

COMMERCIAL FOLLOW FORM EXCESS AND UMBRELLA POLICY

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

POLICY NUMBER: UHX 9601310 06
COMPANY: Hanover Insurance Company

DECLARATIONS

Item 1. Named Insured and Address (No., Street, Town, County, State)

Agent

WINONA ORC INDUSTRIES INC
1053 EAST MARK STREET
WINONA MN 55987

2509765
NORTH RISK PARTNERS LLC
2048 SUPERIOR DRIVE NW
ROCHESTER MN 55901

Item 2. Policy Period: (Month, Day, Year)

From 07/01/2018 To 07/01/2019

12:01 A. M., standard time at the address of the Named Insured as stated herein.

Form of Business:

- ☐ Individual ☐ Partnership ☐ Corporation ☐ Limited Liability Company
☒ Organization (Other than Partnership, Joint Venture or Limited Liability Company)

Business Description: HUMAN SERVICE ORGANIZATION

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

Item 3. Limit of Insurance

Each Occurrence or Each Claim Limit: \$1,000,000
Products – Completed Operations Aggregate Limit: \$1,000,000
General Aggregate Limit: \$1,000,000

Retained Limit: \$0

Item 4. Premium Computation:

Estimated Annual Premium	\$1,604.00
Premium Surcharges	\$
(Premium Surcharges NOT APPLICABLE in New York)	
Annual Minimum Premium	\$1,604.00
Advance Premium	\$1,604.00

Endorsements:

See next page



- ☒ PREPAID - the total annual premium is due at inception.
- ☐ HANOCASH - the annual premium is payable according to the term of the Hanocash endorsement attached.
- ☐ ACCOUNT BILL ☐ DIRECT BILL ☐ Annual ☐ Semi-Annual ☐ Other

Audit period: Non Auditable Unless indicated by ☐ Annual ☐ Semi-Annual ☐ Other

If you cancel this policy, we shall receive and retain not less than NIL as a policy minimum premium.



Forms Applicable To This Policy:

*Asterisk denotes new or changed form

<u>Form Number</u>	<u>Form Edition</u>	<u>Description</u>
401-1126	01/15	Notice - Rejection Of Terrorism Coverage and Disclosure of Premium
401-1337	02/16	Trade Or Economic Sanctions Endorsement
* 401-1374	01/15	Offer Disclosure Pursuant To Terrorism Risk Insurance Act
401-1377	12/14	Company Address Listing
* 401-1395	12/17	Important Notice To Policyholders Limitation Of Coverage To Designated Premises, Project Or Operation Endorsement
* 475-0001	01/18	Hanover Commercial Follow Form Excess And Umbrella Policy
475-0027	12/14	Exclusion - Total Pollution (Coverage A)
475-0057	12/14	Exclusion - Lead (Coverage A and B)
* 475-0058	01/18	Other Coverage Endorsement (Coverage B)
475-0084	12/14	Exclusion - Silica (Coverage A and B)
475-0130	12/14	Minnesota Changes
475-0215	12/14	Exclusion - Discrimination (Coverage A and B)
475-0238	12/14	Exclusion - Abuse and Molestation (Coverage B)
475-0275	12/14	Employee Benefits Liability - Separate Aggregate - Claims Made (Coverage A)
475-0298	12/14	Exclusion - Innocent Party Defense (Coverage A and B)
475-0317	12/14	Exclusion - Fungi or Bacteria with Food and Pool Exceptions (Coverage A and B)
475-0351	12/14	Exclusion - Employee Benefits Liability (Coverage B)
475-0433	01/15	Exclusion - Certified Acts of Terrorism
475-0476	12/14	Special Events Limitation Endorsement (Coverage A and B)
* SIG 11 00	11/17	Signature Page



SCHEDULE OF UNDERLYING POLICIES

Insured: WINONA ORC INDUSTRIES INC

Effective on and after 07/01/2018 12:01 A.M. Standard Time

This Schedule is part of Policy Number: UHX 9601310 06

CARRIER, POLICY NUMBER & PERIOD	TYPE OF POLICY	APPLICABLE LIMITS OR AMOUNT OF INSURANCE
(a) Carrier: CITIZENS INSURANCE COMPANY OF AMERICA Policy Number: ZBX 9601320 07 Policy Period: 07/01/2018 TO 07/01/2019	Commercial General Liability <input type="checkbox"/> Owned Autos <input type="checkbox"/> Non-owned & Hired Autos	\$1,000,000 Occurrence/ Each Claim \$1,000,000 Personal Injury \$1,000,000 Advertising Injury \$3,000,000 General Aggregate Incl in Gen Agg Product/Completed Operations Aggregate
(b) Carrier: ALLMERICA FINANCIAL BENEFITS Policy Number: AWX 9605917 06 Policy Period: 07/01/2018 TO 07/01/2019	Comprehensive Automobile Liability including <input checked="" type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned & Hired Autos	Bodily Injury and Property Damage Liability Combined: \$1,000,000 Each Accident Bodily Injury \$ Each Person \$ Each Accident Property Damage: \$ Each Accident
(c) Carrier: Policy Number: Policy Period:	Garage Liability <input type="checkbox"/> Dealers <input type="checkbox"/> Service	Bodily Injury and Property Damage Liability Combined: Each Accident Garage Operations \$ Auto Only \$ Other than Auto Only \$ Aggregate Garage Operations \$ Other than Auto Only
(d) Carrier: Accident Fund General Insurance Company Policy Number: WCV6098932 Policy Period: 03/31/2018 TO 03/31/2019	Standard Workers' Compensation & Employers' Liability NEW YORK ONLY: The Umbrella Coverage for Workers' Compensation and Employers Liability is not applicable in situations where an employee is subject to the New York Workers' Compensation Law.	Coverage B – Employers Liability Bodily Injury by Accident \$1,000,000 Each Accident Bodily Injury by Disease \$1,000,000 Each Employee \$1,000,000 Aggregate

