

FORMS – FILED AND APPROVED

JUNE 3, 2019

COMMERCIAL LINES

LI-CL-2019-023

ILLINOIS FILING INTRODUCING ABUSE OR MOLESTATION EXCLUSION PROVISIONS FILED AND APPROVED

KEY MESSAGE

Commercial Lines form filing CL-2018-OAME1 regarding Abuse Or Molestation Exclusion provisions filed and approved.

Applicable Lines: BP, CA, CU, FR, GL, MS, PF, PR

BACKGROUND

When Abuse Or Molestation Exclusion endorsements were originally submitted, the Illinois Insurance Department would not allow these types of endorsements to be filed based on their filing checklist. Abuse Or Molestation Exclusion-related provisions within certain coverage forms had been modified or deleted to conform with the Department's position.

Subsequently, the Illinois Insurance Department modified its filing checklist to remove the prohibition against Abuse Or Molestation Exclusions.

ISO ACTION

In light of the Illinois Insurance Department's change in position, we submitted filing CL-2018-OAME1 in order to introduce various Abuse Or Molestation Exclusion endorsements. We revised or withdrew state-specific endorsements to revert to the multistate approach with respect to coverage forms and endorsements that address Abuse Or Molestation.

Refer to the attached explanatory material for complete details about the filing.

SPECIAL NOTE

In connection with this filing, the Illinois Department of Insurance (Department) has generally requested that we include this note and the reminder below.

The Department has stated that insurers should be reminded “that the U.S. Department of Treasury of Foreign Assets Control (OFAC) has specific guidelines related to U.S. citizens traveling abroad that may” be relevant with respect to forms or endorsements providing “worldwide” coverage.

ISO currently makes available for insurer use, IL P 001 – U.S. Treasury Department’s Office Of Foreign Assets Control ("OFAC") Advisory Notice To Policyholders.

INSURANCE DEPARTMENT ACTION

The Illinois Department of Insurance has approved this revision as filed.

EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after December 1, 2019.

COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Designation Number [CL-2018-OAME1](#), not this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- New edition dates of existing form numbers are being introduced.
- Forms are being withdrawn.
- New forms are being introduced.

POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies, to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2018-044](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Portfolioholders with an edition date of 12-19 (or the earliest possible subsequent date), along with any new and/or revised forms.

RELATED RULES REVISION

We are announcing in a separate circular the implementation of a corresponding rules revision. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- [LI-CL-2019-024](#) (06/03/2019) Illinois Rules Revision To Be Implemented
- [LI-CL-2018-044](#) (11/27/2018) Revised Lead Time Requirements Listing

ATTACHMENT(S)

- Forms Filing [CL-2018-OAME1](#)
- Final Copies of Illinois Endorsements

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Introduction Of Abuse Or Molestation Exclusion Endorsements

Applicable Lines of Business

This filing applies to the following lines of business:

- ◆ Businessowners
- ◆ Commercial Automobile
- ◆ Commercial General Liability
- ◆ Commercial Liability Umbrella
- ◆ Farm
- ◆ Market Segments – Health Clubs And Gyms Section
- ◆ Medical Professional Liability
- ◆ Professional Liability (Other Than Medical) – Insurance Agents and Brokers Professional Liability Section
- ◆ Professional Liability (Other Than Medical) – Lawyers Professional Liability Section
- ◆ Professional Liability (Other Than Medical) – Miscellaneous Professional Liability Section
- ◆ Professional Liability (Other Than Medical) – Real Estate Agents and Brokers Professional Liability Section

About This Filing

This filing introduces, revises and withdraws various endorsements containing Abuse or Molestation provisions for use in Illinois.

