained.
 10. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
 11. Rain, snow, ice or sleet to “business personal property” in the open.
 12. Collapse, except as provided for in Additional Coverages under **SECTION III** of this Coverage Form. But if collapse results from a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.
 13. “Pollution Conditions”, except as provided for in Coverages Specific to Water Related Entities under **SECTION III**. This exclusion does not apply to damage to glass caused by chemicals applied to the glass.
 14. “Remediation Expenses”, except as provided for in Coverages Specific to Water Related Entities under **SECTION III**.
 15. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
 16. Virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. However, this exclusion does not apply to loss or damage caused by or resulting from “fungus”, wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Form.
 17. The presence, growth, proliferation, spread or any activity of “fungus” or wet rot or dry rot including loss, damage or “remediation expenses” resulting from any of these. But if “fungus”, wet rot, or dry rot results in a “specified cause of loss”, we will pay for the loss or damage caused by that “specified cause of loss”. This exclusion does not apply:
 - a. When “fungus”, wet rot or dry rot results from fire or lightning; or
 - b. To the extent coverage is provided for in Coverages Specific to Water Related Entities under **SECTION III**.
- C.** We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage results from a Covered Cause of Loss, we will pay for the resulting loss or damage.
1. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded above to produce the loss or damage.
 2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;

- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;
- of part or all of any property on or off the described premises.

D. "Business Income" and "Extra Expense" Exclusions

We will not pay for:

1. Any increase of loss caused by or resulting from:
 - a. Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - b. "Suspension", lapse or cancellation of any license, lease or contract. But if the "suspension", lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your "business income" during the "period of restoration" in accordance with the terms of the Coverage Extensions in **SECTION III** of this Coverage Form.
2. Any "extra expense" caused by or resulting from "suspension", lapse or cancellation of any license, lease or contract beyond the "period of restoration".
3. Any other consequential loss.

E. LIMITATIONS

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
 - b. Property that has been transferred to a person or place outside the described premises on the basis of unauthorized instructions.
 - c. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass;
 - (2) Containers or property held for sale; or
 - (3) Photographic or scientific instrument lenses.
2. We will pay for loss or damage due to theft of the following types of property:
 - a. **\$2,500** for furs, fur garments and garments trimmed with fur.
 - b. **\$2,500** for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
 - c. **\$2,500** for patterns, dies, molds and forms.
3. We will pay no more than **\$100,000** in any one occurrence for loss or damage caused directly or indirectly by water that backs up or overflows from a sewer, drain or sump.
4. We will pay no more than **\$100,000** in any one occurrence for loss or damage to "real property" or "business personal property" because of "contamination" as a result of a Covered Cause of Loss.

SECTION III – COVERAGES SPECIFIC TO WATER RELATED ENTITIES, COVERAGE EXTENSIONS AND ADDITIONAL COVERAGES

A. COVERAGES SPECIFIC TO WATER RELATED ENTITIES**1. Property in Transit**

- a. You may extend the insurance provided by this Coverage Form to apply to the direct physical loss or damage to “business personal property” while in transit more than 1000 feet from the described premises. The direct physical loss or damage must result from a Covered Cause of Loss.
- b. We will not pay for loss or damage:
 - (1) When you are acting as a carrier for hire;
 - (2) If you have purchased separate ocean marine insurance that covers any property in transit;
 - (3) To shipment by mail, unless registered;
 - (4) To electronic data processing property; or
 - (5) To “fine arts”.
- c. The most we will pay for direct loss or damage caused by this Coverage Specific to Water Related Entities is **\$100,000**.

2. “Mobile Equipment”

- a. We will pay for direct physical loss or damage to owned, borrowed, rented or leased “mobile equipment” while at any premises or in transit, caused by or resulting from a Covered Cause of Loss.
- b. In addition to the exclusions in this Coverage Form, the following exclusions apply to “mobile equipment”:
 - (1) Collapse or collision of booms or jibs
 - (2) Electrical breakdown
 - (3) Mechanical breakdown
 - (4) Weight load
- c. The following Exclusions under **SECTION II – EXCLUSIONS AND LIMITATIONS** do not apply to this Coverage Specific to Water Related Entities:
 - (1) **A.1. Earth Movement**
 - (2) **A.5. Water**
- d. The most we will pay for direct loss or damage caused by this Coverage Specific to Water Related Entities is the Limit of Insurance shown in the Declarations.

3. Pollution “Remediation Expenses”

- a. We will pay “remediation expenses” you incur as a result of the actual, alleged, or threatened presence of “pollution conditions” at a premise described in the Declarations, but only if the “pollution conditions” result from a Covered Cause of Loss occurring during the policy period. However, we will not pay for any expense related to the removal of “fungus”, wet rot, dry rot, virus, bacteria or asbestos.
 - (1) You must notify us within 180 days after the date of the Covered Cause of Loss.
 - (2) The most we will pay under paragraph a. of this extension in any policy period is **\$100,000**.
- b. We will pay “remediation expenses” you incur as a result of the actual, alleged, or threatened presence of “pollution conditions” at a premise described in the Declarations, but only if the

"pollution conditions" result from a "specified cause of loss" occurring during the policy period. However, we will not pay for any expense related to the removal of "fungus", wet rot, dry rot, virus, bacteria or asbestos.

(1) You must notify us within 180 days after the date of the "specified cause of loss".

(2) Subject to paragraph a. (2) the most we will pay under paragraph a. and paragraph b. of this extension in any policy period is **\$250,000**.

4. Limited Coverage for "Fungus", Wet Rot or Dry Rot

a. The coverage described in 4.b. and 4.e. of this extension applies only when the "fungus", wet rot or dry rot is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

(1) A "specified cause of loss" other than fire or lightning; or

(2) Flood, but only if the optional Flood Coverage endorsement is attached.

b. We will pay for loss or damage by "fungus", wet rot or dry rot. As used in this extension, the term loss or damage means:

(1) Direct physical loss or damage to covered "real property" or covered "business personal property" caused by "fungus", wet rot or dry rot including the cost of removal of the "fungus", wet rot or dry rot;

(2) The cost to tear out and replace any part of the "real property" or other property as needed to gain access to the "fungus", wet rot or dry rot; and

(3) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is reason to believe that "fungus", wet rot or dry rot are present.

c. The coverage described under 4.b. of this extension is limited to **\$25,000**. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and flood (if the optional Flood Coverage endorsement is attached) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet rot or dry rot, we will not pay more than a total of **\$25,000** even if the "fungus", wet rot or dry rot continues to be present or active, or recurs, in a later policy period.

d. The coverage provided under this extension does not increase the applicable Blanket Limit of Insurance on any covered "real property" or covered "business personal property". If a particular occurrence results in loss or damage by "fungus", wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Blanket Limit of Insurance on the affected covered "real property" or covered "business personal property".

If there is covered loss or damage to covered "real property" or covered "business personal property" not caused by "fungus", wet rot or dry rot, loss payment will not be limited by the terms of this extension, except to the extent that "fungus", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this extension.

e. **"Business Income" or "Extra Expense":**

(1) If the loss which resulted in "fungus", wet rot or dry rot does not in itself necessitate an interruption of "operations", but such interruption is necessary due to loss or damage to property caused by "fungus", wet rot or dry rot, then our payment under "business income" and / or "extra expense" is limited to the amount of "business income" and / or "extra expense" sustained in a period of not more than 30 days. The days need not be consecutive.

- (2) If a covered interruption of "operations" was caused by loss or damage other than "fungus", wet rot or dry rot but remediation of "fungus", wet rot or dry rot prolongs the "period of restoration", we will pay for "business income" and / or "extra expense" sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

5. "SCADA" Upgrades

We will determine the amount payable for the total of all costs attributable to "SCADA" Upgrades as follows:

- (1) Determine the amount otherwise payable for scheduled "SCADA" system due to direct physical loss from a Covered Cause of Loss, excluding any increased cost attributable to the coverage that would be provided under this extension.
- (2) Add the amount of the applicable deductible to the amount determined in Paragraph (1), and multiply the sum by the 25%;
- (3) We will pay the least of the following amounts for the total of all costs attributable to "SCADA" Upgrades:
 - (a) The actual cost of covered "SCADA" Upgrades as determined in accordance with all applicable provisions of this extension;
 - (b) The amount determined in Paragraph (2); or
 - (c) **\$100,000**

Covered "SCADA" upgrades under this extension include:

- (1) The cost to upgrade to wireless systems;
- (2) The cost to upgrade to ENERGY STAR certified systems;
- (3) The cost to replace undamaged telemetry units with units compatible with new control system.

The following costs are excluded under this extension:

- (1) Security cameras;
- (2) Replacement of undamaged sensors;
- (3) The cost to move permanently installed undamaged equipment;
- (4) Any property or cost covered elsewhere in this policy.

"SCADA" means the Supervisory Control And Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

B. COVERAGE EXTENSIONS

1. "Business Income"

- a. We will pay for the actual loss of "business income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to covered property at the described premises in the open (or in a vehicle) within 1000 feet, caused by or resulting from any Covered Cause of Loss.

If you are a tenant, your premises is the portion of the buildings which you rent, lease, or occupy, including all routes within the building to gain access to the described premises; and your covered property in the open (or in a vehicle) within 1000 feet.

- b. We will only pay for loss of "business income" that occurs within twelve (12) consecutive months after the date of direct physical loss or damage.

- c. We will pay "ordinary payroll expenses" for up to 60 days following the date of direct physical damage or loss.
- d. The most we will pay for loss under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

No Deductible applies to this Coverage Extension.

2. Extended "Business Income"

- a. If the necessary "suspension" of your "operations" produces a "business income" loss payable by this Coverage Form, we will also pay for the actual loss of "business income" you incur during the period that:
 - (1) begins on the date property except finished "stock" held in storage or for sale is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - (2) ends the earlier of the date you could restore your "operations" with reasonable speed, to the level which would generate the "business income" amount that would have existed if no direct physical loss or damage had occurred; or three hundred sixty (360) consecutive days after the date determined in (1) above.
- b. However, Extended "Business Income" does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located. Loss of "business income" must be caused by direct physical loss or damage at the described premises caused by and resulting from any Covered Cause of Loss.
- c. The most we will pay for loss under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

No Deductible applies to this Coverage Extension.

3. "Extra Expense"

- a. We will pay necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described premises, including covered property in the open (or in a vehicle) within 1000 feet, caused by or resulting from a Covered Cause of Loss.
- b. We will only pay for "extra expense" that occurs within twelve (12) consecutive months after the date of direct physical loss or damage.
- c. The most we will pay for loss under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

No Deductible applies to this Coverage Extension.

4. Civil Authority

- a. We will pay for the necessary "extra expense" caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. The coverage for necessary "extra expense" will begin immediately after the time of that action and ends on the date access is returned or no later than 3 weeks after the denial of access.
- b. The most we will pay for loss under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

No Deductible applies to this Coverage Extension.

5. "Tenants Leasehold Interest Loss"

- a. If you are a tenant under lease at the described premises, we will pay for the “Tenants Leasehold Interest Loss” you sustain due to the cancellation of your lease. The cancellation must result from direct physical loss of or damage to property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.
- b. The most we will pay for loss under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

6. “Electronic Data”

- a. Subject to the provisions of this Coverage Extension, we will pay for the cost to replace or restore “electronic data” which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that “electronic data” is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the “electronic data” was stored, with blank media of substantially identical type.
- b. The Covered Causes of Loss applicable to your “business personal property” apply to this Coverage Extension, subject to the following:
 - (1) Coverage provided for this Coverage Extension, “Electronic Data”, includes collapse.
 - (2) A virus, harmful code or similar instruction introduced into or enacted on a computer system (including “electronic data”) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation is included as a Covered Cause of Loss, but only with respect to the coverage provided by this Coverage Extension. There is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including “electronic data”) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
 - (3) The most we will pay for this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations for loss or damage sustained in any one Coverage Period, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that Coverage Period. With respect to an occurrence which begins in one Coverage Period and continues or results in additional loss or damage in a subsequent Coverage Period, all loss or damage is deemed to be sustained in the Coverage Period in which the occurrence began.

7. Preservation of Property

- a. If it is necessary to move covered property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any Covered Cause of Loss or damage to that property while it is being moved or while temporarily stored at another location but only if the loss or damage occurs within 90 days after the property is first moved.
- b. The most we will pay for loss or damage under this Coverage Extension is the Coverage Extension Blanket Limit listed in the Declarations.

8. “Commandeered Property”

- a. At your request, we will pay for direct physical loss or damage to “commandeered property” caused by or resulting from any Covered Cause of Loss. “Commandeered property” means property belonging to someone else that you commandeer, seize, borrow or take over for official use to manage an “emergency situation”.
- b. Coverage for direct physical loss or damage to commandeered property applies only for the time you officially use the “commandeered property” to manage an emergency situation plus the reasonable time necessary to return the property. This extension will not apply to direct physical loss or damage occurring after the policy period.

- c. The most we will pay under this extension in any one occurrence is the least of “replacement cost” of the “commandeered property”, plus loss of use covered by this extension, or the Coverage Extension Blanket Limit listed in the Declarations.

“Emergency situation” means an unexpected situation demanding an immediate official action by your entity during an emergency response.

C. ADDITIONAL COVERAGES

1. New Locations or Newly Constructed Property

We will pay for direct physical loss or damage caused by a Covered Cause of Loss to:

- a. “Real Property”

- (1) Your new “real property” while being built on or off described premises and intended for use in your operations; and
- (2) “Real property” you acquire, lease or operate at locations other than the described premises, intended for:
 - (a) Similar use as the “real property” described in the Declarations
- (3) The most we will pay for direct physical loss or damage under this Additional Coverage is **\$1,000,000** at each premise.

- b. “Business Personal Property”

- (1) Located at a new premise as defined in **C.1.a.** above.
- (2) The most we will pay for direct physical loss or damage under this Additional Coverage is **\$1,000,000** at each premise.

- c. Insurance provided for under this Additional Coverage will end when any of the following first occurs:

- (1) This Coverage Form expires;
- (2) One-hundred and eighty (180) days expire after you acquire or begin construction at the new premise; or
- (3) You report the values to us.

- d. We will charge you additional premium for values reported from the date you acquire the premises or begin construction.

2. Debris Removal

- a. We will pay your expense to remove debris of covered property caused by or resulting from a Covered Cause of Loss that occurs during the Coverage Period. The expenses will be paid only if they are reported to us in writing within one-hundred and eighty (180) days of the date of direct physical loss or damage.
- b. Debris Removal does not apply to costs to extract “pollutants” from land or water, or remove, restore or replace polluted land or water.
- c. Subject to the exceptions in Paragraph **d.** below, the following provisions apply:
 - (1) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the covered property that has sustained loss or damage.
 - (2) Subject to **a.** above, the amount we will pay for debris removal expense is limited to twenty-five percent **(25%)** of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

- d. We will pay up to an additional **\$50,000** for debris removal expense, for each location, in any one occurrence of physical loss or damage to covered property, if one or both of the following circumstances apply:

- (1) The total of the actual debris removal expenses plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the covered property that has sustained loss or damage.
- (2) The actual debris removal expense exceeds twenty five percent (**25%**) of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the covered property that has sustained loss or damage.