An "X" marked in the box provided indicates these broadening or optional coverage are provided in the Underlying Insurance



(e) Carrier: Policy Number: Policy Period:	Liquor Liability	\$ \$ \$ \$	Each Common Cause Other Aggregate Other
(f) Carrier: CITIZENS INSURANCE COMPANY OF AMERICA Policy Number: ZBX 9601320 07 Policy Period: 07/01/2018 TO 07/01/2019	Professional Liability Human Services	\$1,000,000 \$ \$ \$3,000,000 \$	Each Occurrence Each Claim Other Aggregate Other
(g) Carrier: Policy Number: Policy Period:	Directors & Officers Liability	\$ \$ \$ \$ \$	Each Occurrence Each Claim Other Aggregate Other
(h) Carrier: Policy Number: Policy Period:	Stop Gap Liability	Bodily Injury by Accident \$ Bodily Injury by Disease \$ \$	Each Accident Each Employee Aggregate
(i) Carrier: CITIZENS INSURANCE COMPANY OF AMERICA Policy Number: ZBX 9601320 07 Policy Period: 07/01/2018 TO 07/01/2019	Abuse and Molestation Human Services	\$1,000,000 \$ \$ \$3,000,000	Each Occurrence Each Claim Other Aggregate
(j) Carrier: Policy Number: Policy Period:	Foreign	\$ \$ \$ \$	Each Occurrence Each Claim Other Aggregate
(k) Carrier: CITIZENS INSURANCE COMPANY OF AMERICA Policy Number: ZBX 9601320 07 Policy Period: 07/01/2018 TO 07/01/2019	Employee Benefits Liability	\$ \$1,000,000 \$ \$3,000,000	Each Occurrence Each Claim Other Aggregate
(l) Carrier: Policy Number: Policy Period:	Other	\$ \$ \$ \$	Each Occurrence Each Claim Other Aggregate

An "X" marked in the box provided indicates these broadening or optional coverage are provided in the Underlying Insurance

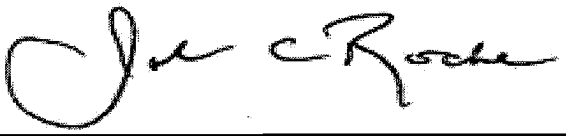
Countersigned By: _____
Authorized Representative of the Company

Date: _____



THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

In Witness Whereof, this company has caused this policy to be signed by its President and Secretary and countersigned on the declarations page, where required, by a duly authorized agent of the company.



John C. Roche
President



Charles Frederick Cronin
Secretary



HANOVER COMMERCIAL FOLLOW FORM EXCESS AND UMBRELLA POLICY

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HANOVER COMMERCIAL FOLLOW FORM EXCESS AND UMBRELLA POLICY

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

We will not pay sums or perform acts or services unless explicitly provided for in this policy.

Throughout this policy the words **you** and **your** refer to the Named Insured shown in the Declarations and any other person or organization qualifying as a Named Insured under this policy. The words **we**, **us** and **our** refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions Section of this policy.

I. INSURING AGREEMENTS

1. Coverage A – Follow Form Excess Liability Insuring Agreement

- a. We will pay on behalf of the insured those sums in excess of the “underlying insurance” which the insured becomes legally obligated to pay as damages, provided:
 - (1) Such damages are covered by “underlying insurance”;
 - (2) The event which triggers coverage on the “underlying insurance” takes place during the policy period of this insurance, and
 - (3) The applicable Limit of Insurance of the “underlying insurance” is exhausted by payment of judgments, settlements, related costs or expenses for damages also covered under this policy. We will not pay if the Limit of Insurance of “underlying insurance” is exhausted by payment for damages to which this insurance does not also apply.
- b. We will not pay damages that the “underlying insurance” does not pay for any reason other than exhaustion of limits of the “underlying insurance” by payment of judgments, settlements, related costs or expenses.
- c. The terms and conditions of the “underlying insurance” in effect at the inception of this policy apply unless they are inconsistent with the terms and conditions of this policy.
- d. The amount we will pay for damages is limited as described in section **VI. LIMITS OF INSURANCE**.

- e. We have no obligation under this insurance with respect to any claim or “suit” settled without our consent.

- f. This policy does not apply to any part of loss within the Limit of Insurance of “underlying insurance”, or any related costs or expenses.

- g. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under section **II. DEFENSE AND SETTLEMENT** and section **V. SUPPLEMENTAL PAYMENTS**.