New Forms

We are introducing the following forms:

- ◆ BP 04 39 07 02 – Abuse Or Molestation Exclusion
- ◆ BP 14 11 01 10 – Abuse Or Molestation Exclusion – Specified Services
- ◆ CA 25 28 10 13 – Abuse Or Molestation Exclusion For General Liability Coverages

- ◆ CG 21 46 07 98 – Abuse Or Molestation Exclusion
- ◆ CG 21 97 12 07 – Abuse Or Molestation Exclusion – Specified Professional Services
- ◆ CU 21 12 09 00 – Abuse Or Molestation Exclusion
- ◆ CU 21 70 12 07 - Abuse Or Molestation Exclusion – Specified Professional Services
- ◆ CX 21 11 04 13 – Exclusion – Abuse Or Molestation
- ◆ CX 21 18 04 13 – Exclusion – Abuse Or Molestation – Specified Professional Services
- ◆ LW 04 05 03 11 – Abuse Or Molestation Coverage
- ◆ MS HC 01 07 13 – Health Clubs And Gyms
- ◆ MS HC 06 07 10 – Health Clubs And Gyms – Abuse Or Molestation

Revised Forms

We are revising the following forms:

- ◆ FB 01 06 04 16 – Illinois Changes
- ◆ FB 04 54 04 16 – Illinois Changes – Farm Premises And Personal Umbrella Liability
- ◆ FL 01 11 04 16 – Illinois Changes
- ◆ FL 04 54 04 16 – Illinois Changes – Personal Liability
- ◆ IA 01 14 01 18 – Illinois Changes
- ◆ LW 01 13 01 18 – Illinois Changes
- ◆ MI 01 14 06 17 – Illinois Changes
- ◆ RE 01 14 01 18 – Illinois Changes

We have used a format of ~~striking through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes from the above-referenced editions to the 05 19 editions. Concurrent with implementation, the 05 19 editions will supersede the prior editions.

Withdrawn Forms

We are withdrawing the following forms:

- ◆ MS HC 58 07 13 – Illinois – Health Clubs And Gyms
- ◆ PR 01 55 09 08 – Illinois Changes
- ◆ PR 01 56 09 08 – Illinois Changes

Related Filing(s)

Rules Filing CL-2018-OAME2

Background

ISO currently makes available a number of multistate endorsement options, as well as exclusions included within certain coverage forms, addressing abuse or molestation.

These endorsements and coverage form provisions explicitly contain a related exclusion of coverage under the respective policies.

When Abuse Or Molestation Exclusion endorsements were originally submitted the Illinois Insurance Department would not allow these types of endorsements to be filed based on their filing checklist. Abuse Or Molestation Exclusion-related provisions within certain coverage forms had been modified or deleted to conform with the department's position.

Subsequently, the Illinois Insurance Department modified its filing checklist to remove the prohibition against Abuse Or Molestation Exclusions.

Explanation of Changes

In light of the Illinois Insurance Department's change in position, we are now introducing various Abuse Or Molestation Exclusion Endorsements. We are also revising or withdrawing state-specific endorsements to revert to the multistate approach with respect to coverage forms and endorsements that address Abuse Or Molestation..

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insurer's determination of coverage for a specific claim. ISO does not intercede in coverage disputes arising from insurance policies. If there is any conflict between a form and any other part of the attached material, the provisions of the form apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following applies to Section II – Liability and supersedes any provision to the contrary:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

- (a)** The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (b)** The negligent:
 - (i)** Employment;
 - (ii)** Investigation;
 - (iii)** Supervision;
 - (iv)** Reporting to the proper authorities, or failure to so report; or
 - (v)** Retention;
 - of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by **(a)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION – SPECIFIED SERVICES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

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

The following applies to **Section II – Liability** and supersedes any provision to the contrary:

With respect to any services described in the Schedule, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

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

- b. Investigation;
 - c. Supervision;
 - d. Reporting to the proper authorities, or failure to so report; or
 - e. Retention;
- of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. of this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION FOR GENERAL LIABILITY COVERAGES

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

Section II – General Liability Coverages is amended as follows:

A. The following exclusion is added to Paragraph 2. Exclusions of Paragraph A. Bodily Injury And Property Damage Liability:

This insurance does not apply to any of the following:

Abuse Or Molestation

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

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any "insured"; or
- (2) The negligent:
 - (a) Employment;
 - (b) Investigation;
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention;

of a person for whom any "insured" is or ever was legally responsible and whose conduct would be excluded by Paragraph **A.(1)** above.