Therefore, if **d.(1)** and / or **d.(2)** apply our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the covered property that has sustained loss or damage, plus **\$50,000**.

3. Fire Department Service Charge

When the fire department is called to save or protect covered property from a Covered Cause of Loss, we will pay up to **\$5,000** for your liability for fire department service charges assumed by contract or agreement prior to the loss or required by local ordinance.

No Deductible applies to this Additional Coverage.

4. Collapse

The coverage provided under this provision applies only to an abrupt collapse as described and limited below:

- a. For the purpose of this Additional Coverage – **Collapse**, abrupt collapse means an abrupt falling down or caving in of “real property” or any part of “real property” with the result that the “real property” or part of the “real property” cannot be occupied for its intended purpose.
- b. We will pay for loss or damage caused by or resulting from direct physical loss caused by abrupt collapse of “real property” or any part of “real property” that is insured by this Coverage Form or that contains covered property insured by this Coverage Form, if such collapse is caused by one or more of the following:
 - (1) The “specified causes of loss” or breakage of building glass, all only as insured against in this Coverage Form;
 - (2) Hidden “real property” decay; except with respect to collapse of a well-housing caused by hidden decay.
 - (3) Hidden insect or vermin damage.
 - (4) Weight of people or “business personal property”;
 - (5) Weight of rain that collects on a roof;
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.
- c. We will not pay for loss of or damage to the following types of property otherwise covered in this Coverage Form, under items **4.b.(2)** through **4.b.(6)** unless the loss or damage is a direct result of the collapse of “real property”:
 - (1) Awnings;
 - (2) Gutters and down spouts;
 - (3) Yard fixtures;
 - (4) Outdoor swimming pools;
 - (5) Piers, wharves and docks;

- (6) Beach or diving platforms or appurtenances;
 - (7) Retaining walls; and
 - (8) Walks, roadways, and other paved surfaces.
- d. This Additional Coverage does not apply to settling, cracking, shrinkage, bulging or expansion.
 - e. This Additional Coverage does not increase the Blanket Limit of Insurance applying to the damaged property.
- 5. "Water Damage", Other Liquids, Powder or Molten Material Damage**
- We will not pay for loss or damage caused by or resulting from water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
- a. You do your best to maintain heat in the buildings or structure; or
 - b. You drain the equipment and shut off the supply if heat is not maintained.
- However, we will pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which water, liquid, or other substance escapes.
- We will not cover the cost to repair the system or appliance that caused the damage, but we will pay the cost to repair or replace damage of extinguishing equipment if the damage:
- (1) results in discharge of any substance from an automatic fire protection system; or
 - (2) is directly caused by freezing.
- c. This Additional Coverage does not increase the Blanket Limit of Insurance applying to the damaged property.
- 6. "Dependent Business Premises"**
- a. We will pay for the actual "business income" loss you incur due to the actual impairment of your "operations"; and the "extra expense" you incur due to the actual or potential impairment of your "operations" during the "period of restoration".
 - b. This actual or potential impairment of "operations" must be caused by or result from direct physical loss or damage from a Covered Cause of Loss to "real property" or "business personal property" of a "dependent business premises" at a "dependent business premises."
 - c. The most we will pay for loss under this Additional Coverage is **\$250,000**.
- 7. Property at Other Locations**
- a. **"Real Property"**
 - (1) Coverage provided applies to property included in the definition of "real property" in this Coverage Form while it is off premises to be cleaned, repaired, rebuilt or restored.
 - (2) The most we will pay for loss or damage under this Additional Coverage is **\$250,000**.
 - b. **"Business Personal Property"**
 - (1) Coverage provided applies to "business personal property" at any location you do not own, lease or operate, including but not limited to, while at exhibitions, fairs, trade shows, and conferences.
 - (2) The most we will pay for direct physical damage or loss under this Additional Coverage is **\$250,000**.
- 8. Tools and Equipment Owned by Your Employees**

- a. We will pay for direct physical loss or damage to tools and equipment owned by your employees or volunteers while at any premises or in transit, caused by or resulting from a Covered Cause of Loss provided the loss or damage occurs during the course of your "operations". If other insurance coverage is available to the owner of the tools and equipment, then this coverage will only apply to the deductible of such other coverage.
- b. The most we will pay for loss or damage under this Additional Coverage is **\$5,000**.
- c. No deductible will apply under this extension.

9. "Personal Effects" and Property of Others

- a. At your request, this insurance that applies to "business personal property" is extended to apply to:
 - (1) "Personal effects" owned by your officers, your partners, members, managers or employees; and
 - (2) Personal property of others in your care, custody or control;
- b. The most we will pay for loss or damage under this Additional Coverage is **\$5,000**.

10. "Outdoor Property"

- a. The insurance provided by this Coverage Form applies to your "outdoor property" that are outside covered "real property" when the loss is caused by or results from any of the following Covered Causes of Loss:
 - (1) Fire;
 - (2) Lightning;
 - (3) Explosion;
 - (4) Riot or civil commotion;
 - (5) Aircraft;
 - (6) Smoke;
 - (7) Vehicles;
 - (8) Vandalism or malicious mischief.
- b. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$25,000**. This limit applies to any one occurrence, regardless of the types or number of items damaged in that occurrence.

11. Trees, Shrubs, and Plants

- a. The insurance provided by this Coverage Form applies to your trees, shrubs, and plants that are outside covered "real property" when the loss is caused by or results from any of the following:
 - (1) Fire;
 - (2) Lightning;
 - (3) Explosion;
 - (4) Riot or Civil Commotion;
 - (5) Aircraft;
 - (6) Smoke;
 - (7) Vehicles;
 - (8) Vandalism or Malicious Mischief.

- b. The most we will pay for direct physical loss or damage under this Additional Coverage is \$25,000, but not to exceed more than \$1,000 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items damaged in that occurrence.

12. Non-Owned Detached Trailers

- a. The insurance provided by this Coverage Form applies to loss or damage to trailers that you do not own, provided that:
 - (1) The trailer is used in your business;
 - (2) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (3) You have the contractual responsibility to pay for loss or damage to the trailer.
- b. We will not pay for any loss or damage that occurs:
 - (1) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion.
 - (2) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- c. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$5,000.**

13. Ordinance or Law Provision

- a. If a Covered Cause of Loss occurs to "real property" described in the Declarations we will pay:
 - (1) For loss or damage to the undamaged portion of such "real property" caused by enforcement of any ordinance or law that:
 - (a) Requires the demolition of parts of the same property not damaged by the Covered Cause of Loss;
 - (b) Regulates the construction or repair of "real property", or establishes zoning or land use requirements at the described premises; and
 - (c) Is in force at the time of the loss.

Coverage extended under **(1)** above shall not increase any Limits of Insurance provided by this Coverage Form for the "real property" damaged by a Covered Cause of Loss.

 - (2) The cost to demolish and clear the site of undamaged parts of the property caused by the enforcement of the building, zoning and land use law.
 - (3) The increased costs to repair, rebuild or construct the property caused by the enforcement of building, zoning or land use law. When the "real property" is repaired or rebuilt, it must be intended for similar occupancy as the current property, unless otherwise required by zoning or land use law.
- b. We will not pay for the increased construction costs until the property is actually repaired or replaced, at the same premises or elsewhere; and unless the repairs are made as soon as reasonably possible after the loss or damage, not to exceed two (2) years. We may extend this period in writing during the two (2) years.
- c. We will not pay under this provision for the costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants" unless the presence of the "pollutants" is due to "specified causes of loss" and the spill originated during our Coverage Period from a loss originating on the insured premises.

- d. The most we will pay in any one loss for the Additional Coverage in (2) and (3) above for demolition and/or increased cost of construction is twenty-five percent **(25%)** of the Limit of Insurance shown in the Statement of Values for the scheduled "real property". Coverage provided by this provision is additional insurance and is not part of the "real property" coverage Limit of Insurance shown in the Statement of Values.

14. Accounts Receivable

- a. The insurance provided by this Coverage Form applies to your records of accounts receivable, if:
 - (1) The records are at a described premises, at a safe place away from your described premises, or in or on a vehicle in transit between described premises; and
 - (2) The records are removed from described premises to protect them from the threat of a Covered Cause of Loss.
- b. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$500,000**.
- c. The amount of your accounts receivable loss includes the following as long as they are the result of a Covered Cause of Loss:
 - (1) All amounts due from your customers, clients, tenants, or a funding source that you are unable to collect;
 - (2) Interest charges on any loan required to offset amounts you are unable to collect pending payment of these amounts;
 - (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss;
 - (4) Other reasonable expenses that you incur to establish your records of accounts receivable.

15. "Valuable Papers and Records"

- a. The insurance provided by this Coverage Form applies to direct physical loss or damage to "valuable papers and records" due to a Covered Cause of Loss if it is:
 - (1) Your property or property of others that is in your care, custody or control; or
 - (2) At a described premises, at a safe place away from your described premises, or in or on a vehicle in transit between described premises.
- b. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$500,000**.

16. Fire Protection Devices

- a. You may extend the insurance provided under this Coverage Form to apply to the reasonable cost to recharge or refill any fire protection devices when they have been discharged as a result of a fire or explosion.
- b. The most we will pay for loss under this Additional Coverage is **\$2,500** for all such devices discharged in any one fire or explosion.
- c. No Deductible applies to this Additional Coverage.

17. Cost of Inventory or Adjustment

- a. You may extend the insurance provided under this Coverage Form to apply to the costs you incur to make an inventory or adjustment in order to prepare your proof of loss after a Covered Cause of Loss occurs.
- b. The most we will pay for loss under this Additional Coverage is **\$5,000** per occurrence.

18. Utility Services – Direct Damage

- a.** We will pay for loss of or damage to “real property” and “business personal property” covered by this Coverage Form caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph **b.** below.
- b.** Utility Services Property covered:
 - (1) Water Supply Services meaning pumping stations and water mains supplying water to the described premises;
 - (2) “Communication Supply Services” including communication transmission lines (not including overhead transmission lines), fiber optic transmission lines, coaxial cables and microwave radio relays (not including satellites).
 - (3) “Power Supply Services” including utility generating plants, switching stations, substations, transformers and transmission lines (not including overhead transmission lines).
- c.** Coverage provided by this provision does not apply to loss or damage to “electronic data”, including destruction or corruption of “electronic data”.
- d.** The most we will pay for direct physical loss or damage under this Additional Coverage is **\$250,000**.

19. Utility Services – “Business Income” and “Extra Expense”

- a.** Your coverage for “business income” and / or “extra expense”, as provided by this Coverage Form applies to a “suspension” of “operations” at covered “real property” and “business personal property” caused by an interruption in utility service to covered premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph **b.** below.
- b.** Utility Services Property covered:
 - (1) Water Supply Services meaning pumping stations and water mains supplying water to the described premises;
 - (2) “Communication Supply Services” including communication transmission lines (not including overhead transmission lines), fiber optic transmission lines, coaxial cables and microwave radio relays (not including satellites).
 - (3) “Power Supply Services” including utility generating plants, switching stations, substations, transformers and transmission lines (not including overhead transmission lines).
- c.** Coverage provided by this provision does not apply to “business income” loss or “extra expense” related to interruption in utility service which causes loss or damage to “electronic data”, including destruction or corruption of “electronic data”.
- d.** The most we will pay for loss or damage under this Additional Coverage is **\$250,000**.

We will only pay for loss you sustain after the first twelve (12) hours following the direct physical loss or damage to the property described above.

20. Contract Penalties

- a.** The insurance provided by this Coverage Form applies to the contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- b.** The most we will pay for loss under this Additional Coverage is **\$100,000** per occurrence.

21. Arson Reward

- a. The insurance provided by this Coverage Form will provide a reward for information leading to the arrest and conviction of persons responsible for the crime of arson being committed against the insured.
- b. This Additional Coverage only applies when a covered fire is deemed suspicious or to be arson by the fire department, and only when the person responsible is convicted of the crime.
- c. The most we will pay for loss or damage under this Additional Coverage is **\$10,000**.

22. Indoor and Outdoor Signs

- a. The insurance provided by this Coverage Form applies to loss or damage to signs, inside or outside a covered building or structure.
- b. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$25,000**.

23. "Fine Arts"

- a. You may extend the insurance provided under this Coverage Form to apply to "fine arts".
- b. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance listed in the Declarations under Additional Coverages. We will not pay more than **\$25,000** per item.
- c. The following exclusions are added in addition to those exclusions and limitations found in **SECTION II** of this Coverage Form, but only with respects to this Additional Coverage:
 - (1) Any repair, restoration, or retouching of the "fine arts";
 - (2) Dishonest or criminal acts by you, your employees, volunteers, agents, authorized representatives, directors, officers, or trustees, or by anyone else to whom you entrust the "fine arts" for any purpose (except a carrier or other bailee for hire);
 - (3) Delay, loss of use, loss of market, or any other consequential loss;
 - (4) Rust, corrosion, fungus, decay, deterioration, hidden or latent defects, or any quality in the "fine art" that causes it to damage or destroy itself;
 - (5) Voluntarily parting with any "fine art" and entrusting it to another, if induced to do so by any fraudulent scheme, trick, device, or false pretense;
 - (6) "Fine arts" on exhibition at any premises other than those listed in the "Schedule of Locations".
- d. The most we will pay for direct physical loss or damage under this Additional Coverage is **\$25,000** for any one item.

24. Unintentional Errors

- a. Any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered location shall not void or impair coverage provided by this Coverage Form.
- b. You must, however, report such errors or omissions to us in writing as soon as you discover them.
- c. You also agree to pay such additional premiums as may be appropriate.
- d. This provision does not apply to loss or damage caused directly or indirectly by flood, earth movement or property which is otherwise insured.
- e. The most we will pay in any one occurrence is **\$100,000** regardless of the number of errors or omissions involved. This limit is in addition to the Limit of Insurance stated in the Declarations.

SECTION IV – LIMITS OF INSURANCE

- A. The most we will pay for direct physical loss to “Real Property” and “Business Personal Property” is the Blanket Limit of Insurance shown in the Declarations.
- B. The Coverage Extension Blanket Limit of Insurance shown in the Declarations is the most we will pay for all loss arising from:
 - 1. “Business Income”
 - 2. Extended “Business Income”;
 - 3. “Extra Expense”;
 - 4. Civil Authority;
 - 5. “Tenants Leasehold Interest”;
 - 6. “Electronic Data”;
 - 7. Preservation of Property; and / or
 - 8. “Commandeered Property”
- C. The most we will pay for direct physical loss to “**Mobile Equipment**” under coverage provided by **A.2. of SECTION III – COVERAGES SPECIFIC TO WATER RELATED ENTITIES, COVERAGE EXTENSIONS AND ADDITIONAL COVERAGES** of the Property Coverage Form, is the Limit of Insurance shown in the Declarations.
- D. The most we will pay for the **Additional Coverages** provided by the Property Coverage Form is the Limit of Insurance shown for each coverage specified in the **ADDITIONAL COVERAGES** Section of the Declarations.