2. Coverage B – Umbrella Liability Insuring Agreement

- a. We will pay on behalf of the insured those sums in excess of the “retained limit” shown in the Declarations which the insured becomes legally obligated to pay as damages because of “bodily injury”, “property damage”, “personal injury” and “advertising injury” to which this coverage applies, provided:

(1) The:

- (a) “Bodily injury” or “property damage” is caused by an “occurrence”; or
- (b) “Personal injury” and “advertising injury” is caused by an offense arising out of your business;

Which took place within the coverage territory as described in section **IV. COVERAGE TERRITORY**;

- (2) The “bodily injury” or “property damage” occurs during the policy period, and the offense causing “personal injury” or “advertising injury” is first committed during our policy period; and

- (3) Prior to the policy period, no insured and no "employee" authorized by you to give or receive notice of an "occurrence", offense or claim, knew that the "bodily injury", "property damage", "personal injury" or "advertising injury" had occurred, in whole or in part. If such an insured or authorized "employee" knew, prior to the policy period, that the "bodily injury", "property damage", "personal injury" or "advertising injury" occurred, then any continuation, change or resumption of such "bodily injury", "property damage", "personal injury" or "advertising injury" during or after the policy period will be deemed to have been known prior to the policy period.

However, "bodily injury", "property damage", "personal injury" or "advertising injury" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured or by any "employee" authorized by you to give or receive notice of an "occurrence", offense or claim, includes any continuation, change or resumption of that "bodily injury", "property damage", "personal injury" or "advertising injury" after the end of the policy period.

- b. "Bodily injury", "property damage", "personal injury" or "advertising injury" will be deemed to have been known to have occurred at the earliest time when any insured, or any "employee" authorized by you to give or receive notice of an "occurrence", offense or claim:

- (1) Reports all or any part of the "bodily injury", "property damage", "personal injury" or "advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury", "property damage", "personal injury" or "advertising injury"; or
- (3) Becomes aware by any other means that "bodily injury", "property damage", "personal injury" or "advertising injury" has occurred or has begun to occur.

c. Coverage B – Umbrella Liability Insuring Agreement does not apply to:

- (1) Any claim or "suit" which is covered by "underlying insurance" regardless of

whether or not the "underlying insurance" is available or the limits have been exhausted;

- (2) Any claim or "suit" covered by **Coverage A – Follow Form Excess Liability Insurance** of this policy; or

- (3) Any costs or expenses related to loss as described by c.(1) or c.(2) above.

- d. The amount we will pay for damages is limited as described in section **VI. LIMITS OF INSURANCE**.

- e. We have no obligation under this insurance with respect to any claim or "suit" settled without our consent.

- f. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under section **II. DEFENSE AND SETTLEMENT** and section **V. SUPPLEMENTARY PAYMENTS**.

II. DEFENSE AND SETTLEMENT

1. Coverage A – Follow Form Excess Liability Defense and Settlement:

- a. We have the right and duty to defend the insured against any "suit" seeking damages to which this insurance applies. If the "underlying insurer" defends a "suit" even if such "suit" is groundless, false or fraudulent, we will also defend such a "suit". We have no duty to defend any person or organization against any claim or "suit":

- (1) To which this insurance does not apply; or

- (2) If any other insurer has a duty to defend.

- b. Where we have the duty to defend, we may, at our discretion, investigate any occurrence or offense and settle any claim or "suit".

- c. Where we have no duty to defend, we have the right to participate in the investigation and settlement of any claim, and defense of any "suit", that we feel may create liability on our part under the terms and conditions of this policy. If we exercise this right, we will do so at our own expense.

- d. Our duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements. However, if the Limits of Insurance of any "underlying insurance" are reduced by defense or claim expense



under the terms of that policy, then our duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments, settlements, and defense or claim expense as defined in the "underlying insurance".

2. Coverage B – Umbrella Liability Defense and Settlement:

- a. We have the right and duty to defend the insured against any "suit" because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies, even if such "suit" is groundless, false or fraudulent. We have no duty to defend any person or organization against any claim or "suit":
 - (1) To which this insurance does not apply; or
 - (2) If any other insurer has a duty to defend.
- b. Where we have the duty to defend, we may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit".
- c. Where we have no duty to defend, we have the right to participate in the investigation and settlement of any claim, and defense of any "suit", that we feel may create liability on our part under the terms and conditions of this policy. If we exercise this right, we will do so at our own expense.
- d. Our duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements. However, if the Limits of Insurance of any "underlying insurance" are reduced by defense or claim expense under the terms of that policy, then our duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments, settlements, and defense or claim expense as defined in the "underlying insurance".

III. WHO IS AN INSURED

1. Coverage A – Follow Form Excess Liability Who Is An Insured:

The following persons or organizations qualify as an insured:

- a. The named insured stated in Item 1 of the Declarations; and
- b. Any other person or organization qualifying as an insured under the "underlying insurance" but not beyond the

extent of any limitation imposed under any contract or agreement.

If coverage provided to an Additional Insured is required by contract or agreement, the most we will pay on behalf of the Additional Insured is the amount of insurance required by the contract, less any amounts payable by "underlying insurance".

Additional Insured coverage provided by this insurance will not be broader than coverage provided by the "underlying insurance". The inclusion of Additional Insureds does not increase the Limit of Insurance.