B. The following exclusion is added to Paragraph 2. Exclusions of Paragraph B. Personal And Advertising Injury Liability:

This insurance does not apply to:

Abuse Or Molestation

"Personal and advertising injury" arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any "insured"; or
- (2) The negligent:
 - (a) Employment;
 - (b) Investigation;
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention;

of a person for whom any "insured" is or ever was legally responsible and whose conduct would be excluded by Paragraph **B.(1)** above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or

2. The negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failure to so report; or
- e. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION – SPECIFIED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

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

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

With respect to any professional services described in the Schedule, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or

2. The negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failure to so report; or
- e. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

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

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or

2. The negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failure to so report; or
- e. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION – SPECIFIED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

SCHEDULE

Description Of Professional Services:

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

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

With respect to any professional services described in the Schedule, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or

2. The negligent:
a. Employment;
b. Investigation;
c. Supervision;
d. Reporting to the proper authorities, or failure to so report; or
e. Retention;
of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ABUSE OR MOLESTATION

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

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

2. Exclusions

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

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ABUSE OR MOLESTATION – SPECIFIED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services:

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

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

2. Exclusions

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

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

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

FARM UMBRELLA LIABILITY POLICY

A. Exclusion 2.s. Bodily Injury To An Insured of Section I – Coverages – Coverage H – Bodily Injury And Property Damage Liability is replaced by the following:

s. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraphs 14.a.(1)(a) and 14.b.(1) in Section IV – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" as defined in Paragraph 14.a.(1)(a) to:

(1) Repay; or

(2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (a) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an "insured" other than you or any family member; or
- (b) When a third party acquires a right of contribution against you or any family member.

As used in this endorsement, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over.

B. Exclusion 2.y. Communicable Disease of Section I – Coverages – Coverage H – Bodily Injury And Property Damage Liability is replaced by the following:

y. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of a disease by an "insured" through sexual contact.

~~C. Exclusion 2.z. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse of Section I – Coverage H – Bodily Injury And Property Damage Liability~~ is replaced by the following:

~~z. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse~~

~~An "insured" who inflicts, or directs another person to inflict, upon any person, sexual molestation, corporal punishment or physical or mental abuse which results in "bodily injury" or "property damage".~~

DC. Exclusion 2.b.(3) Personal Injury To An Insured of Section I – Coverages – Coverage I – Personal And Advertising Injury Liability is replaced by the following:

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraphs 14.a.(1)(a) and 14.b.(1) in Section IV – Definitions.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" as defined in Paragraph 14.a.(1)(a) to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (i) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an "insured" other than you or any family member; or
- (ii) When a third party acquires a right of contribution against you or any family member.

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| As used in this endorsement, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – FARM PREMISES AND PERSONAL UMBRELLA LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
SCHEDULE

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<input type="checkbox"/> Personal Liability Coverage Applies.
<input type="checkbox"/> Custom Farming Liability Coverage Applies. Advance Premium: \$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

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The definitions of "employee", "leased worker", "temporary worker" and "volunteer worker", as shown in Section V – Definitions of the Commercial Liability Umbrella Coverage Form, do not apply to the insurance provided under this endorsement.

SECTION I – PREMISES, OPERATIONS AND PRODUCTS LIABILITY COVERAGE

Subject to the provisions of this endorsement, insurance under the Commercial Liability Umbrella Coverage Form applies with respect to liability arising out of the ownership, use or maintenance of "farm premises". The terms ownership, use or maintenance include operations necessary or incidental to ownership, use or maintenance.