SECTION V – DEDUCTIBLE

- A. We will not pay for loss or damage in any one occurrence until the amount of the loss exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limits of Insurance.
- B. No Deductible applies to the following Additional Coverages:
 - 1. Fire Department Service Charge;
 - 2. “Business Income”;
 - 3. Extended “Business Income”;
 - 4. “Extra Expense”;
 - 5. Civil Authority;
 - 6. Fire Protection Devices;
 - 7. Tools and Equipment Owned by Your Employees

- C. **Deductible Waiver**

If a loss covered under this Coverage Form also involves a loss under Business Auto coverage issued to you by us, only one deductible, the largest, will be applied.

The deductible under the other policies or Coverage Forms will be waived.

SECTION VI – LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

C. Duties in the Event of Loss or Damage

1. You must see that the following are done in the event of loss or damage to covered property:
 - a. Notify the police if a law may have been broken.
 - b. Give us prompt notice of the loss or damage. Include a description of the property involved.
 - c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - d. Take all reasonable steps to protect the covered property from further damage, and keep a record of your expenses necessary to protect the covered property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
 - f. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - g. Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within sixty (60) days after our request. We will supply you with the necessary forms.
 - h. Cooperate with us in the investigation or settlement of the claim.
2. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

D. Loss Payment

1. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - a. Pay the value of lost or damaged property;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property with other property at an agreed or appraised value; or

- d.** Repair, rebuild or replace the property with other property of like kind and quality.
- 2.** We will give notice of our intentions within thirty (30) days after we receive the sworn proof of loss.
- 3.** We will not pay you more than your financial interest in the covered property.
- 4.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable Coverage Form provisions including Limits of Insurance, the Valuation Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition.

E. Valuation

- 1.** We will pay the value of covered property in the event of loss or damage as follows:
 - a.** At replacement cost (without deduction for depreciation) except as provided under **b.** through **g.** below.
 - (1) You may make a claim for loss or damage covered by this insurance on an actual cash value basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within one-hundred and eighty (180) days after the loss or damage.
 - (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made within two (2) years after the loss or damage.
 - (3) We will not pay more for loss or damage on a replacement cost basis than the least of:
 - (a) The cost to replace, on the same premises, the lost or damaged property with other property:
 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose.
 - (b) The amount you actually spend that is necessary to repair or replace the lost or damaged property.
 - (c) The Limit of Insurance shown in the Declarations for such property.
 - b.** "Actual Cash Value" for the following property:
 - (1) "Mobile Equipment" other than tools;
 - (2) Used or second-hand merchandise held in storage or for sale.
 - (3) Household contents, except personal property in apartments or rooms furnished by you as landlord.
 - c.** Glass at the cost of replacement with safety glazing material if required by law.
 - d.** Tenant's Improvements and Betterments at:
 - (1) Replacement cost if you make repairs within two (2) years after the loss or damage.

- (2) A proportion of your original cost if you do not make repairs within two (2) years after the loss or damage. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss to the expiration of the lease; and
 - (b) Divide the amount determined in **(a)** above by the number of days from the original installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
- (3) Nothing if others pay for repairs or replacement.
- e.** "Valuable Papers and Records", including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:
 - (1) Blank materials for reproducing the records; and
 - (2) Labor to transcribe or copy the records.
- f.** Accounts Receivable:
 - (1) If you can not accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:
 - (a) Determine the total of the average monthly amounts of accounts receivable for the twelve (12) months immediately preceding the month in which the loss or damage occurs; and
 - (b) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - (2) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to reestablish or collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.
- g.** "Stock" you have sold but not delivered will be valued at no more than the selling price less discounts and expenses you otherwise would have had.
- h.** "Business Personal Property" of Others

We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the covered property.
- i.** Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.
- j.** Resumption of Operations

We will reduce the amount of your:

- (1) "Business Income" loss, other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or "stock") at the described premises or elsewhere.
- (2) "Extra Expense" loss to the extent you can return "operations" to normal and discontinue such "extra expense".

k. Vacancy

If the building where loss or damage occurs has been vacant for more than sixty (60) consecutive days before that loss or damage, we will:

- (1) Not pay for any loss or damage caused by:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) "Water damage";
 - (e) Theft; or
 - (f) Attempted theft.

A building is vacant when it does not contain enough "business personal property" to conduct customary "operations". Buildings under construction are not considered vacant.

l. "Fine Art"

The value will be the least of:

- (1) The market value of the "fine art";
- (2) The amount for which you are liable, if the "fine art" is the property of another;
- (3) The cost of reasonable restoration of the "fine art" to its condition immediately before the loss;
- (4) The cost of replacing the "fine art" with substantially identical "fine art"; or
- (5) The Limits of Insurance stated in **SECTION III, C.23.d.** of this Coverage Form.

F. Loss Payment

We will pay for covered loss or damage within thirty (30) days after we receive the sworn proof of loss, if:

1. You have complied with all of the terms of this Coverage Form; and
2. We have reached agreement with you on the amount of the loss or an appraisal award has been made.

G. Salvaged Property

"Stock" will only be salvaged and re-introduced into the market with permission of the Named Insured.

SECTION VII – PROPERTY GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Form is void in any case of fraud by you as it relates to this Coverage Form at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Form;
2. The Covered Property;

3. Your interest in the Covered Property; or
4. A claim under this Coverage Form.

B. Control of Property

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance. The breach of any condition of this Coverage Form at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach or condition does not exist.

C. Insurance Under Two or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form unless:

1. There has been full compliance with all of the terms of this Coverage Form; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. Liberalization

If we adopt any revision that would broaden the coverage under this Coverage Form without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Form.

F. Mortgage Holders

1. The term mortgage holder includes trustee.
2. We will pay for covered loss of or damage to "real property" or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
3. The mortgage holder has the right to receive loss payment even if the mortgage holder has started foreclosure or similar action on the "buildings" or structure.
4. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Form, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - a. Pays any premium due under this Coverage Form at our request if you have failed to do so;
 - b. Submits a signed, sworn proof of loss within sixty (60) days after receiving notice from us of your failure to do so; and
 - c. Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgage holder.
 - d. All of the terms of this Coverage Form will then apply directly to the mortgage holder.
5. If we pay the mortgage holder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Form:
 - a. The mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - b. The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder the whole principal on the mortgage plus accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

6. If we cancel this coverage, we will give written notice to the mortgage holder at least:
 - a. Ten (10) days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
7. If we elect not to renew this coverage, we will give written notice to the mortgage holder at least ten (10) days before the expiration date of this Coverage Form.

G. No Benefit to Bailee

No person or organization, other than you, having custody of covered property will benefit from this insurance.

H. Other Insurance

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Form. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Form bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

I. Coverage Period

Under this form, we cover loss or damage commencing:

1. During the Coverage Period shown in the Declarations; and
2. Within the "coverage territory" or, with respect to property in transit, while it is between points in the "coverage territory".

J. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Coverage Section has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after a loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income
2. After a loss to your Covered Property or Covered Income only if, at the time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm owned or controlled by you or that owns or controls you; or
 - c. Your tenant

SECTION VIII – DEFINITIONS

- A. "Actual Cash Value"** means the cost to repair or replace lost or damaged property at the time of loss or damage with material of like kind and quality, less allowance for each of the following:
1. Physical deterioration;
 2. Physical depreciation;
 3. Obsolescence; and

4. Depletion

B. “Business Income” means the:

1. Net Income (net Profit or Loss before income taxes) that would have been earned or incurred; and
2. Continuing normal operating expenses incurred, including “ordinary payroll”.

C. “Business Personal Property” means:

1. Property you own that is used in your business;
2. Furniture and fixtures;
3. Machinery and equipment;
4. Computer equipment;
5. Communication equipment;
6. Labor materials or services furnished or arranged by you on personal property of others;
7. “Stock”;
8. Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions made a part of the “real property” or structure you occupy but do not own or you acquired or made at your expense, but cannot legally remove.
9. Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property of Others.

D. “Communication Supply Services” means property supplying communication services, including telephone, radio, microwave or television services, to the described premises;

E. “Contamination” means direct damage to “real property” and “business personal property” caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.

F. “Coverage Territory” means The United States of America (including its territories and possessions), Puerto Rico, and Canada.

G. “Dependent Business Premises” means premises operated by others on whom you depend to:

1. Deliver materials or services to you or to others for your account;
2. Accept your products or services;
3. Manufacture products for delivery to your customers under contract of sale; or
4. Attract customers to your business.

“Dependent Business Premises” does not mean premises operating by others on whom you depend to:

5. Deliver utility services to you; or
6. Accept utility services from you.

H. “Electronic Data” means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of “electronic data”, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

- I. **“Equipment Breakdown”** means direct damage to mechanical, electrical or pressure systems as follows:
1. Mechanical breakdown including rupture or bursting caused by centrifugal force;
 2. Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
 3. Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
 4. Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
 5. Loss or damage to hot water boilers or other water heating equipment;
 6. If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
 7. None of the following are covered objects as respects to “equipment breakdown”:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - (i) Structure, foundation, cabinet or compartment containing the object;
 - (ii) Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - (iii) Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - (iv) Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.
- J. **“Extra Expense”** means expense (other than the expenses to repair or replace property) which are incurred:
1. To avoid or minimize the “suspension” of business and continue “operations” at the described premises or at replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations,
 2. To minimize the “suspension” of business if you cannot continue” operations”.
 3. To repair or replace any property; or to research, replace or restore the lost information on damaged “valuable papers and records” if such action will reduce any loss we would pay under this insurance.
- K. **“Fine Arts”** means paintings, rare books, manuscripts, pictures, prints, etchings, drawings, tapestries, bronzes, statuary potteries, porcelains, marble and other bona fide works of art; or items of rarity or historical value.
- L. **“Fungus”** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- M. **“Mobile Equipment”** means machinery or equipment, including accessories and spare parts for machinery or equipment, usual to your business. These items include, but are not limited to:

1. Forklifts;
 2. Tractors;
 3. Backhoes;
 4. Draglines;
 5. Excavators;
 6. ATVs;
 7. Tools; and
 8. Watercraft less than 50 feet in length
- N. "Money"** means currency, coins, and banknotes in current use and having a face value, bullion, and travelers' checks, registered checks and money orders held for sale to the public.
- O. "Operations"** means your business activities occurring at the described premises; and the tenantability of the described premises, if coverage for "business income" includes rents.
- P. "Ordinary Payroll Expenses"** means payroll expenses for all of your employees except:
1. Officers;
 2. Executives;
 3. Department Managers; and
 4. Employees under contract
- "Ordinary Payroll expenses"** include:
5. Payroll;
 6. Employee Benefits, if directly related to payroll;
 7. FICA payments you pay;
 8. Union Dues you pay; and
 9. Workers Compensation premiums
- Q. "Outdoor Property"** means fixed or permanent structures including but not limited to:
1. Historical markers or flagpoles;
 2. Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
 3. Exterior signs not located at a premises;
 4. Fences or retaining walls;
 5. Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
 6. Dumpsters, concrete trash containers, or permanent recycling bins;
 7. Hydrants; or
 8. Electric utility power transmission and distribution lines, poles and related equipment owned by the insured.
- R. "Penstock"** means a conduit constructed of manmade materials built for the purpose of conveying water to a hydroturbine. "Penstock" does not include tunnels, canals, aqueducts or similar excavations, or the cost of these excavations, which are excavated from or consist of natural materials.
- S. "Period of Restoration"** means the time period that:

1. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
2. Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

“Period of Restoration” includes any increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property.

“Period of Restoration” does not include any increased period required due to the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of “pollutants”.

The expiration date of this Coverage Form will not cut short the “period of restoration”.

- T. “Personal effects”** means property that belongs to an individual and is devoted primarily to that individual's personal use; for example, clothing, eyeglasses, or individually owned portable equipment used in your “operations”.

“Personal effects” does not include:

1. “Money” and “securities”;
2. “Fine arts” or property that is rare or that has historic or artistic value, including antiques or rare articles;
3. Jewelry, (except watches);
4. Animals;
5. Aircraft or its parts, accessories and equipment;
6. “Watercraft”; or
7. Vehicles

- U. “Pollution Conditions”** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

- V. “Power Supply Services”** means property supplying electric, steam or gas to the described premises.

- W. “Real property”** means items at a described premises including:

1. Aboveground piping;
2. Aboveground and belowground “penstock”;
3. Additions under construction;
4. All appurtenant buildings or structures including restrooms;
5. Alterations and repairs to the buildings or structures;
6. Buildings;
7. Completed additions;
8. Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
9. Fixtures, including outdoor fixtures;
10. Glass which is part of a building or structure;
11. Light standards;

12. Paved surfaces such as sidewalks, patios or parking lots;
 13. Permanently installed machinery and equipment;
 14. Permanent storage tanks;
 15. Solar panels;
 16. Submersible pumps, pump motors and engines;
 17. Underground piping located on or within 1000 feet of premises described in the Declarations;
 18. Underground vaults and machinery;
 19. "Business personal property" owned by you that is used to maintain or service the "real property" or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
 20. If not covered by other insurance: Additions under construction, alterations and repairs to the "real property" or structure, Material, equipment supplies and temporary structures on or within 1000 feet of the described premises, used for making additions, alterations or repairs to the "real property" or structure.
- X. **"Remediation expenses"** are expenses incurred for or in connection with the investigation, monitoring,
1. removal, disposal, treatment, or neutralization of "pollution conditions" to the extent required by:
 - a. Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof,
 2. enacted to address "pollution conditions"; or
 - a. A legally executed state voluntary program governing the cleanup of "pollution conditions".
- Y. **"Rental Value"** means rental income less all costs that would have been incurred during the period of delay had there been no loss or damage.
- Z. **"Securities"** means negotiable or non-negotiable instruments or contracts representing money or other property. It includes tokens, tickets, revenue stamps, other stamps in current use, and evidences of debt issued in connection with credit or charge cards, which cards are not issued by you. It does not include "money".
- AA. **"Specified Cause of Loss"** means the following:
- Fire; Lightning; Explosion; Windstorm or Hail; Smoke; Aircraft or Vehicles; Riot or Civil Commotion; Vandalism; Leakage from Fire Extinguishing Equipment; Sinkhole Collapse; "Volcanic Action"; Falling Objects; Weight of Snow; Ice or Sleet; "Water Damage"; and "Equipment Breakdown".
1. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - a. The cost of filling sinkholes; or
 - b. Sinking or collapse of land into man-made underground cavities other than underground wine caves.
 2. Falling objects does not include loss or damage to:
 - a. "Business Personal Property" in the open; or
 - b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 3. "Water Damage" means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam.

BB. "Stock" means finished goods held in storage or for sale;

CC. "Suspension" means:

1. The slowdown or cessation of your business activities; or
2. That a part or all of the described premises is rendered untenable, if coverage for "business income" including "rental value" applies.

DD. "Tenants Leasehold Interest Loss" means the increase in your monthly rent including taxes, insurance, janitorial or other services that you pay for as part of the rent, as a result of this cancellation for the number of months left in your lease subject to the maximum of twelve (12) months.