2. Coverage B – Umbrella Liability Who Is An Insured:

- a. If you are designated in the Declarations as:
 - (1) 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.
 - (2) 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.
 - (3) 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.
 - (4) 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.
 - (5) A trust, you are an insured. Your trustees are also insureds, but only with respect their duties as trustees.
- b. Each of the following is also an insured:
 - (1) Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than 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 business. However, none of these "employees" or "volunteer workers" is an insured for:

(a) "Bodily injury", "personal injury" or "advertising injury":

(i) To you, to your partners or members (if you are a partnership or joint venture), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(ii) To the spouse, child, parent, brother or sister of the "employee" or "volunteer worker" as a consequence of paragraph (a)(1) above;

(iii) 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 (a)(1) or (a)(2) above; or

(iv) Arising out of his or her providing or failing to provide professional health care services.

(b) "Property Damage" to property:

(i) Owned, occupied or used by;

(ii) 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).

(2) Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

(3) Any person or organization having proper temporary custody of your property if you die, but only:

(a) With respect to liability arising out of the maintenance or use of that property; and

(b) Until your legal representative has been appointed.

(4) 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 Part.

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

(1) 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.

(2) Coverage does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

(3) Coverage does not apply to "personal injury" 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.

IV. COVERAGE TERRITORY

1. Coverage A – Follow Form Excess Liability:

With respect to **Coverage A – Follow Form Excess Liability**, this insurance applies anywhere that the applicable "underlying insurance" applies.

2. Coverage B – Umbrella Liability:

With respect to **Coverage B – Umbrella Liability**, this insurance applies anywhere in the world, with the exception of any country or jurisdiction subject to sanctions or embargo by the United States of America.

V. SUPPLEMENTAL PAYMENTS



Applicable to Both **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella Liability**

1. We will pay the following expenses in addition to the Limit of Insurance with respect to any claim we investigate or settle, or any "suit" against an insured we defend, to the extent such expenses are not covered by "underlying insurance" or "other insurance":
 - a. All expenses we incur.
 - b. Up to \$2,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which this coverage applies. We do not have to furnish these bonds.
 - c. The premium costs of appellate bonds or bonds to release attachments, but only for bond amounts within the applicable Limit of Insurance. We do not have to furnish these bonds.
 - d. Reasonable expenses incurred by an insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1000 a day because of time off from work.
 - e. All costs taxed against an insured in the "suit", except any:
 - (1) Attorneys' fees or litigation expenses; or
 - (2) Other loss, cost or expense in connection with any injunction or equitable relief.
 - f. Pre-judgment 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 pre-judgment 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 that part of the judgment that is within our applicable limit of insurance.
2. Our obligation to make these payments ends when we have used up the applicable Limit of Insurance.
3. If the Limits of Insurance of any "underlying insurance" are reduced by defense expense or claim expense as defined under the terms of that policy, then any Supplemental Payments we make that meet the "underlying insurance" definition of defense expense or claim

expense will reduce our applicable Limits of Insurance in the same manner.

4. If the law of a country or jurisdiction prohibits us from paying a Supplementary Payment, we will reimburse you for a Supplementary Payment you have incurred with our consent.

VI. LIMITS OF INSURANCE

Applicable to Both **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella Liability**

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;
 - c. Persons or organizations making claims or bringing "suits"; or
 - d. Coverages provided by this policy.
2. The Products-Completed Operations Aggregate Limit shown in the Declarations is the most we will pay for the sum of all damages included in the "products - completed operations hazard".
3. The General Aggregate Limit shown in the Declarations is the most we will pay for the sum of all damages to which this insurance applies, except:
 - a. Damages Included in the "products - completed operations hazard"; or
 - b. Otherwise covered by "underlying insurance", but to which no aggregate limit in such "underlying insurance" applies.
4. Subject to the applicable Aggregate Limit, the Each Occurrence Limit shown in the Declarations is the most we will pay for damages arising out of any one "occurrence" or offense under **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella Liability** combined, even if such loss is or otherwise would be covered in whole or part under more than one "underlying insurance".
5. Any amount paid for loss will reduce the amount of the applicable Aggregate Limit available for any other payments.
6. If the applicable Aggregate Limit has been reduced to any amount that is less than the Each Occurrence Limit, the remaining amount of such applicable Aggregate Limit is the most that will be available for any other payments.
7. If the Limits of Insurance of any "underlying insurance" are reduced by defense or claim expenses under the terms of that policy, then any defense or claim expense payments we

make to defend any insured will reduce our applicable Limits of Insurance in the same manner.

8. The Aggregate Limits of this policy apply separately to each consecutive annual period. If our policy period is extended to a period greater than twelve (12) months, the extended period will be considered part of the original policy period for determining the Limits of Insurance.

VII. EXCLUSIONS

1. Applicable to both **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella Liability**

This insurance does not apply to:

- a. **Access Or Disclosure Of Confidential Or Personal Information And Data-Related Liability**

Any liability or expense arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if claims are made or "suits" brought for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to liability or expense because of "bodily injury".

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.