A. Coverage A – Bodily Injury And Property Damage Liability

1. Exclusion 2.a. is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

2. Exclusion 2.i. is replaced by the following:

i. Pollution

(1) "Bodily injury" or "property damage" 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 (1)(a) does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

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- (ii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire, if the fire:
 - i. Is set by the insured on the "insured location"; and
 - ii. Is set for the purpose of burning off crop stubble or other vegetation and is consistent with normal and usual agricultural practice; and
 - iii. Is not set in violation of an ordinance or law;
- (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:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (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 **(1)(d)** 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;

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- (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";
- (f) That are, or that are contained in any property that is:
- (i) Being transported or towed by, handled, or handled for movement into, onto or from, a "covered auto";
 - (ii) Otherwise in the course of transit by or on behalf of the insured; or
 - (iii) Being stored, disposed of, treated or processed in or upon a "covered auto";
- (g) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto a "covered auto"; or
- (h) After the "pollutants" or any property in which the "pollutants" are contained are moved from a "covered auto" to the place where they are finally delivered, disposed of or abandoned by the insured.

With respect to liability arising out of the ownership, maintenance or use of "covered autos", Subparagraphs (f), (g) and (h) do not apply to the extent that valid "underlying insurance" for the pollution liability risks they describe exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

(2) "Pollution cost or expense".

However, this Paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of request, demand, order or statutory or regulatory requirement, or claim or suit by or on behalf of a governmental authority.

3. Exclusion 2.o. **Damage To Your Work** does not apply to operations necessary or incidental to the ownership, use or maintenance of the "farm premises".

4. Unless the Declarations specifies otherwise, the following exclusions are added:

v. Nonagricultural Use

"Bodily injury" or "property damage" arising out of the ownership, use or maintenance of any part of the "farm premises" that is:

- (1) Used for nonagricultural business purposes;
- (2) Rented to others or held for rental by an insured for nonagricultural business; or
- (3) Rented to others or held for rental by an insured for dwelling purposes.

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This Exclusion v.(3) does not apply to the extent that valid "underlying insurance" for the dwelling rental liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the dwelling rental risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

w. Use Of Farm Tools, Farm Tractors And Trailers And Animals

"Bodily injury" or "property damage" arising out of the ownership, use or maintenance of:

- (1) Farm tools, farm tractors and trailers under contract to others for a charge;
- (2) Draft animals or vehicles used with them:
 - (a) Under contract to others for a charge; or
 - (b) Used for route delivery; or
- (3) Saddle animals:
 - (a) Rented to others by or for an insured; or
 - (b) Used in practicing for or participating in any exhibition or contest;

x. Release Or Discharge From Aircraft

"Property damage" arising out of any substance released or discharged from any aircraft;

y. Migrant And Seasonal Agricultural Worker Protection Act

Damages awarded under:

- (1) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801 et seq.) (hereinafter M.S.A.W.P.A.);
- (2) Any law, due to violation of the M.S.A.W.P.A.; or
- (3) Any regulation promulgated pursuant to the M.S.A.W.P.A.;

z. Custom Farming

"Bodily injury" or "property damage" arising out of the insured's performance of, or failure to perform, "custom farming" operations.

However, if the Custom Farming Liability Coverage option is chosen by entry in the Schedule, the following provisions apply:

- (1) This Exclusion z. and Exclusions 2.m.(4) and (6), 2.o. and 2.p. under Coverage A of the Commercial Liability Umbrella Coverage Form do not apply but only to the extent that valid "underlying insurance" for "custom farming" liability risks exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage"; and
- (2) Any insurance provided under this Coverage Part with respect to "custom farming" liability risks as a result of Paragraph z.(1) will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

B. Paragraph 1.a. under Section II – Who Is An Insured is replaced by the following:

a. If you are designated in the Declarations as:

- (1) An individual, you are an insured; and, if they are members of your household, your spouse, and your and your spouse's relatives who are under the age of 21 are also insureds.
- (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 "farming" operations.
- (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your "farming" operations. 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.