EE. "Valuable Papers and Records" means:

1. Inscribed, printed, or written documents; manuscripts; and records: including abstracts, books, deeds, drawings, films, maps, or mortgages.
2. "Valuable Papers and Records" does not mean "money" or "securities"; converted data; programs or instructions used in your data processing operations, including the materials on which the data is recorded.

FF. "Volcanic Action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

1. Airborne volcanic blast or airborne shock waves;
2. Ash, dust or particulate matter; or
3. Lava flow.

All volcanic eruptions that occur within any one-hundred sixty-eight (168) hour period will constitute a single occurrence. "Volcanic Action" does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

GG. "Watercraft" means any watercraft used in your "operations", including its motor, parts, accessories and equipment.

TERRORISM EXCLUSION
THIS ENDORSEMENT CHANGES THE POLICY.
PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
PROPERTY COVERAGE FORM

SECTION II – EXCLUSIONS AND LIMITATIONS is amended to include the following:

Terrorism

It is understood and agreed that there shall be no coverage under this Coverage Form for any loss or damage resulting from, based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving "terrorism", including but not limited to any contemporaneous or ensuing loss caused by fire, looting or theft.

For purposes of this endorsement, "terrorism" means the use or threat of use of force or violence; or commission or threat of a dangerous act; or commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system when one or both of the following applies: the effect is to intimidate or coerce a government or the civilian population or any segment of the economy; or 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. For purposes of this endorsement, "terrorism" also means any "Certified Act of Terrorism" as defined in Section 102(1) of the Terrorism Risk Insurance Act, as amended.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

EARTHQUAKE – VOLCANIC ERUPTION COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY.

PLEASE READ IT CAREFULLY.

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
PROPERTY COVERAGE FORM**

It is agreed that **SECTION II – EXCLUSIONS AND LIMITATIONS A.1.a.** is hereby deleted.

For purposes of this Endorsement, the following Exclusions apply:

1. We will not pay for loss or damage caused directly or indirectly by tidal wave or tsunami, even if attributable to an Earthquake or Volcanic Eruption.
2. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.

The most we will pay for loss or damage resulting from earthquake and volcanic eruption for coverage provided by this endorsement is **\$408,500** each occurrence and **\$408,500** aggregate.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

COMMERCIAL GENERAL LIABILITY COVERAGE FORM SUPPLEMENTAL DECLARATIONS

NAMED INSURED: Last Dollar PUD Association	POLICY NUMBER: 5105-1694-07
	EFFECTIVE DATE: 1/1/2022

THIS COVERAGE FORM AND ENDORSEMENTS MAY PROVIDE COVERAGE ON A CLAIMS MADE BASIS. PLEASE READ THE ENTIRE COVERAGE FORM AND ENDORSEMENTS CAREFULLY.

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

LIMITS OF INSURANCE

General Aggregate Limit (Bodily Injury, Property Damage & Medical Expenses)	\$	3,000,000
Products/Completed Operations Aggregate Limit	\$	3,000,000
Personal and Advertising Injury Limit	\$	1,000,000
Each Occurrence Limit	\$	1,000,000
Damage to Premises Rent to You Limit	\$	1,000,000 Any One Premises
Medical Expenses Limit	\$	10,000 Any One Person

ADDITIONAL LIABILITY COVERAGES

Employee Benefit Plans	Occurrence Form
Each Employee	\$ N/A
Aggregate Limit	\$ N/A
Retroactive Date	N/A

Hired and Non-Owned Auto Liability Coverage

Aggregate Limit	\$ 1,000,000
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FORMS AND ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

WA-GL 00002 00 (07/15)
WA-GL 00003 00 (03-12)
WA-GL 00006 00 (03/12)
WA-GL 00013 00 (03/12)
WA-GL 00014 00 (03/12)
WA-GL 00018 00 (03/12)
WA-GL 00023 00 (03/12)
WA-GL 00037 05 (03/12)
WA-GL 00038 05 (03/12)
WA-GL 00044 00 (01/13)
WA-GL 00051 00 (08/16)
CG 21 32 05 09

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Dam, Reservoir or Levee Structural Failure or Collapse Schedule of Covered Structures		
NPDP ID	Dam, Reservoir or Levee Name	Location


In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.



President



Secretary



AUTHORIZED REPRESENTATIVE

COMMERCIAL GENERAL 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 Coverage Form 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 Coverage Form. The words “we,” “us” and “our” refer to the company providing this insurance. The words “policy period” mean the term of duration of the policy shown in the Declarations.

The word “insured” means any person or organization qualifying as such under **Section II. – Who Is An Insured**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **Section V. – Definitions**.

SECTION I. – COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of “bodily injury” or “property damage” to which this insurance applies. We will have the right and duty to defend the insured against any “suit” seeking those damages. However, we will have no duty to defend the insured against any “suit” seeking damages for “bodily injury” or “property damage” to which this insurance does not apply. We may, at our discretion, investigate any “occurrence” and settle any claim or “suit” that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III – 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 **Coverages A, B** or medical expenses under **Coverage C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**.

- b. This insurance applies to “bodily injury” or “property damage” only if:
- (1) The “bodily injury” or “property damage” is caused by an “occurrence” arising out of your operations that takes place in the “coverage territory”;
 - (2) The “bodily injury” or “property damage” occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1., Paragraph 2.a., or Paragraph 2.f. of **SECTION II. – WHO IS AN INSURED** and no “employee” authorized by you to give or receive notice of an “occurrence” or claim, knew or had reason to know that the “bodily injury” or “property damage” had occurred in whole or in part. If such a listed insured or authorized “employee” knew or had reason to know, prior to the policy period, that the “bodily injury” or “property damage” occurred in whole or in part, then any continuation, change or resumption of such “bodily injury” or “property damage” during or after the policy period will be deemed to have been known to have occurred prior to the policy period.
- c. “Bodily injury” or “property damage” which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1., Paragraph 2.a., or Paragraph 2.f. of **SECTION II. – WHO IS AN INSURED** or any “employee” authorized by you to give or receive notice of an “occurrence”, or claim, includes any continuation, change or resumption of that “bodily injury” or “property damage” after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred when any insured listed under Paragraph 1., Paragraph 2.a., or Paragraph 2.f. of **SECTION II – WHO IS AN INSURED** or any insured authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".
- f. The insurance provided under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is extended to apply to "bodily injury" or "property damage" arising out of your "water or wastewater professional activity". An act, error or omission arising out of your "water or wastewater professional activity" shall be considered one "occurrence".

2. Exclusions Applicable to Coverage A

This insurance does not apply to:

a. Aircraft, Auto or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto", or watercraft owned or operated by, or rented or loaned to any insured. 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 "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) An aircraft with a maximum passenger capacity of twenty (20) persons (including crew) that you do not own used solely for business travel of employees.
- (2) A watercraft while ashore on premises you own or rent;
- (3) A watercraft you do not own that is:
 - (a) Less than 26 feet long
 - (b) Not being used to carry persons or property for a charge
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) A watercraft you own that is:
 - (a) Powered by a motor or combination of motors of 250 horsepower or less;
 - (b) Not powered by a motor; or
 - (c) A "personal watercraft";
- (6) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured; or
- (7) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

b. Asbestos

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

This exclusion does not apply to "bodily injury" or "property damage" arising out of "potable water" which you supply to others.

c. Contractual Liability

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs or takes place subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage" provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

d. Dam, Reservoir or Levee Structural Failure or Collapse

"Bodily injury" or "property damage", loss, costs or expense arising directly or indirectly out of the structural failure, collapse, bursting, flooding, cracking, settling, seepage, underseepage, spillage, subsidence, landslide or other earth movement of any dam, reservoir, levee, or dike owned, operated, maintained, constructed or controlled by any insured.

This exclusion does not apply to "bodily injury" or property damage", loss, costs or expense arising directly or indirectly out of the structural failure, collapse, bursting, flooding, cracking, settling, spillage, subsidence, landslide or other earth movement of any dam, reservoir, levee or dike which is scheduled in the coverage declarations.

e. Damage to Impaired Property or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

f. Damage to Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented or loaned to you for a period of 30 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **SECTION III. – LIMITS OF INSURANCE.**

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

g. Damage to Your Product

"Property damage" to "your product" arising out of it or any part of it.

h. Damage to Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

i. Distribution of Material in Violation of Statutes

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

j. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

k. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of or in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's operations;
- (2) A "volunteer worker", if you provide or are required to provide benefits for such "volunteer worker" under any workers' compensation, disability benefits, or unemployment compensation law, or any similar law; or
- (3) The spouse, child, parent, brother or sister of that "employee" or "volunteer worker" as a consequence of (1) or (2) above.

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 exclusion does not apply to liability assumed by the insured under an "insured contract".

l. Employment Practices and Employee Benefit Plans

"Bodily injury" or "property damage" arising out of your "employment practices" or "administration" of your "employee benefit plans".

m. Expected or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" or "property damage" resulting from reasonable force to protect persons or property.

n. Fungi or Bacteria

- (1) Any injury or damage which would not have occurred or taken place, 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.
- (2) 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.
- (3) This exclusion does not apply:
 - (a) To any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or
 - (b) To any injury or damage arising out of or caused by your water or waste water treatment process or sewage operations.

o. Lead, Electromagnetic Radiation, Nuclear

- (1) Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to:
 - (a) The toxic properties of lead, or any material or substance containing lead with the exception of "potable water" which you supply to others; or
 - (b) Electromagnetic radiation; or exposure thereto, or for the costs of abatement, mitigation, removal, elimination, or disposal of any of them.
- (2) Any loss, cost or expense arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

p. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition or stunting activity.

q. Personal and Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

r. Pollution

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous.

Environment includes any air, land, structure (or the air within), watercourse or other body of water, including underground water.

- (1) This exclusion does not apply:

- (a) To "bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and is 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.
- (b) To "bodily injury" or "property 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 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 other 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" except to the extent coverage is provided in Paragraph (c) below.
- (c) To "bodily injury" or "property damage" which occurs or takes place as a result of your operations provided the "bodily injury" or "property damage" is not otherwise excluded in whole or in part and arises out of the following:
 - (i) "Potable water" which you supply to others;
 - (ii) Chemicals you use in your water or wastewater treatment process;
 - (iii) Natural gas or propane gas you use in your water or wastewater treatment process;

- (iv) Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - (v) Your application of pesticide or herbicide if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - (vi) Smoke drift from controlled or prescribed burning that has been authorized and permitted by the respective regulatory agency.
 - (vii) Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, but only if:
 - (a) The fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them; and
 - (b) The fuels, lubricants or other operating fluids are not:
 - (i) Intentionally discharged; or
 - (ii) Brought on or to a premises, site or location with the intent to be discharged as part of the operations being performed by an insured, contractor or subcontractor.
 - (d) "Bodily Injury" and "property damage" arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" if such "bodily injury" or "property damage" is sudden and accidental and neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks; or
- Paragraph (1)(c) and (1)(d) of this exclusion only apply if the discharge is accidental, unintended and stopped as soon as possible. The entirety of any discharge or series of related discharges will be deemed a single discharge regardless of the length of time over which the "pollutants" are released. The entirety of any discharge or series of related discharges will be deemed to have only occurred at the date the earliest discharge commenced.
- (e) To "bodily injury" or to "property damage" if such "bodily injury" or "property damage" is caused by the escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if "property damage" occurs away from land you own or lease.
- (2) This insurance does not apply to 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".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

Discharge as used in this exclusion includes dispersal, seepage, migration, release or escape.

s. Professional Services

Any liability arising out of any act, error, omission, malpractice or mistake of a professional nature committed by the insured or any person for whom the insured is legally responsible. It is understood 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.

However, this exclusion does not apply to "bodily injury" or "property damage" arising out of your "water or wastewater professional activities".

t. Public Use of Property

"Bodily injury" or "property damage" arising out of the principles of eminent domain, condemnation, inverse condemnation or adverse possession.

u. Recall of Products, Work or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

v. Riot, Civil Commotion or Mob Action

"Bodily injury" or "property damage" arising out of:

- (1) Riot, civil commotion or mob action; or
- (2) Any act or omission in connection with the prevention or suppression of a riot, civil commotion or mob action.

w. Sexual Abuse

"Bodily injury" arising out of the "sexual abuse" of any person. However, this exclusion shall not apply to the Named Insured if no elected or appointed official, "executive officer", officer, director, or trustee of the Named Insured knew or had reason to know of the "sexual abuse". Also, we will defend an insured for covered civil action subject to the other terms of this Coverage Form until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

x. Specific Operations

"Bodily injury" or "property damage" arising from the ownership, operation, maintenance, entrustment to others, or use of any:

- (1) Gas or electric generation facility; or
- (2) Sanitary landfill, dump, or other permanent waste disposal facility.

y. War

- (1) "Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:
- (2) War, including undeclared or civil war;
- (3) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (4) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

z. Workers' Compensation and Similar Laws

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

aa. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

Exclusions a. through c., e. through m., and o. through z., do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III. – LIMITS OF INSURANCE**.

COVERAGE B. PERSONAL AND ADVERTISING INJURY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III. – LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Coverages A or B** or medical expenses under **Coverage C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**.

- b. This coverage applies to "personal and advertising injury" only if:

- (1) The "personal and advertising injury" is caused by an offense arising out of your operations; and
- (2) The offense is committed in the "coverage territory" during the policy period.

2. Exclusions Applicable to Coverage B

This insurance does not apply to:

a. Asbestos

Any injury, damage, expense, cost, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials, or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

b. Breach of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

c. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Distribution of Material in Violation of Statutes

- (1) "Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:
- (2) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (3) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (4) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communication or distribution of material or information.

f. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

g. Employment Practices and Employee Benefit Plans

"Personal and advertising injury" arising out of your "employment practices" or "administration" of your "employee benefit plans".

h. Fungi or Bacteria

- (1) Any injury which would not have occurred or taken place, 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.
- (2) 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".

i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds in Media and Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 18.a. b., and c. of “personal and advertising injury” under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Knowing Violation of the Rights of Another

“Personal and advertising injury” caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict “personal and advertising injury”.

l. Lead, Electromagnetic Radiation, Nuclear

(1) Any injury, expense, cost, loss, liability or legal obligation arising out of or in any way related to:

(a) The toxic properties of lead, or any material or substance containing lead; or

(b) Electromagnetic radiation;

or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

(2) Any loss, cost or expense arising out of any actual, alleged or threatened injury to any person or property from any radioactive matter or nuclear material.

m. Material Published Prior to Policy Period

“Personal and advertising injury” arising out of the oral or written publication of material whose first publication took place before the beginning of the policy period.

n. Material Published with Knowledge of Falsity

“Personal and advertising injury” arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

o. Pollution

“Personal and advertising injury” arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water.

p. Pollution Related

Any loss, cost or expense arising out of any:

(1) 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

(2) 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”.

q. Professional Services

Any liability arising out of any act, error, omission, malpractice or mistake of a professional nature committed by the insured or any person for whom the insured is legally responsible. It is understood 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.

r. Public Use of Property

"Personal and advertising injury" arising out of the principles of eminent domain, condemnation, inverse condemnation or adverse possession.

s. Quality or Performance of Goods – Failure to Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

t. Sexual Abuse

"Personal and advertising injury" arising out of the "sexual abuse" of any person.

u. Specific Operations

"Personal and advertising injury" arising from the ownership, operation, maintenance, entrustment to others, or use of any:

- (1) Gas or electric generation facility; or
- (2) Sanitary landfill, dump, or other permanent waste disposal facility.

v. Unauthorized Use of Another's Name or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

w. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

x. Wrong Description of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

COVERAGE C. MEDICAL EXPENSE

1. Insuring Agreement

- a.** At your written request, we will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent;
- (3) On that portion of a right-of-way, easement, or similar interest in property, which you do not own or rent, upon which water, sewer, or other utility fixtures are installed as part of your operations, including any surface feature which directly results from the presence of such water, sewer or other utility fixture, but does not include any other portion of a right of-way, easement or similar interest in property; or
- (4) Because of your operations;

provided that:

- (a) The accident takes place in the “coverage territory” and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions Applicable to Coverage C

We will not pay medical expenses for “bodily injury”:

a. Any Insured

To any insured, except “volunteer workers” not performing an “emergency service activity” or a “law enforcement activity”.

b. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

c. Coverage A Exclusions

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**

d. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

e. Injury on Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

f. Products – Completed Operations Hazard

Included within the “products-completed operations hazard”.

g. Workers’ Compensation and Similar Laws

To a person, whether or not an “employee” of any insured, if benefits for the “bodily injury” are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any “suit” against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as **SUPPLEMENTARY PAYMENTS**. Notwithstanding the provisions of Paragraph 2.c.(2) of **COVERAGE A**, such payments will not be deemed to be damages and will not reduce the limits of insurance.