- b. **Asbestos**

"Bodily injury", "property damage", "personal injury" or "advertising injury" or

any other injury, damage, loss cost or expense arising out of any actual or alleged:

- (1) Inhaling, ingesting or prolonged physical exposure by any person to asbestos or asbestos fibers or goods or products containing asbestos;
- (2) Use of asbestos in constructing or manufacturing any good, product or structure;
- (3) Intentional or accidental removal including encapsulation, dispersal, sealing or disposal of asbestos or asbestos fibers from any good, product or structure;
- (4) Manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos;
- (5) Products manufactured, sold, handled or distributed by or on behalf of the insured which contain asbestos; or
- (6) Acts or omissions of the insured in connection with the general supervision of any job involving the removal, enclosure, encapsulation, dispersal, sealing or disposal of asbestos, asbestos fibers or products containing asbestos. General supervision includes the rendering of or failure to render any instructions, recommendations, warnings or advice.

- c. **Damage to Property**

"Property damage" or related expenses arising from damage to or loss of use of:

- (1) Real property owned, leased, occupied or in the care, custody or control of any insured;
- (2) Real property loaned to any insured;
- (3) That particular part of real property on which you or any contractors or subcontractors working directly on your behalf are performing operations, if the "property damage" arises out of those operations.
- (4) That particular part of any property that must be restored repaired or replaced because "your work" was incorrectly performed on it.
- (5) Personal property in the care, custody or control of the insured.
- (6) Paragraphs (2) and (3) above do not apply to liability assumed under a sidetrack agreement.



- (7) Paragraph (4) above does not apply to "property damage" included in the "Products Completed Operations Hazard".

d. Employment Related Practices

Any claim by or on behalf of:

- (1) A person arising out of any:
- (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) Any person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraph (1) above is directed.

This exclusion applies:

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

e. Miscellaneous Laws

Any liability or expense under any of the following:

- (1) Any obligation of the insured under a workers' compensation, disability, benefits or unemployment compensation law or any similar law;
- (2) Any breach of fiduciary duty, responsibility, or obligation in connection with any employee benefit or pension plan, including violations of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 (ERISA), as amended, or any similar local, state, federal or foreign law or regulations; or
- (3) Any uninsured or underinsured motorist, no-fault, medical payments, first party personal injury or similar law.

f. Nuclear Liability

"Nuclear Energy Hazards".

g. Recall of Products, Work or Impaired Property

Damages claimed for any loss of use, cost, or expense related to recall, withdrawal, disposal or removal of, inspection, repair or replacement 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.

h. Recording and Distribution of Material in Violation of Law

Any liability or expense arising 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; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) The Fair Credit Reporting Act (FCRA) and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

i. War

Any liability or expense arising out of "war".

2. Applicable to Coverage A – Follow Form Excess Liability only:

This insurance does not apply to:

a. Pollution

- (1) Any "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot 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;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site, or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured other than the additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.; or

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

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to

the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any



way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order, 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, paragraphs (2)(a) and (2)(b) above do not apply to liability for damages because of "property damage" that an 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.

- (3) As used in this exclusion, a hostile fire is one which becomes uncontrollable or breaks out from where it was intended to be.

3. Applicable to **Coverage B – Umbrella Liability** only:

This insurance does not apply to:

a. **Aircraft, "Unmanned Aircraft", "Auto" or Watercraft:**

Any liability or expense arising out of the ownership, maintenance, operation, use, entrustment to others, or loading or unloading of any:

- (1) Aircraft owned by you or rented, loaned or chartered by or on behalf of you without crew;
- (2) "Unmanned aircraft";
- (3) "Auto"; or
- (4) Watercraft owned by you except watercraft while ashore on premises you own or rent.

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.

b. **Contractual Liability**

Any liability for which any insured is obligated to pay damages by reason of the assumption of liability in any contract or agreement. This exclusion does not apply to liability for damages:

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

c. **Damage to "Your Product", "Your Work" or "Impaired Property"**

"Property damage" to:

- (1) "Your product" arising out of it or any part of it; and
- (2) "Your work" arising out of it or any part of it and included in the "products-completed operations hazard".

Paragraphs (1) and (2) above do not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

- (3) "Impaired Property" or property that has not been physically injured, arising out of:

- (a) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (b) 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.

d. **Directors and Officers**

Any liability or expense for a wrongful act, error, omission or breach of duty by an insured in the performance of the office of director, officer or trustee of an organization.

e. **Employers Liability**

Any injury to:

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

- (a) Employment by an insured; or
- (b) Performing duties related to the conduct of an insured's business; or
- (2) Any person as a consequence of paragraph (1) above.

This exclusion applies:

- (3) Whether an insured may be liable as an employer or in any other capacity; and
- (4) 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 an insured under an "insured contract".

f. Expected or Intended Injury

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

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

g. Liquor Liability

Any liability or expense for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person; or
- (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 even if the claims against any insured allege negligence or other wrongdoing in:

- (4) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (5) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

h. Maintenance, Prevention or Enhancement

To any liability or expense incurred by an insured or any others for any:

- (1) maintenance or enhancement of any property; or
- (2) prevention of any injury or damage to any:
 - (a) person or organization; or
 - (b) property you own, rent or occupy.

i. "Personal Injury" and "Advertising Injury"

Any liability or expense for "personal injury" and "advertising injury":

- (1) 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 injury" or "advertising injury";
- (2) Arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of a criminal act committed by or at the direction of the insured;
- (5) 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;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) 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 or slogan.

(10) Arising out of:

- (a)** The controlling, creating, designing or developing of another's internet site;
- (b)** The controlling, creating, designing, developing, determining or providing content or material of another's internet site;
- (c)** The controlling, facilitating or providing, or failing to control, facilitate or provide, access to the internet or another's internet site; or
- (d)** Publication of content or material on or from the internet, other than material developed by you or at your direction.