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

- (1) We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- (2) The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II. – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business. However, if you are a public entity, you are insured as a partner in a partnership or as a joint venturer in a joint venture, but only if the partnership or joint venture is between you and another governmental organization or non-profit entity. Coverage does not extend to a partnership or joint venture that operates, controls, or funds a gas or electric generation facility.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your “executive officers” and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A public entity, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are insureds, provided that you operate, control and fund the authority, board, commission, district or other governmental unit. Coverage does not extend to an authority, board, commission, district or other governmental unit that operates, controls, or funds a gas or electric generation facility.
 - f. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
 - a. **Elected or Appointed Officials.** Your elected and appointed officials, including elected and appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the insured public entity or its operating authorities, boards, commissions, districts or other governmental units.
 - b. **“Volunteer Workers” or “Employees”.** Your “volunteer workers” only while performing duties related to the conduct of your operations, or your “employees”, other than either your “executive officers” (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your operations. However, none of these “employees” or “volunteer workers” are insureds for:
 - (1) “Bodily injury” or “personal and advertising injury”:
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-“employee” while in the course of his or her employment or performing duties related to the conduct of your operations, or to your other “volunteer workers” while performing duties related to the conduct of your operations;
 - (b) To the spouse, child, parent, brother or sister of that co-“employee” or “volunteer worker” as a consequence of Paragraph (1)(a) above; or

- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above.
- (2) "Property damage" to property:
 - (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- c. Real Estate Managers.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- d. Temporary Custodians.** Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
- e. Legal Representatives.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Form.
- f. Mutual Aid Agreements.** Any persons or organizations providing service to you under any mutual aid or similar agreement, but only for acts within the scope of that mutual aid or similar agreement.
- g. Good Samaritans.** "Employees" and "volunteer workers" while acting as a Good Samaritan independently of his or her activities on your behalf, but only when he or she encounters the scene of an emergency requiring sudden action. In no event will such person who responds to the scene of an emergency with or for any other emergency service organization be an insured.
- h. Owners of Commandeered Equipment.** The owner of commandeered equipment other than an "auto" is an insured while the equipment is in your temporary care, custody or control.
- i. Lessors of Equipment**
 - (1) Persons or organizations from whom you lease equipment are insureds; but they are insureds only with respect to the maintenance or use by you of such equipment and only if you are contractually obligated to provide them with such insurance as is afforded by this contract.
 - (2) However, no such person or organization is an insured with respect to any:
 - (a) damages resulting from their sole negligence; or
 - (b) "occurrence" that occurs, or offense that is committed, after the equipment lease ends.
- j. Blanket Additional Insureds.** Any person or organization required to be an additional insured under an "insured contract", if agreed to by you prior to the "bodily injury", "property damage", or "personal and advertising injury", caused in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - (1) In the performance of your operations; or
 - (2) In connection with premises owned or rented by you.
- 3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:**
 - a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

- b. **COVERAGE A** does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization; and
- c. **COVERAGE B** does not apply to “personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III. – 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
 - c. Persons or organizations making claims or bringing “suits”.
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under **COVERAGE C**;
 - b. Damages under **COVERAGE A**, except damages because of “bodily injury” or “property damage” included in the “products-completed operations hazard”; and
 - c. Damages under **COVERAGE B**.
3. The Products - Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A** for damages because of “bodily injury” and “property damage” included in the “products-completed operations hazard”.
4. Subject to Paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B** for the sum of all damages because of all “personal and advertising injury” sustained by any one person or organization.
5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under **COVERAGES A** and
 - b. Medical expenses under **COVERAGE C**;
because of all “bodily injury” or “property damage” arising out any one “occurrence”.
6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under **COVERAGE A** for damages because of “property damage” to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under **COVERAGE C** for all medical expenses because of “bodily injury” sustained by any one person.

The Limits of Insurance of this Coverage Form 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.

SECTION IV. – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

1. Bankruptcy

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

2. Duties in the Event of an Occurrence, Offense, Claim or Suit

- a.** You must see to it that we are notified as soon as practicable of an "occurrence", or an offense which may result in a claim or "suit". To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense 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 "occurrence" or offense.
- 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 practicableYou must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c.** You and any other involved insured 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.
- e.** If you report an "occurrence" or offense, to an insurer providing other than General Liability insurance, which later develops into a General Liability claim covered under this Coverage Form, failure to report such "occurrence" or offense to us at the time of the "occurrence" or offense shall not be deemed in violation of these conditions. However, you shall give notification to us, as soon as is reasonably possible, that the "occurrence" or offense is a General Liability claim.
- f.** Knowledge of an "occurrence" or offense by any of your agents, "volunteer workers" or "employees" shall not constitute knowledge by you unless one of your officers or anyone responsible for administering your insurance program has received a notification from the agent, "volunteer worker" or "employee".

3. Legal Action Against Us

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

- 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 Form 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 Form 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 and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured, other than “volunteer workers”, “employees”, elected or appointed officers, directors, commissioners, trustees, or owners of commandeered equipment, for a loss we cover under **COVERAGES A or B** of this form, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

- (i) That is fire, extended coverage, builder's risk, installation risk or similar coverage for “your work”;**
- (ii) That is fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;**
- (iii) That is insurance purchased by you to cover your liability as a tenant for “property damage” to premises rented to you or temporarily occupied by you with permission of the owner;**

- (iv) That is insurance covering your liability for “bodily injury” or “property damage” arising out of the igniting or discharging of fireworks, including but not limited to firecrackers, aerial or ground displays, in conjunction with any demonstration or show conducted or sponsored by you. However, this coverage shall not be excess should the “bodily injury” or “property damage” result from an emergency response you provide in response to an emergency arising out of fireworks;**

- (vi) If the loss arises out of the maintenance or use of aircraft or watercraft to the extent not subject to exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**;**

- (vii) That is liability insurance available to an independent commission, board, or authority or to an individual serving on such independent commission, board, or authority at your request;**

- (viii) That is liability insurance available to participants in a mutual aid or similar agreement; or**

- (ix) That is liability insurance available to a partnership or joint venture.**

- (b) Any other primary insurance, including pools or self-insurance, covering your liability for damages arising out of the premises or operations or the products completed operations, for which you have been added as an additional insured.**

(2) When this insurance is excess, we will have no duty under **COVERAGES A or B to defend the insured against any “suit” if any other insurer has a duty to defend the insured against that “suit”. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.**

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (ii) The total of all deductible and self-insured amounts under all that other insurance.
- (4) We will share the remaining loss, if any, with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the limits of insurance shown in the Declarations of this Coverage Form.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Representations

By accepting this policy, you agree:

- a. The information in the Declarations is accurate and complete;
- b. The information is based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

Your failure to disclose all hazards existing as of the inception date of the policy shall not prejudice you with respect to the coverage afforded, provided such failure or omission is not intentional. This Coverage Form is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented.

6. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Form to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

7. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

8. When We Do Not Renew

If we decide not to renew this Coverage Form, 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 V. – DEFINITIONS

- 1. "Administration" means any of the following acts that you do or authorize a person to do:
 - a. Counseling "employees" or "volunteer workers", other than giving legal advice, on "employee benefit plans";
 - b. Interpreting your "employee benefit plans";
 - c. Handling records for your "employee benefit plans"; and

- d. Effecting enrollment, termination or cancellation of “employees” or “volunteer workers” under your “employee benefit plans”.
- 2. “Advertisement” means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- 3. “Auto” means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. However, “auto” does not include “mobile equipment”.
- 4. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 5. “Coverage territory” means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) “Personal and advertising injury” offenses that take place through the Internet or similar electronic means of communication provided the insured's responsibility to pay damages is determined in a “suit” on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
- 6. “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker”.
- 7. “Employee benefit plans” means a formal program or programs of employee benefits you maintain, such as group life insurance plans, group accident or health insurance plans, savings plans, or vacation plans, provided that no one other than an “employee” or “volunteer worker” or their dependents may subscribe to or benefit from such plans. This term also includes unemployment insurance, social security, workers' compensation, statutory disability benefits, or similar statutorily required plans.
- 8. “Employment practices” means an actual or alleged improper employment related practice, policy, act or omission involving an actual, prospective, or former “volunteer worker” or “employee”, including:
 - a. Failing to hire or refusing to hire;
 - b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;
 - c. Wrongful deprivation of a career opportunity, or failure to promote;
 - d. Wrongful discipline of “volunteer workers” or “employees”;
 - e. Negligent evaluation of “volunteer workers” or “employees”;

- f. Retaliation against “volunteer workers” or “employees” for the exercise of any legally protected right or for engaging in any legally protected activity;
 - g. Failure to adopt adequate workplace or employment-related policies and procedures;
 - h. Harassment, including “sexual harassment”; or
 - i. Violation of any federal, state or local laws (whether common law or statutory) concerning employment or discrimination in employment.
9. “Executive Officer” means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. “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”.
11. “Hostile fire” means one which becomes uncontrollable or breaks out from where it was intended to be.
12. “Impaired property” means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:
- a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by the repair, replacement, adjustment or removal of “your product” or “your work” or your fulfilling the terms of the contract or agreement.
13. “Insured contract” means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an “insured contract”;
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your operations (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for “bodily injury” or “property damage” to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for “bodily injury” or “property damage” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional

services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your operations. "Leased worker" does not include a "temporary worker".

15. "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 aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" 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 aircraft, watercraft or "auto".

16. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

17. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
18. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. 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;
 - d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication in any manner of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
19. "Personal watercraft" means a vessel you own, rent, or borrow which uses an inboard motor powering a water jet pump as its primary source of motive power, and which is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel.
20. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
21. "Potable water" means water intended and provided for human consumption.
22. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 - b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

23. "Property damage" means:

- a.** Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

24. "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation, or sexual injury, but does not include "sexual harassment".

25. "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury, but only when:

- a.** Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
- b.** Such conduct has the purpose or effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.

26. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal and advertising injury", "medical incident", "law enforcement wrongful act", or a "water or wastewater professional activity" to which this insurance applies are alleged. "Suit" includes:

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b.** Any other civil alternative dispute resolution proceeding in which such damages is claimed and to which the insured submits with our consent.

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

28. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

29. "Water or wastewater professional activity" means an act, error or omission which arises from your activities as a water or wastewater district, water utility, or any other entity whose primary duty is the treatment and distribution of "potable water", or the collection and treatment of wastewater.

30. "Your product" means:

- a.** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b.** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your product”; and
- b. The providing of or failure to provide warnings or instructions.

“Your product” does not include vending machines or other property rented to or located for the use of others but not sold.

31. “Your work” means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

“Your work” includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your work”; and
- b. The providing of or failure to provide warnings or instructions.

ADDITIONAL INSURED – AUTOMATIC
THIS ENDORSEMENT CHANGES THE COVERAGE FORM.
PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION II. – WHO IS AN INSURED is amended to include as an insured any person or organization but only with respect to the following:

- A.** Liability for “bodily injury”, “property damage”, or “personal and advertising injury” caused , in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:
 - 1. in the performance of your ongoing operations; or
 - 2. in connection with premises owned by or rented to you;
- B.** Liability arising out of the ownership, maintenance or use of premises leased to you and subject to the following additional exclusions:
 - 1. any “occurrence” which takes place after you cease to be a tenant at that premises.
 - 2. structural alterations, new construction or demolition operations performed by or on behalf of the person or organization you have leased from.

FELLOW EMPLOYEE

THIS ENDORSEMENT CHANGES THE COVERAGE FORM.

PLEASE READ IT CAREFULLY.

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Paragraph **2.b.(1)** of **SECTION II. – WHO IS AN INSURED** is replaced by the following:

(1) “Bodily injury” or “personal and advertising injury”:

- (a) To you, to your partners or members (if you are a partnership or joint venture), or to your members (if you are a limited liability company);
- (b) To the brother, child, parent, sister or spouse of such injured person as a consequence of any “injury” described in subparagraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (1)(b) above.
- (d) Arising out of his or her providing or failing to provide professional health care services.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**AMENDMENT – AGGREGATE LIMITS OF INSURANCE
(PER LOCATION)**

THIS ENDORSEMENT CHANGES THE COVERAGE FORM.

PLEASE READ IT CAREFULLY.

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The General Aggregate Limit under **SECTION III. – LIMITS OF INSURANCE** applies separately to each of your “locations” owned by or rented to you.

For the purpose of this endorsement only, “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.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

HIRED AUTO AND NON-OWNED AUTO LIABILITY

THIS ENDORSEMENT CHANGES THE COVERAGE FORM.

PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING: COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following coverage is added, all other terms and conditions remain as is unless otherwise stated in this endorsement.

A. HIRED AUTO AND NON-OWNED AUTO LIABILITY

The insurance provided under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** applies to "bodily injury" or "property damage":

1. Arising out of the maintenance or use of a "hired auto", or
2. Arising out of the use of a "non-owned auto", by you or your "employees" or "volunteer workers" in the course of your operations. Use includes operation and "loading and unloading".

B. With respect to the insurance provided by this endorsement:

1. The following exclusions in paragraph 2. **Exclusions Applicable to Coverage A** do not apply: Contractual Liability; Employer's Liability; Aircraft, Auto or Watercraft; Mobile Equipment; Damage To Property; and Liquor Liability.
2. The following exclusions are added to paragraph 2. **Exclusions Applicable to Coverage A**: This insurance does not apply to:

- a. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

b. "Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:

- (a) Employment by the insured; or
- (b) Performing duties related to your operations; or

- (2) Your "volunteer worker"; or

- (3) The spouse, child, parent, brother or sister of that "employee" or "volunteer worker" as a consequence of paragraph (1) or (2) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay the damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

- c. "Property damage" to:
 - (1) Property owned or being transported by, or rented or loaned to the insured; or
 - (2) Property in the care, custody or control of the insured.
 - d. "Bodily injury" or "property damage" resulting from the handling of property:
 - (1) Before it is moved from the place where it is accepted by the insured for movement into or onto the "hired auto" or "non-owned auto"; or
 - (2) After it is moved from the "hired auto" or "non-owned auto" to the place where it is finally delivered by the insured.
 - e. "Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the "hired auto" or "nonowned auto".
- C. For the purposes of this endorsement only, **SECTION II. – WHO IS AN INSURED** is replaced by the following:
- Each of the following is an insured under this insurance to the extent set forth below:
- 1. You.
 - 2. With respect to a "non-owned auto", any partner or "executive officer" of yours, but only while the "non-owned auto" is being used in your operations.
 - 3. Any other person or organization while using a "hired auto" or a "non-owned auto" with your permission, but only if their use is within the scope of your permission. With respect to "loading and unloading", only you or your "employees" or "volunteer workers" are insured.
 - 4. Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under paragraphs 1., 2. or 3. above.
- None of the following is an insured:
- 1. Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" or co-"volunteer worker" of such person injured in the course of employment.
 - 2. If you are an individual, you with respect to any "auto" owned by you or a member of your household.
 - 3. Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household.
 - 4. Any person while employed in or otherwise engaged in performing duties related to the conduct of an "auto business", other than an "auto business" you operate.
 - 5. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "nonowned auto" or any agent or "employee" of any such owner or lessee.
 - 6. Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.
- D. The following changes apply to **SECTION III. – LIMITS OF INSURANCE**
- 1. Subparagraph 2.b. is amended to read:
 - b. Damages under **COVERAGE A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard, and the **HIRED AUTO AND NON-OWNED AUTO LIABILITY COVERAGE**.
 - 2. Subparagraph 5.a. is amended to read:
 - a. Damages under **COVERAGE A** and the **HIRED AUTO AND NON-OWNED AUTO LIABILITY COVERAGE** and

- E. For the purposes of this endorsement only, the definition of "insured contract" in **SECTION V. – DEFINITIONS** is amended by the addition of the following:

"Insured contract" means that part of any contract or agreement entered into, as part of your operations, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

- F. For the purposes of this endorsement only, the following are added to **SECTION V. – DEFINITIONS**:

1. "Auto business" means the business or occupation of selling, repairing, servicing, storing, or parking "autos".
2. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your "volunteer workers", your partners or your "executive officers", or members of their households.
3. "Non-owned auto" means any "auto" you do not own, lease, hire, rent, or borrow which is used in connection with your operations. This includes "autos" owned by your "employees", your "volunteer workers", your partners or your "executive officers", or members of their households, but only while used in your operations.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

EXCLUSION OF TERRORISM

THIS ENDORSEMENT CHANGES THE POLICY.

PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES THE INSURANCE PROVIDED UNDER THE FOLLOWING: COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. The following **DEFINITIONS** are added and apply under this endorsement wherever the term terrorism or the phrase any injury or damage, are 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.

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

B. The following **EXCLUSION** is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any 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 Paragraphs **B.5.** or **B.6.** are exceeded.

With respect to this Exclusion, Paragraphs **B.5.** and **B.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.

In the event of any incident of "terrorism" that is not subject to this Exclusion, coverage does not apply to "any injury or damage" that is otherwise excluded under this Coverage Part.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

COLORADO CHANGES – EMPLOYEE BENEFITS LIABILITY COVERAGE

THIS ENDORSEMENT CHANGES THE COVERAGE FORM.

PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING: EMPLOYEE BENEFITS LIABILITY COVERAGE ENDORSEMENT

For the purposes of the coverage provided by Employee Benefits Liability Coverage Endorsement **CG 04 35**, the following condition is added and supersedes any provision to the contrary:

Your Right To Claim And Act, Error Or Omission Information

We will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding Employee Benefits Liability Coverage Endorsement we have issued to you during the previous three years:

- a.** A list or other record of each act, error or omission, not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of the Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit" condition (Paragraph **E.**). We will include the date and brief description of the act, error or omission if that information was in the notice we received.
- b.** A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

If we cancel or elect not to renew the Employee Benefits Liability Coverage Endorsement, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named Insured within 60 days after the end of the policy period. In this case, we will provide this information within 30 days of receipt of the request.

We compile "claim" and acts, errors or omissions information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective, even if we inadvertently provide inaccurate information.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

COLORADO CHANGES – POLLUTION LIABILITY CONDITIONS

**THIS ENDORSEMENT CHANGES THE COVERAGE FORM.
PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
POLLUTION LIABILITY COVERAGE PART**

The following Condition is added to Section **IV. – Pollution Liability Conditions:**

Your Right To A Pollution Incident, Claim Or Suit Information

We will provide the first Named insured shown in the Declarations the following information relating to this and any preceding Pollution Liability Coverage Part we have issued to you during the previous three years:

- a.** A list or other record of each "pollution incident" not previously reported to any other insurer, of which we were notified in accordance with paragraph **2.a.** of the Duties In The Event Of A Pollution Incident, Claim Or Suit condition (Section **IV.**). We will include the date and brief description of the "pollution incident" if that information was in the notice we received.
- b.** A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

If we can cancel or elect not to renew this Coverage Part, we will provide such information no later than 30 days before the date of policy termination. In other circumstances, we will provide this information only if we receive a written request from the first Named insured within 60 days after the end of the policy period. In this case, we will provide the information within 30 days of receipt of the request.

We compile "pollution incident" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**DEDUCTIBLE LIABILITY INSURANCE
EXCLUDING LOSS ADJUSTMENT EXPENSE
THIS ENDORSEMENT CHANGES THE COVERAGE FORM.
PLEASE READ IT CAREFULLY.**

**THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

SCHEDULE

Coverage	Amount of Deductible Per Occurrence Or Offense
Coverage A. & B.	\$1,000

If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.

- A.** Our obligation to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** The deductible amount stated in the Schedule above applies under Coverages A and B to all damages because of "bodily injury" and "property damage" liability and "personal and advertising liability" combined, as a result of the same or related "occurrence" or offense regardless of the number of persons or organizations who sustain damages because of that "occurrence". The deductible will not be reduced by the payment of "loss adjustment expense".
- C.** The terms of this insurance, including those with respect to:
1. Our right and duty to defend the insured against any "suits" seeking those damages; and
 2. Your duties in the event of an "occurrence", offense, claim, or "suit"
- apply irrespective of the application of the deductible amount.
- D.** We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

For the purposes of this endorsement "loss adjustment expense" are those expenses incurred to adjust a claim which include fees paid to attorneys, experts, investigators or independent adjusters used to defend a claim and other court costs such as legal fees, etc. It does not include the cost of our salaried claims staff or their office expenses.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

EXCLUSION – ACCESS TO OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION, DATA-RELATED LIABILITY AND INTERNET

THIS ENDORSEMENT CHANGES THE POLICY.

PLEASE READ IT CAREFULLY.

It is hereby agreed that the insurance afforded under this policy does not apply to bodily injury, property damage, or personal and advertising injury, or any other liability, loss, injury, damage, cost or expense arising out of:

1. any actual, alleged or potential access to, disclosure of, failure to keep secure or unauthorized use of, any person's or organization's confidential business or personal information, including but not limited to patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information;
2. the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data;
3. the functioning or non-functioning or availability or unavailability of: the internet or similar facility; any intranet or private network or similar facility; or any website, search engine, portal or similar third party application service; or
4. any act, error or omission in violation of any law or regulation of the United States or any other country associated with the confidentiality, security, protection, control and use of confidential business or personal information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the insured or others arising out of that which is described in subparagraphs 1., 2., 3. or 4. above.

As used in this endorsement, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

To the extent any provision of this endorsement conflicts with any provision of this policy or any of its other endorsements, the provisions of this endorsement will supersede.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions** of Section I – **Coverage A – Bodily Injury And Property Damage Liability**:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property 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.

- B.** The following exclusion is added to Paragraph 2. **Exclusions** of Section I – **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" 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.

**PUBLIC OFFICIALS AND MANAGEMENT LIABILITY
WITH EMPLOYMENT PRACTICES AND EMPLOYEE BENEFITS
COVERAGE FORM (OCCURRENCE)
SUPPLEMENTAL DECLARATIONS**

NAMED INSURED: Last Dollar PUD Association	POLICY NUMBER: 5105-1694-07
	EFFECTIVE DATE: 1/1/2022

THIS COVERAGE FORM PROVIDES COVERAGE ON AN OCCURRENCE BASIS FOR WRONGFUL ACTS OR OFFENSES THAT TAKE PLACE DURING THE POLICY PERIOD. DEFENSE EXPENSES PAID UNDER COVERAGE A, ARE PAID IN ADDITION TO THE LIMITS OF LIABILITY. DEFENSE EXPENSES PAID UNDER COVERAGE B, WILL REDUCE AND MAY EXHAUST THE LIMITS OF LIABILITY AVAILABLE TO PAY LOSS. DEFENSE EXPENSES ARE APPLIED AGAINST THE DEDUCTIBLE.

LIMITS OF INSURANCE

Coverage A.		
Wrongful Acts	\$ 1,000,000	Each Wrongful Act
Employment Practices	\$ N/A	Each Offense
Employee Benefit Plans	\$ N/A	Each Offense
Coverage A. Deductible	\$ 5,000	Each Wrongful Act or Offense
Coverage B.		
Injunctive Relief	\$ 5,000	Each Action for Injunctive Relief
All Coverages Aggregate Limit	\$ 3,000,000	In the Aggregate for all Wrongful Acts and Offenses, and all Actions for Injunctive Relief, under Coverage A and Coverage B

Retroactive Date	N/A
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ENDORSEMENTS ATTACHED TO THIS POLICY:

WA-PO 00002 00 (07/15)
WA-PO 00005 00 (03/12)
WA-PO 00014 00 (03/12)
WA-PO 00029 00 (08/16)

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.



President



Secretary



AUTHORIZED REPRESENTATIVE

PUBLIC OFFICIALS AND MANAGEMENT LIABILITY WITH EMPLOYMENT PRACTICES and EMPLOYEE BENEFITS COVERAGE FORM (OCCURRENCE)

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 Coverage Form 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 Coverage Form. 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 **SECTION III. – WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION VII. – DEFINITIONS**.

SECTION I. – COVERAGES

COVERAGE A. INSURING AGREEMENT - LIABILITY FOR MONETARY DAMAGES

1. We will pay those sums that the insured becomes legally obligated to pay as “damages” arising out of a “claim” for:

- a. a “wrongful act,” or
- b. an “employment practices” offense, or
- c. an offense in the “administration” of your “employee benefit plans”

to which this insurance applies.

We will have the right and duty to defend any “claim” seeking those “damages”. However, we will have no duty to defend any “insured against any “claim” seeking “damages” for a “wrongful act” or an “employment practices” offense or an offense in the “administration” of your “employee benefit plans” to which this insurance does not apply. We may, at our discretion, investigate any “wrongful act,” “employment practices” offense or an offense in the “administration” of your “employee benefit plans,” and settle any “claim” that may result.

However:

The amount we will pay for “damages” is limited as described in **SECTION IV. – LIMITS OF INSURANCE**; and

Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of “damages” or “defense expenses” under **Coverages A. and B.**

No other obligation or liability to pay sums or perform acts or services is covered under this insurance unless explicitly provided for below under **Coverage A. Supplementary Payments**.

2. This insurance applies to “claims” for “wrongful acts” or offenses only if:
 - a. The “wrongful act” or offense takes place in the “coverage territory” and during the Policy Period; and
 - b. Prior to the policy period, no insured listed in Paragraph 1. and 2.a. of **SECTION III. – WHO IS AN INSURED**, and no insured authorized by you to give or receive notice of a “wrongful act,” offense or “claim,” knew, that the “wrongful act” or offense had taken place, in whole or in part. If such a listed insured knew, prior to the Policy Period, that the “wrongful act” or offense had taken place, then any continuation, change or resumption of such “wrongful act” or offense during or after the Policy Period will be deemed to have been known prior to the Policy Period.

3. "Wrongful acts" or offenses will be deemed to have been known to have taken place at the earliest time when any insured listed in Paragraphs 1. and 2.a. of **SECTION III. – WHO IS AN INSURED** or any insured authorized by you to give or receive notice of a "wrongful act," offense or claim:
 - a. Reports all, or any part, of the "wrongful act" or offense to any other insurer;
 - b. Receives a written or verbal demand or "claim" for "damages" because of the "wrongful act" or offense; or
 - c. Becomes aware, by any other means, that the "wrongful act" or offense has taken place or has begun to take place.
4. All "damages" from all claims based on or arising out of the same or related "wrongful acts" or offenses, or the same act or interrelated acts of one or more Insureds, regardless of the number of:
 - a. Insureds;
 - b. Plaintiffs; or
 - c. "Claims" made;

shall be subject to one "Each Wrongful Act" or "Each Offense" Limit of Insurance, and one Deductible.

Related "wrongful acts" or offenses shall include "wrongful acts" or offenses which are the same, related or continuous, or which arise from a common nucleus of facts, and shall be deemed to have taken place at the time of the first such "wrongful act" or offense.

COVERAGE A. SUPPLEMENTARY PAYMENTS

We will pay, with respect to any "claim" we investigate, settle, or defend:

1. All expenses we incur.
2. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim," including actual loss of earnings up to \$500 a day because of time off from work.
4. All court costs taxed against the insured in the "claim." However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
5. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
6. All interest earned on that part of any judgment within our limit of insurance after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the limits of insurance.

COVERAGE B. INSURING AGREEMENT - DEFENSE EXPENSES FOR INJUNCTIVE RELIEF

1. We will pay those reasonable sums the insured incurs as "defense expenses" to defend against an action for "injunctive relief" because of a "wrongful act," an "employment practices" offense, or an offense in the "administration" of your "employee benefit plans" to which this insurance applies.

However:

- a. The amount we will pay for "defense expenses" is limited as described in **SECTION IV. – LIMITS OF INSURANCE**; and
- b. We have no obligation to arrange for or provide the defense for any action for "injunctive relief."

No other obligation or liability to pay sums or perform acts or services is covered.

2. This insurance applies only if:

- a. The action seeking "injunctive relief" is brought in a legally authorized court or agency of the United States, any of its states or commonwealths, or any governmental subdivision of any of them;
- b. Such action is filed during the Policy Period; and
- c. The insured:
 - (1) First notifies us as soon as practicable after retaining counsel to respond to such action but in no case later than 60 days after the end of the Policy Period; and
 - (2) Is reasonably expedient in requesting us to reimburse any "defense expenses" incurred.

3. Related "wrongful acts" or offenses shall include "wrongful acts" or offenses which are the same, related or continuous, or which arise from a common nucleus of facts, and shall be deemed to have taken place at the time of the first such "wrongful act" or offense.