(11) Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control;

(12) Arising out of the unauthorized use of another's name or product in your email address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

j. Pollution

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

k. Professional Liability

Any liability or expense arising out of the rendering of or failure to render any professional or quasi-professional service (whether or not such service requires certification or licensing), advice or instruction by you or on your behalf, or from whom any of you assumed liability by reason of a contract or agreement, regardless of whether any such service, advice or instruction is ordinary to any insured's profession.

l. Punitive Damages

Any sum awarded for punitive damages, exemplary damages, multiplied damages, taxes, fines, or penalties.

VIII. CONDITIONS

Applicable to Both **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella Liability**

1. Appeals

We may elect to initiate or participate in an appeal of a judgment if such judgment could result in a payment under this insurance.

If we so elect, we shall be liable for all expenses we incur incidental to such appeal, but in no case will the amount we pay for loss exceed the Limits of Insurance.

2. Bankruptcy

The bankruptcy of any insured or insured's estate will not relieve us of our obligations under this policy.

In the event of bankruptcy or insolvency of the provider of any "underlying insurance", the insurance provided by this policy will not replace such "underlying insurance" and applies as though such "underlying insurance" was available and collectible.

3. Cancellation and Non-Renewal

- a.** The first Named Insured may cancel this policy by mailing or delivering to us, our authorized agent or broker, advance written notice of cancellation stating when the cancellation is to take effect.
- b.** We may cancel this policy or any of its individual coverages by mailing to the first Named Insured a written notice of cancellation at least:
 - (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 60 days before the effective date of cancellation if we cancel for any other reason.

- c. We will mail our notice to the first Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is canceled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata.
- f. If we decide not to renew, we will mail to the first Named Insured written notice of non-renewal not less than sixty (60) days before the expiration date.
- g. Proof of mailing will be sufficient proof of notice.

4. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized to make changes with our consent. This policy's terms can be amended or waived only by endorsement issued by us or made a part of this policy.

5. Currency

All payments or reimbursements we make for damages because of judgments or settlements will be made in United States currency at the prevailing exchange rate at the time the insured became legally obligated to pay such sums.

6. Duties in the Event of "Occurrence", Offense, Claim or "Suit"

- a. You must see to it that we are notified as soon as practicable of any "occurrence" or offense to which this insurance may apply. 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 of any injury or damage arising out of the "occurrence" or offense.
- b. You will cooperate with the "underlying insurer" as required by the terms of their policies and comply with all terms and conditions of those policies.
- c. If a claim is made or "suit" is brought against any insured to which this

insurance may apply, you must see to it that we receive written notice of the claim or "suit" as soon as practicable.

d. You and any other involved insured must:

- (1) Send us copies as soon as practicable of any demands, notices, summonses or legal papers received in connection with the claim or "suit" to which this insurance may apply;
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which in our opinion may be liable to an insured because of injury or damage to which this insurance applies;
- (5) Notify us as soon as practicable of any judgment or settlement of any claim or "suit" brought against any insured; and
- (6) Not voluntarily make a payment, assume any obligation or incur any expense without our consent, except at that insured's own cost.

7. 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 afterward. We have the right to make copies of those books and records.

8. First Named Insured

The person or organization first named in Item 1. of the Declarations is responsible for the payment of all premiums, the receiving of return premiums, the receipt and acceptance of this policy and any endorsements, and will act on behalf of all other insureds for the giving and receiving of notice of cancellation or any other notice required under this policy or by statute or regulation.

9. Inspections and Surveys

- a. We have the right but not the duty to:
 - (1) Make inspections and surveys at any time;
 - (2) Give you reports on the conditions we find; and
 - (3) Recommend changes.
- b. 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 the health or safety of workers or the public. 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.

10. Joint Duties in Non-Admitted Jurisdictions

With respect to an "occurrence", offense, claim or "suit" that arises in a non-admitted jurisdiction and to which this insurance applies:

- a. If we are prevented by law in any country or jurisdiction from fulfilling our duty to defend you or to investigate claims, you will be responsible for arranging for the defense or investigation under our supervision. We will reimburse you for all reasonable and necessary expense incurred which we would have paid if we had defended the "suit" or investigated the claim; and
- b. If we are prevented by law in any country or jurisdiction from paying damages to which this insurance applies, you may pay the damages with our consent. Upon proof of the payments, we will reimburse you for such damages subject to the applicable Limit of Insurance.

11. Legal Action Against Us

No person or organization has a right under this policy:

- 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 policy 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 obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the Limits of Insurance.

An agreed settlement means a settlement and release of liability signed by us, an insured

and the claimant or the claimant's legal representative.

12. Maintenance of "underlying insurance"

- a. You agree to maintain the "underlying insurance" in full force and effect during the term of this policy. "underlying insurance" will not be cancelled, non-renewed or rescinded without replacement coverage to which we agree. You must notify us as soon as practicable if any "underlying insurance" is no longer valid or in full force and effect.
- b. The terms and conditions of "underlying insurance" will not materially change, unless we agree otherwise. The terms and conditions or renewals or replacements of "underlying insurance" will be materially the same as prior coverage unless we agree otherwise.
- c. The total applicable limits of "underlying insurance" shall not decrease, except for any reduction or exhaustion of aggregate limits by payment of loss. Reduction or exhaustion of any aggregate limit of liability or limit of insurance in any "underlying insurance" by payments for judgments, settlements or expense will not be a failure to maintain "underlying insurance" in full force and effect.
- d. No statement contained in this Condition limits our right to cancel or not renew this policy.
- e. Your failure to comply will not invalidate this policy, but this policy will apply as if the "underlying insurance" was so maintained.

13. Other Insurance

- a. This insurance is excess over any "other insurance", whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically purchased as excess over this policy.
- b. We have no duty to defend the insured against any claim or "suit" if any other insurer has a duty to defend such insured against that claim or "suit".
- c. This insurance is not subject to the terms or conditions of any "other insurance".
- d. We will pay only our share of the amount of loss, if any, that exceeds the sum of the total:
 - (1) Amount that all "other insurance" would pay for loss in the absence of this insurance; and

- (2) Of all deductible and self-insurance amounts under all "other insurance".

14. Premium Audit

- a. We will compute all premiums for this policy in accordance with our rules, rates, rating plans, premiums and minimum premiums applicable to this insurance.
- b. If the premium for this policy is stated in the Declarations as being subject to adjustment, at the close of each audit period, we will compute the earned premium for that period using the rates and rating basis shown on the Declarations or as stated in an endorsement issued by us. Audit premiums are due and payable on notice to the first Named insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured, but not if such audit premium is less than the minimum premium shown in the Declarations.
- c. The first Named Insured must keep records of the information we need for premium computation and send us copies as we may request.

15. Representations

By accepting this policy, you agree:

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

If unintentionally you should fail to disclose all hazards at the inception of this policy, we shall not deny coverage under this policy because of such failure.

16. Separation of Insureds

Except with respect to the Limits of Insurance 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 or "suit" brought.

17. Titles of Paragraphs

The titles of paragraphs in this policy are inserted solely for convenience or reference. Such titles do not limit, define or affect the provisions to which they relate.

18. Transfer of Rights of Recovery Against Others to Us

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

Any recoveries will be apportioned in the inverse order of payment of loss to the extent of actual payment. The expenses of all such recovery proceedings shall be apportioned in the ratio of their respective recoveries.

19. Transfer of Your Rights and Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent.

If you die, your rights and duties are transferred to your legal representative, but only while that legal representative is acting within the scope of their duties as such. Until your legal representative is appointed, anyone with proper temporary custody of your property will have your rights and duties but only with respect to that property.

IX. DEFINITIONS

Applicable to Both **Coverage A – Follow Form Excess Liability** and **Coverage B – Umbrella**

1. **"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 purpose 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.
2. **"Advertising Injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. The use of another's advertising idea in your "advertisement"; or
 - b. Infringing upon another's copyright or slogan in your "advertisement".
3. **"Auto"** means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads,



including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law 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. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".
5. **"Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".
6. **"Executive Officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. **"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 the 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.
8. **"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 business (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, roadbeds, 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;
 - (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 paragraph (2) above and supervisory, inspection or engineering activities.
9. **"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".
 10. **"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".

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

- a. Bulldozers, farm machinery, fork-lifts and other vehicles designed by 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, shoves, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in 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 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 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".

12. "Nuclear Energy Hazard"

Any liability or expense:

- a. With respect to which an insured under this policy is also an insured under a nuclear energy policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any other similar foreign or domestic authority of any jurisdiction, or their successors, or would be an insured under any such policy 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:
 - (1) Any person or entity is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, of any law amendatory thereof or of any similar law or regulation of any other foreign or domestic authority or jurisdiction; or
 - (2) Any insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America or any other foreign or domestic governmental entity or any agency thereof, under any agreement entered into by the United States of America, any other foreign or domestic governmental body or any agency thereof, with any person or organization.
- c. To "bodily injury" or "property damage" resulting from the hazardous properties of nuclear material, if:
 - (1) The nuclear material:

- (a) Is at any nuclear facility owned by or operated by or on behalf of an insured or,
- (b) Has been discharged or dispersed there from.
- (2) The nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
- (3) The "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 paragraph c. applies only to "Property Damage" to such nuclear facility and any property thereat.

As used in this definition:

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

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

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

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

"Waste" means any waste material:

- (1) 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.
- (2) Resulting from the operation by any person or organization of any nuclear facility included under the first two paragraphs of the definition of nuclear facility.

"Nuclear facility" means:

- (1) Any nuclear reactor; or
- (2) Any equipment or device designated or used for:
 - (a) Separating the isotopes of uranium or plutonium; or

- (b) Processing or utilizing spent fuel; or
- (c) Handling, processing or packaging nuclear waste; or
- (3) Any equipment or device used for processing, fabricating or alloying of special nuclear material if at any time the total amount of such material in the custody of an 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; or
- (4) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

13. "**Occurrence**" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "**Other Insurance**" means any insurance that may provide coverage to any insured which this policy would also provide, and includes any type of self-insurance or other mechanism arranged for funding of loss. "Other insurance" does not include "underlying insurance" or insurance specifically purchased as excess over this policy.

15. "**Personal 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;

16. "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.

17. "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.

18. "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.

19. "Retained Limit" means the amount stated as such in the Declarations for which the insured is responsible with respect to each "occurrence" under **Coverage B – Umbrella Liability**.

20. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" also includes:

- a. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

21. "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.

22. "Underlying insurance" means the liability insurance coverage provided under policies shown in the Schedule of Underlying Insurance for the limits and policy periods indicated. It includes any policies issued to replace those policies during the term of this insurance that provide:

- a. At least the same limits of liability or limits of insurance; and

- b. The same hazards insured against, except as modified by general program revisions or as agreed to by us in writing.

23. "Underlying Insurer" means any insurer who issues a policy of "underlying insurance".

24. "Unmanned aircraft" means an aircraft that is not:

- a. Designed;

- b. Manufactured; or
 - c. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.

25. "War" means:

- 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.

26. "Your Product"

- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and

- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

27. "Your Work"

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER COVERAGE ENDORSEMENT (COVERAGE B)

This endorsement modifies insurance provided under the following:

HANOVER COMMERCIAL FOLLOW FORM EXCESS AND UMBRELLA POLICY

The following is added to section **VIII. CONDITIONS:**

Other Coverage

It is our stated intent that the various coverage parts, forms, endorsements or policies issued to the Named Insured by us, or any company affiliated with us, do not provide any duplication or overlap of coverage for the same claim, occurrence, offense, wrongful act, accident or loss.

If this policy and any other coverage part, form, endorsement or policy issued to the Named Insured by us, or any company affiliated with us, apply to the same claim, occurrence, offense, wrongful act, accident or loss, the maximum Limit of Insurance under all such coverage parts, forms, endorsements or policies combined shall not exceed the highest applicable Limit of Insurance under any one coverage part, form, endorsement or policy.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.



THIS NOTICE IS PROVIDED IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS NOTICE DOES NOT GRANT COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF COVERAGE UNDER THE POLICY. IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE POLICY, THE PROVISIONS OF THE POLICY SHALL APPLY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Schedule

Disclosure of Premium:	
Total Terrorism Premium	\$ 75
Fire Following Premium	\$
Other than Fire Following Premium	\$

Disclosure of Terrorism Coverage Available

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from "acts of terrorism" defined in Section 102(1) of the Act as follows:

Any act or acts that are certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

The premium charged for this coverage is provided in the Schedule above and does not include any charges for the portion of loss that may be covered by the Federal Government as described below.

Your policy may contain other exclusions which could affect your coverage, such as an exclusion for Nuclear Events or Pollution. **Please read your policy carefully.**

Note for Commercial Property or Commercial Inland Marine Policyholders in Standard Fire States:

In your state, a terrorism exclusion makes an exception for (and therefore provides coverage for) fire losses resulting from an act of terrorism. If you reject the offer of terrorism coverage, therefore, that rejection does not apply to fire losses resulting from an act of terrorism. Coverage for such fire losses will be provided in your policy. The additional premium just for such fire coverage is shown in the Schedule above.

Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 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.



Cap on Insurer Participation in Payment of Terrorism Losses

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of 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 will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. 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.

Rejection of Terrorism Insurance Coverage

- ☐ I decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Applicant/Policyholder Signature

Print Name

Date

Hanover Insurance Company

Insurance Company

UHX 9601310 06

Quote or Policy Number

IMPORTANT NOTICE TO POLICYHOLDERS

LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION ENDORSEMENT REVISION

Summary of Form Changes

THIS NOTICE CONTAINS IMPORTANT SUMMARY INFORMATION ABOUT CHANGE IN COVERAGE. PLEASE READ IT CAREFULLY.

THIS NOTICE DOES NOT PROVIDE ANY COVERAGE AND DOES NOT REPLACE ANY PROVISIONS IN YOUR POLICY. READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

The Hanover Insurance Group, in an effort to further address the needs of our policyholders, has modified the LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION endorsements. New policy forms and endorsements are designed to provide an enhanced and streamlined product.

Your expiring policy may have one or more of the following forms attached. This notice does **not** reference every editorial change made in these endorsements. If you have any questions or concerns, please contact your agent.

Not all endorsements are included on a particular policy. Please read your policy language carefully.

CG 21 44 LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

Changes Which May Reduce Coverage

For consistency with this endorsement's original intent:

- Coverage is limited to "bodily injury" and "property damage" which occurs at the Scheduled location on the endorsement;
- Coverage is limited to "personal and advertising injury" which occurs at the Scheduled location on the endorsement if the "personal and advertising injury" is caused by false arrest, detention or imprisonment, or 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.
- Coverage for Medical Payments is limited to "bodily injury" which occurs at the Scheduled location on the endorsement.

475-0413 LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

Changes Which May Reduce Coverage

For consistency with this endorsement's original intent:

- Coverage is limited to "bodily injury" and "property damage" which occurs at the Scheduled location on the endorsement;
- Coverage is limited to "personal and advertising injury" which occurs at the Scheduled location on the endorsement if the "personal and advertising injury" is caused by false arrest, detention or imprisonment, or 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.

CX 21 10 LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

Changes Which May Reduce Coverage

- Coverage is limited to "bodily injury" and "property damage" which occurs at the Scheduled location on the endorsement;
- Coverage is limited to "personal and advertising injury" which occurs at the Scheduled location on the endorsement if the "personal and advertising injury" is caused by false arrest, detention or imprisonment, or 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.