All "defense expenses" from all actions for "injunctive relief" based on or arising out of the same or related "wrongful acts" or offenses, or the same act or interrelated acts of one or more Insureds, regardless of the number of:

- a. Insureds;
 - b. Plaintiffs;
 - c. Demands asserted or actions brought; or
 - d. Injunctions, temporary restraining orders or prohibitive writs;
- shall be subject to one "Each Action for Injunctive Relief" Limit of Insurance.

SECTION II. – EXCLUSIONS

This insurance does not apply under either **Coverage A** or **Coverage B** to:

1. Other Applicable Coverage

Any "wrongful act" or offense which is insured by any other policy or policies except:

- a. A policy purchased to apply in excess of this Coverage Form; or
- b. That portion of "damages" otherwise covered by this Coverage Form which exceeds the limits of liability of such other policy or policies, subject to the Other Insurance Condition in **SECTION VI. – CONDITIONS**.

2. Asbestos

Any injury, "damages," "defense expenses," costs, loss, liability or legal obligation arising out of or in any way related to asbestos or asbestos-containing materials or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.

3. Attorney's Fees and Court Costs

Any award of court costs or attorney's fees which arises out of an action for "injunctive relief."

4. Bodily Injury, Property Damage or Personal and Advertising Injury

"Damages," "defense expenses," costs or loss, based upon, attributed to, arising out of, in consequence of, or in any way related to "bodily injury," "property damage," or "personal and advertising injury," other than mental anguish or mental injury resulting from a covered "employment practices" offense.

5. Bonds

Any obligation related to a fidelity bond or a surety bond.

6. Claims Against Other Insureds

Any actions for "injunctive relief" or "claims" brought:

- a. By a Named Insured against any other insured; or
- b. By one Named Insured against another Named Insured.

7. Compliance with ADA Requirements

"Damages," "defense expenses," costs or loss incurred as a result of physical modifications made to accommodate persons with disabilities as required by:

- a. The Americans with Disabilities Act of 1990; or
- b. Any federal, state, or local disability discrimination or accommodation laws or regulations; including subsequent amendments or any regulations promulgated thereunder.

8. Sums Due Under Contract

Any amount actually or allegedly due under the terms of any contract for the purchase of goods or services or any payment or performance contract.

9. Contractual Liability

"Damages," "defense expenses," costs or loss based upon, attributed to, arising out of, in consequence of, or in any way related to any contract or agreement to which the insured is a party or a third-party beneficiary, including, but not limited to, any representations made in anticipation of a contract or any interference with the performance of a contract.

10. Criminal Acts

"Damages," "defense expenses," costs or loss arising out of or contributed to by any fraudulent, dishonest, criminal or malicious act of the insured (except for "sexual abuse" which is excluded in the Sexual Abuse exclusion below), or the willful violation of any statute, ordinance or regulation committed by or with the knowledge of the insured. However, we will defend the insured for covered civil action subject to the other terms of this Coverage Form until either a judgment or final adjudication establishes such an act, or the insured confirms such act.

11. Debt Financing

"Damages," "defense expenses," costs or loss arising out of or contributed to by any debt financing, including but not limited to bonds, notes, debentures and guarantees of debt.

12. Employment Contracts

Any amount actually or allegedly due under the terms of any contract to commence or to continue employment, or as severance pay under any contract relating to the termination of employment.

13. ERISA, COBRA and WARN Act Liability

"Damages," "defense expenses," costs or loss arising out of or contributed to by any insured's obligations under:

- a. The Employee Retirement Income Security Act of 1974 (ERISA);
- b. The Comprehensive Omnibus Budget Reconciliation Act (COBRA);

- c. The Worker Adjustment and Retraining Notification Act (WARN); or
 - d. Any similar federal, state, or local laws or regulations;
- including subsequent amendments or any regulations promulgated thereunder.

14. Failure to Maintain Insurance

"Damages," "defense expenses," costs or loss arising out of or contributed to by the failure to effect or maintain:

- a. Insurance of any kind, including adequate limits of insurance; or
- b. Suretyship or bonds.

This exclusion does not apply to the extent coverage is provided under this Coverage Form for the "administration" of "employee benefit plans."

15. Fines

Fines, penalties and taxes, including but not limited to those imposed by the Internal Revenue Service code or any similar state or local code.

16. Fungi or Bacteria

- a. Any liability, loss, injury or "damages" which would not have occurred or taken place, 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 "damages," "defense expenses, costs or loss 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.

17. Violation of Law

"Damages," "defense expenses," costs or loss arising from an insured's willful violation of any federal, state, or local law, rule, or regulation.

18. Law Enforcement

"Damages," "defense expenses," costs or loss arising out of any "law enforcement activity." This exclusion does not apply to an "employment practices" offense or an offense in the administration of "employee benefit plans" involving your law enforcement agency.

19. Lead, Electromagnetic Radiation, Nuclear

- a. Any injury, "damages," "defense expenses," costs, loss, liability or legal obligation arising out of or in any way related to:
 - (1) The toxic properties of lead, or any material or substance containing lead; or
 - (2) Electromagnetic radiation;or exposure thereto, or for the costs of abatement, mitigation, removal, elimination or disposal of any of them.
- b. Any "damages," "defense expenses," costs or loss arising out of any actual, alleged or threatened injury or damage to any person or property from any radioactive matter or nuclear material.

20. Performance of Employee Benefit Plans

"Damages," "defense expenses," costs or loss arising from an "employment practices" offense or any offense in the "administration" of "employee benefit plans" arising out of:

- a. The failure of any investment program, individual securities or savings program to perform as held forth by or represented by an insured;
- b. Advice given by an insured in connection with participation or non-participation in any stock subscription plans, savings programs or any other "employee benefit plan";
- c. Errors in providing information or failing to provide information on past performance of investment vehicles;
- d. Failure of the insured, or any insurer, fiduciary, trustee or fiscal agent, to perform any of their duties or obligations or to fulfill any of their guarantees with respect to the payment of benefits under "employee benefit plans" or the providing, handling or investment of funds;
- e. The liability of others which is assumed by the insured under a contract or agreement, except to the extent the insured would have been liable in the absence of the contract or agreement;
- f. Any "claim" for the return of compensation paid by the insured if a court determines that the payment was illegal; or
- g. Any "claim" for benefits that are lawfully paid or payable to a beneficiary from the funds of an "employee benefit plan."

21. Pollution

- a. Any injury, "damages," "defense expenses," costs, loss, liability or legal obligation arising out of or in any way related to pollution, however caused. Pollution includes the actual, alleged, or potential presence in or introduction into the environment of any substance if such substance has, or is alleged to have, the effect of making the environment impure, harmful or dangerous. Environment includes any air, land, structure (or the air therein), watercourse or other body of water, including underground water.
- b. This insurance does not apply to any "damages," "defense expenses," costs or loss arising out of any:
 - (1) 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
 - (2) "Claim" 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."

22. Preparation of Bid Specifications

"Damages," "defense expenses," costs or loss arising out of estimates of probable costs or cost estimates being exceeded or faulty preparation of bid specifications or plans including architectural plans.

23. Professional Healthcare

"Damages," "defense expenses," costs or loss arising out of providing or failing to provide "professional healthcare services."

24. Professional Liability

"Damages," "defense expenses," costs or loss arising out of the rendering of, or failure to render of professional services by a lawyer, engineer, architect, surveyor or medical professional; except that this exclusion will not apply to "claims" made against insureds while acting solely as public

officials or “employees” on behalf of the Named Insured and in the conduct of its business, and not in their professional capacities as a lawyer, engineer, architect, surveyor, or medical professional.

25. Profit, Advantage or Remuneration

Any “Damages,” “defense expenses,” costs or loss based upon or attributable to the insured gaining any profit, advantage or remuneration to which the insured is not legally entitled.

26. Public Use of Property

“Damages,” “defense expenses,” costs or loss arising from any method or proceeding used to take control of private property for public use including condemnation, adverse possession, and dedication by adverse use or inverse condemnation.

27. Publications and Pronouncements

“Damages,” “defense expenses,” costs or loss based upon, attributable to, or arising out of “wrongful acts” resulting from:

- a. Publications or pronouncements, including material placed on the Internet or on similar electronic means of communication, concerning any organization or business enterprise or their products or services made by or at the direction of the insured with the knowledge of its falsity; or
- b. Printing of periodicals, advertising matter, or any or all jobs taken by any insured to be printed for a third party when the periodicals, advertising matter or other printing is not within the scope of the organization’s own activities.

28. Sexual Abuse

“Damages,” “defense expenses,” costs or loss, based upon, attributed to, arising out of, in consequence of, or in any way related to:

- a. “Sexual abuse” of any person; or
- b. The negligent:
 - (1) Employment;
 - (2) Investigation;
 - (3) Supervision;
 - (4) Reporting to the proper authorities, or failing 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.

29. Specific Operations

“Damages,” “defense expenses,” costs or loss, arising out of or contributed to by the ownership, operation, maintenance, entrustment to others, or use of any:

- a. Gas or electric generation facility; or
- b. Sanitary landfill, dump, or other permanent waste disposal facility.

30. Strikes, Riot, Civil Commotion or Mob Action

“Damages,” “defense expenses,” costs or loss arising out of or contributed to by any lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations or any act or omission in connection with the prevention or suppression of a riot, civil commotion or mob action.

31. Tax Assessments

"Damages," "defense expenses," costs or loss arising out of or contributed to by any tax assessments or adjustments, or the collection, refund, disbursement or application of any taxes. This exclusion does not apply to the use or prioritization of your operating funds.

32. Wage and Hour Laws

"Damages," "defense expenses," costs or loss arising out of or contributed to by any actual or alleged violation of the Fair Labor Standards Act of 1938, as amended, or any other federal, state or local law related to wage and hour policies, improper payroll practices or the payment of overtime or vacation pay, including but not limited to back wages or other similar "damages," or any monetary or non-monetary compensation or benefits that may be owed to a past or present "employee" based upon misclassification of their job status, title or duties.

33. Water or Wastewater Professional Activity

"Damages," "defense expenses," costs or loss arising out of an act, error or omission in the performance of or failure to perform your "water or wastewater professional activities," that also results in "bodily injury" or "property damage."

34. Workers' Compensation and Similar Laws

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

35. Private and Confidential Information

"Damages," "defense expenses," costs or loss arising out of or contributed to by any misuse or improper release of confidential, private or proprietary information.

SECTION III. – WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business. However, if you are a public entity, you are insured as a partner in a partnership or as a joint venturer in a joint venture, but only if the partnership or joint venture is between you and another governmental organization or non-profit entity. Coverage does not extend to a partnership or joint venture that operates, controls, or funds a school, hospital or medical clinic, nursing home, airport, port, public housing, gas or electric generation facility.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A public entity, you are an insured. Your operating authorities, boards, commissions, districts or any other governmental units are insureds, provided that you operate, control, and fund the authority, board, commission, district, or other governmental unit. Coverage does not extend to an authority, board, commission, district, or other governmental unit that operates, controls, or funds a school, hospital or medical clinic, nursing home, airport, port, public housing, gas or electric generation facility.
 - f. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. **Elected or appointed officials.** Your elected and appointed officials, including elected and appointed officials of your operating authorities, boards, commissions, districts, or other governmental units but only for acts within the course and scope of their duties for the insured public entity or its operating authorities, boards, commissions, districts or other governmental units.
- b. **Volunteer workers or employees.** Your “volunteer workers” only while performing duties related to the conduct of your operations, or your “employees”, other than either your “executive officers” (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your operations.

However, none of these “employees” or “volunteer workers” are insureds for:

(1) “Bodily injury” or “personal and advertising injury”:

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-“employee” while in the course of his or her employment or performing duties related to the conduct of your operations, or to your other “volunteer workers” while performing duties related to the conduct of your operations;
- (b) To the spouse, child, parent, brother or sister of that co-“employee” or “volunteer worker” as a consequence of Paragraph (1)(a) above; or
- (c) For which there is any obligation to share “damages” with or repay someone else who must pay “damages” because of the injury described in Paragraphs (1)(a) or (1)(b) above.

(2) “Property damage” to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by, you, any of your “employees,” “volunteer workers”, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- c. **Mutual Aid Agreements.** Any persons or organizations providing service to you under any mutual aid or similar agreement.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization.

However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the Policy Period, whichever is earlier; and
- b. Coverage does not apply to a “wrongful act,” “employment practices” offense or offense in the “administration” of “employee benefit plans” that took place before you acquired or formed the organization or of which you had notice or knowledge before you acquired the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

4. Your director, officer, “employee,” “volunteer worker” or appointee, while serving on the board of directors of an organization that is a separate and distinct entity not subject to your direction and control, provided that the primary purpose of such organization is to support and further the efforts and welfare of individuals or organizations that provide water, sewer, or wastewater treatment.

SECTION IV. – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Claims" made; or
 - c. Persons or organizations making "claims."
2. The Aggregate Limit of Insurance set forth in the Declarations for **Coverage A** applies to all "damages" from all "wrongful acts", "employment practices" offenses and offenses in the "administration" of your "employee benefit plans," and all "defense expenses" arising out of all actions for "injunctive relief" under **Coverage B**.
3. Subject to the Aggregate Limit of Insurance, the "Each Wrongful Act" or "Each Offense" Limit of Insurance set forth in the Declarations for **Coverage A**, is the most we will pay under **Coverage A** for all "damages" from all "claims" based upon or arising out of the same or related "wrongful acts" or offenses.
4. Subject to the Aggregate Limit of Insurance, the "Each Action for Injunctive Relief" Limit of Insurance set forth in the Declarations is the most we will pay under **Coverage B** for all "defense expenses" from all actions for "injunctive relief" based upon or arising out of the same or related "wrongful acts" or offenses.
5. The Aggregate Limit of Insurance applies separately to each Policy Period, starting with the effective date 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 Policy Period for purposes of determining the Limits of Insurance.
6. Our obligations to pay "damages" or "defense expenses" or to defend or continue to defend any "claim" under this Coverage Form ends when the Aggregate Limit of Insurance is exhausted by the payment of "damages" or "defense expenses." If we pay amounts for "damages" or "defense expenses" in excess of that Limit of Insurance, you agree to promptly reimburse us for such amounts upon our demand.
7. If the Aggregate Limit of Insurance as set forth in the Declarations is exhausted by the payment of "damages" or "defense expenses" the entire premium for this Coverage Form will be deemed fully earned.

SECTION V. – YOUR DEDUCTIBLE

Our obligation to pay "damages" or "defense expenses" on your behalf will only be in excess of the Deductible amount set forth in the Declarations for **Coverage A**.

1. The Limits of Insurance set forth in the Declarations will not be reduced by the application of the Deductible.
2. The Deductible applies to "damages" and "defense expenses" from all "claims" arising out each "wrongful act," each "employment practices" offense, or each offense in the "administration" of your "employee benefit plans" regardless of the number of insureds, the number of persons or organizations making "claims," or the number of "claims" made.
3. The terms of this insurance, including those with respect to:
 - a. Our right and duty to defend any "claims" seeking "damages"; and
 - b. Your duties in the event of a "wrongful act," offense or "claim";apply irrespective of the application of the Deductible.

4. We may pay all or any part of the Deductible to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible paid by us.

SECTION VI. – CONDITIONS

The following conditions apply in addition to the Common Policy Conditions.

1. Bankruptcy

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

2. Duties in the Event of a "Wrongful Act", Offense or "Claim"

- a. You must see to it that we are notified as soon as practicable in writing of a "wrongful act" or offense which may result in a "claim."

To the extent possible, notice should include the following information:

- (1) How, when and where the "wrongful act" or offense took place; and
- (2) The names and addresses of any persons seeking "damages" or of any witnesses.

If a "claim" is made against any insured, you must:

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Notify us in writing as soon as practicable.

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

- b. You and any other insured named or identified in such "claim" 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, settlement or defense of the "claim" or "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 "damages" to which this insurance may also apply.

- c. No insureds will, voluntarily make a payment, assume any obligation, or incur any expense, without our written consent. Such payment, obligation or expenses will be at their own cost.

- d. Notice shall be deemed given as soon as practicable, if it is given to us by any person to whom you have delegated such responsibility as soon as practicable after they become aware of a "wrongful act" or offense.

3. Duties in the Event of a Request to Pay "Defense Expenses" for "Injunctive Relief"

- a. You must see to it that we are notified as soon as practicable of an action for "injunctive relief" which may give rise to a request for us to provide coverage for "defense expenses."

To the extent possible, notice should include the following information:

- (1) The plaintiff in the action;
- (2) The court or agency involved;
- (3) The relief being sought; and
- (4) The date of the action and any underlying demand.

- b. You and any other insureds named or identified in such action must:
 - (1) Immediately send us copies of any legal papers received in connection with the action and any underlying demand;
 - (2) Cooperate with us in the determination of any “defense expenses” which may be covered by this insurance; and
 - (3) Promptly submit a written request for us to reimburse any covered “defense expenses.”

4. Legal Action Against Us

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

- a. To join us as a party or otherwise bring us into a “claim” seeking “damages” or “defense expenses” from an insured; or
- b. To sue us on this Coverage Form unless all of the terms and conditions of this policy 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” or “defense expenses” that are not payable under the terms of this Coverage Form or that are in excess of the applicable Limit of Insurance. Under **Coverage A**, an agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative.

5. Other Insurance

If other valid and collectible insurance is available to the insured for “damages,” loss or “defense expenses” we cover under this Coverage Form, this insurance is excess over any of the other insurance and its deductible or self-insured retention, whether such other insurance is issued on a primary, excess, contingent or on any other basis.

6. Representations

By accepting this policy, you agree:

- a. The information in the application for this insurance is accurate and complete;
- b. That the Coverage Form has been issued to you based upon the information provided by you and the representations you made to us in the application for this insurance. The application forms the basis of our obligations under this Coverage Form; and
- c. This Coverage Form is void if any material fact or circumstance relating to this insurance is intentionally omitted or misrepresented in the application for this insurance.

7. Separation of Insureds

Except with respect to the Limits of Insurance as described in **SECTION IV**, and any rights or duties specifically assigned to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom “claim” is made.

8. Transfer of Rights of Recovery Against Others to Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Form, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring “claim” or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Form, we will mail or deliver to the first Named Insured shown in the Declarations written notice of such non-renewal not less than thirty (30) days before

the expiration date. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

1. Your Right to Claim Information

Upon request, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding Coverage Form we have issued to you during the previous three years:

- a.** A list or other record of each "wrongful act" or other offense not previously reported to any other insurer, of which we were notified in accordance with paragraph 2.a. or paragraph 3.a. of this section. We will include the date and a brief description of such "wrongful act" or offense if that information was in the notice we received.
- b.** A summary, by policy year, of payments made and amounts reserved.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values. You must not disclose this information to any claimant or any claimant's representative without our consent.

We compile claim and related information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or non-renewal will be effective even if we inadvertently provide inaccurate information.

SECTION VII. – DEFINITIONS

- 1.** "Administration" means any of the following acts that you do or authorize a person to do:
 - a.** Counseling "employees" or "volunteer workers", other than giving legal advice, on "employee benefit plans";
 - b.** Interpreting your "employee benefit plans";
 - c.** Handling records for your "employee benefit plans"; and
 - d.** Effecting enrollment, termination or cancellation of "employees" or "volunteer workers" under your "employee benefit plans".
- 2.** "Bodily injury" means bodily injury, mental anguish or mental injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- 3.** "Claim" means:
 - a.** written notice, from any party, that it is their intention to hold the insured responsible for "damages" arising out of a "wrongful act" or offense by the insured;
 - b.** a civil proceeding in which "damages" arising out of an offense or "wrongful act" to which this insurance applies are alleged;
 - c.** an arbitration proceeding in which "damages" arising out of an offense or "wrongful act" to which this insurance applies are claimed and to which the insured must submit or does submit with our consent;
 - d.** any other civil alternative dispute resolution proceeding in which "damages" arising out of an offense or "wrongful act" to which this insurance applies are claimed and to which the insured submits with our consent; or
 - e.** a formal proceeding or investigation with the Equal Employment Opportunity Commission, or with an equivalent state or local agency.

A "claim" does not mean any ethical conduct review or enforcement action, or disciplinary review or enforcement action.

4. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico and Canada.
5. "Damages" means monetary damages.
6. "Defense expenses" means reasonable and necessary fees or expenses incurred by or on behalf of the insured for:
 - a. Legal fees charged by the insured's attorney;
 - b. Court costs;
 - c. Expert witnesses; and
 - d. The cost of court bonds, but we do not have to furnish these bonds."Defense expenses" do not include:
 - (1) Any salaries, charges or fees for any insured, insured's "volunteer workers" or "employees," or former "volunteer workers" or "employees"; or
 - (2) Any expenses other than a., b., c. and d. above.
7. "Employee" means natural persons who are past, present or future, full-time and part-time employees, but only while acting with the scope of their employment for the Named Insured, including "leased workers." "Employee" does not include a "temporary worker."
8. "Employee benefit plans" mean group life insurance, group accident or health insurance, profit sharing plans, pension plans, "employee" stock subscription plans, "employee" travel, vacation, or savings plans, workers compensation, unemployment insurance, social security and disability benefits insurance, and any other similar benefit program applying to "employees" or "volunteer workers."
9. "Employment practices" means the following, when alleged by a "volunteer worker," "employee" or applicant for employment, in connection with that person's actual or proposed employment relationship with the "Named Insured":

any actual or alleged improper employment-related act, error or omission, including:

 - a. Failing to hire or refusing to hire;
 - b. Wrongful dismissal, discharge, or termination of employment or membership, whether actual or constructive;
 - c. Wrongful deprivation of a career opportunity, or failure to promote;
 - d. Wrongful discipline or demotion of "volunteer workers" or "employees";
 - e. Negligent evaluation of "volunteer workers" or "employees";
 - f. Retaliation against "volunteer workers" or "employees" for the exercise of any legally protected right or for engaging in any legally protected activity;
 - g. Failure to adopt adequate workplace or employment-related policies and procedures, or the breach of any manual or employment-related policies of procedures;
 - h. Harassment, including "sexual harassment";
 - i. Libel, slander, defamation or invasion of privacy; or
 - j. Violation of any federal, state or local laws (whether common law or statutory) concerning discrimination in employment.
10. "Executive Officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
11. "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".

12. "Injunctive relief" means equitable relief sought through a demand for the issuance of a permanent, preliminary or temporary injunction, restraining order, or similar prohibitive writ against an insured, or order for specific performance by an insured.
13. "Law enforcement activity" means the activities of any insured while acting as a law enforcement official, officer, auxiliary officer, "employee," or "volunteer worker" of the law enforcement agency or department of the Named Insured. "Law enforcement activity" does not include your operations related to any building, code, license, permit, health, sanitation, animal control, safety, planning or zoning enforcement.
14. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
15. "Personal and advertising injury" means injury, including consequential "bodily injury," arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. 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, or any other interference with real property rights;
 - d. Oral or written publication in any manner of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication in any manner of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your advertisement; or
 - g. Infringing upon another's copyright, trade dress or slogan in your advertisement.
16. "Policy Period" means the term of duration of the policy shown in the declarations.
17. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
18. "Professional healthcare services" means:
- a. Providing medical or nursing services;
 - b. Providing professional services of any other healthcare professional, including emergency medical technicians and paramedics;
 - c. Furnishing or dispensing drugs or medical, surgical or dental supplies or appliances;
 - d. Handling of patients:
 - (1) From the place where they are accepted for movement into or onto the means of transport,
 - (2) During transport, and
 - (3) From the means of transport to the place where they are finally delivered;
 - e. Dispatching of, including the failure or refusal to dispatch, personnel to provide any of the above services;
 - f. Serving on, or carrying out the orders of, a healthcare accreditation board or similar professional board or committee; and
 - g. Establishing medical protocol, creating medical training curricula, providing medical training, conducting medical quality assurance programs, and carrying out similar duties.

- 19.** "Property damage" means:
- a.** Physical injury to tangible property, including all resulting loss of use of that property; and
 - b.** Loss of use of tangible property that is not physically injured but results from a. above.
- 20.** "Sexual abuse" means any actual, attempted or alleged sexual conduct by a person, or by persons acting in concert, which causes injury. "Sexual abuse" includes sexual molestation, sexual assault, sexual exploitation or sexual injury, but does not include "sexual harassment".
- 21.** "Sexual harassment" means any actual, attempted or alleged unwelcome sexual advances, requests for sexual favors, or other conduct of a sexual nature by a person, or by persons acting in concert, which causes injury, but only when:
- a.** Submission to or rejection of such conduct is made either explicitly or implicitly a condition of a person's employment, or a basis for employment decisions affecting a person; or
 - b.** Such conduct has the purpose or effect of interfering with a person's work performance or creating an intimidating, hostile or offensive work environment.
- 22.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 23.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
- 24.** "Water or wastewater professional activities" means your activities as a water or wastewater district, water utility, or as any other entity whose primary duty is the treatment and distribution of potable water, or the collection and treatment of wastewater.
- 25.** "Wrongful act" means any actual or alleged error, act, omission, neglect, misfeasance, nonfeasance, or breach of duty, including violation of any civil rights law, by any insured in the discharge of their duties for the Named Insured, individually or collectively, that results directly but unexpectedly and unintentionally in "damages" to others.

EXCLUSION – EMPLOYMENT PRACTICES
THIS ENDORSEMENT CHANGES THE COVERAGE FORM.
PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE FORM (OCCURRENCE
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE FORM (CLAIMS-MADE)

SECTION I. – COVERAGES, COVERAGE A. INSURING AGREEMENT – LIABILITY FOR MONETARY DAMAGES and COVERAGE B. INSURING AGREEMENT – DEFENSE EXPENSE FOR INJUNCTIVE RELIEF do not apply to, and no coverage is available under this Coverage Form for, any “wrongful act,” “employment practices” offense, offense, damage, loss or expense arising from “employment practices”.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

EXCLUSION - PRIVACY LIABILITY AND NETWORK RISK

THIS ENDORSEMENT CHANGES THE COVERAGE FORM.

PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE FORM (OCCURRENCE)
PUBLIC OFFICIALS AND MANAGEMENT LIABILITY COVERAGE FORM (CLAIMS-MADE)

1. The following additional exclusion is hereby added to the policy:

The insurance afforded by the Policy shall not apply to any costs, expenses, loss, damages or liability arising out of:

- (1) **Privacy Wrongful Acts**; or
- (2) **Network Security Wrongful Acts**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the insured or others arising out of that which is described in subparagraphs (1) or (2) above.

2. The following additional definitions are deemed added to the Policy and shall apply to this Endorsement:

Identity Theft means the misappropriation of **Personally Identifiable Information** or any other confidential information which has resulted in the wrongful or fraudulent use of such **Personally Identifiable Information**, including, but not limited to, fraudulently emulating the identity of an individual or corporation.

Malicious Code means unauthorized and either corrupting or harmful software code, including but not limited to computer viruses, Trojan horses, worms, logic bombs, spyware or spider ware.

Network means computer hardware, software, firmware, and components thereof, including software and electronic data stored on or within the **Network**, which are connected through two or more computers, including such networks accessible through the Internet, intranets, extranets or virtual private networks. **Network** shall not include the computer hardware, software, firmware, or components thereof, of any third party provider of telephone, telecommunications, cable, Internet, or satellite services.

Network Security means the use of hardware, software and firmware, including, without limitation, firewalls, filters, routers, intrusion detection software, antivirus software, automated password management applications and other authentication mechanisms, which are designed to control or restrict the access to a **Network**, or parts thereof. **Network Security** shall also include the use of third party service providers which provide, or assist in the provisioning, of such hardware, software and firmware.

Network Security Wrongful Act means any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty by any **Insured** or any party for whom an **Insured** is legally liable, which results in a breach of the **Network Security**, the consequences of which are:

- 1. unauthorized access to, use of or tampering with a **Network**;

2. the inability of a third party to gain access to the **Insured's** services;
3. the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data;
4. the denial, disruption, non-functioning or unavailability of internet service, or of any intranet or private network or similar facility; or any website, search engine, portal or similar third party application service;
5. **Identity Theft**;
6. the transmission of **Malicious Code**; or
7. the unauthorized release, disclosure or use of confidential and proprietary business information, including but not limited to patents, trade secrets, processing methods and customer lists.

Personally Identifiable Information means:

1. information from which an individual may be uniquely and reliably identified, including, but not limited to an individual's name, address, telephone number, email address, in combination with their social security number, account relationships, account numbers, passwords, PIN numbers, credit card numbers or biometric information; or
2. personal information as defined in any U.S. federal or state privacy protection law governing the control and use of an individual's personal and confidential information, including any regulations promulgated thereunder, or any similar or related laws or regulations of any foreign jurisdiction, including but not limited to:
 - a. "nonpublic personal information" as defined by Title V of the Gramm- Leach-Bliley Act of 1999, as amended, and any regulations promulgated thereto;
 - b. "protected health information" as defined by the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), or the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH"), as amended, and any regulations promulgated thereto;
 - c. personal information as defined in the California Database Protection Act of 2003 and California A.B. 1950, as amended, and any regulations promulgated thereto;
 - d. "customer" information held by a "creditor" or "financial institution," as defined by and protected under the "FTC Red Flags Rule".

Privacy Wrongful Act means any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty committed by any **Insured** or any party for whom an **Insured** is legally liable, which results in:

1. the misappropriation or disclosure of, or potential misappropriation or disclosure of, failure to keep secure or unauthorized use of **Personally Identifiable Information**;
2. a breach or violation of U.S. federal or state law or regulations, associated with the security, confidentiality, control and use of **Personally Identifiable Information**, or any similar or related laws or regulations of any foreign jurisdiction;
3. **Identity Theft**; or
4. the unauthorized release, disclosure or use of confidential and proprietary business information, including but not limited to patents, trade secrets, processing methods and customer lists.