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C. The following is added to the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition of Section IV – Conditions:

We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.

D. Section V – Definitions is revised as follows:

1. The following definitions are added:

- a. "Custom farming"** means performance of specific planting, cultivating, harvesting or similar specific "farming" operations by an insured, at a farm that is not a "farm premises", when the performance is for, and under the direction or supervision of, the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does **not** mean:

- (1)** Operations conducted at a premises rented to, leased to or controlled by an insured;
 - (2)** Operations for which no compensation in money or goods is received; or
 - (3)** A neighborly exchange of services.
- b. "Farming"** means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the "underlying insurance", "farming" does not include:
- (1)** Retail activity other than that described above; or
 - (2)** Mechanized processing operations.
- c. "Farm premises"** means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":
- (1)** Buildings used as residences;
 - (2)** Garages;
 - (3)** Stables; and
 - (4)** Individual or family cemetery plots or burial vaults.
- d. "Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

2. Paragraph f. of the "insured contract" definition is replaced by the following:

"Insured contract" means:

- f. That part of any contract or agreement entered into, as part of your "farming" operations, pertaining to the rental or lease, by you or any of your farm employees, of any "auto". However, such contract or agreement:**

- (1)** Does not constitute an "insured contract" insofar as it includes terms obligating you or any of your farm employees to pay for "property damage" to any "auto" rented or leased by you or any of your farm employees;
- (2)** Constitutes an "insured contract" only if and to the extent that valid "underlying insurance" on the liability you or any of your farm employees assume under it exists or would have existed but for exhaustion of underlying limits for "bodily injury" or "property damage".

3. The "your product" definition is replaced by the following:

"Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You; or
 - (b)** Others trading under your name; 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 property rented to or located for the use of others but not sold.**

SECTION II – PERSONAL LIABILITY COVERAGE

The following applies only if the Personal Liability Coverage option is chosen by entry in the Schedule.

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Subject to the provisions of this Section II, insurance under the Commercial Liability Umbrella Coverage Form applies with respect to liability arising out of the insured's personal and nonbusiness activities. The term personal or nonbusiness activities does not include any "farming" activity.

A. Coverage A – Bodily Injury And Property Damage Liability

With respect only to coverage provided under this **Section II – Personal Liability Coverage**, Section I, Coverage A, Paragraph 2. **Exclusions** under the Commercial Liability Umbrella Coverage Form is replaced by the following:

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

b. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a business engaged in by any insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This Exclusion **b.** does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees.

But in the event of "property damage" to which this exception may apply, the person who sustains the "property damage" must be someone other than an insured;

c. Rental Of Premises And Ownership Or Control Of Premises

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

- (1) The rental or holding for rental:
 - (a) By an insured of any part of premises that are not residences; or

- (b) Of any residence owned by an insured.

This Exclusion **c.(1)(b)** does not apply to the rental or holding for rental of any part of an "insured location" shown in the Declarations or acquired during the present annual policy period to the extent that valid "underlying insurance" for such liability risks exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the rental or holding for rental of any part of an "insured location" shown in the Declarations or acquired during the present annual policy period described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

Exclusion **2.b. Business Pursuits** under this Coverage **A** does not apply with respect to the coverage provided in the exception to Exclusion **c.(1)(b)**;

- (2) Any premises that is not an "insured location", but is owned, rented or controlled by an insured.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee" arising out of and in the course of his or her employment by the insured;

d. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. 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 rendering of, or failure to render, any professional service;

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e. Pollution

(1) "Bodily injury" or "property damage" 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 (1)(a) does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

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

(iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire, if the fire:

i. Is set by the insured on the "insured location"; and

ii. Is set for the purpose of burning off crop stubble or other vegetation and is consistent with normal and usual agricultural practice; and

iii. Is not set in violation of an ordinance or law;

(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:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(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 (1)(d) 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";

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V
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- (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";
- (f) That are, or that are contained in any property that is:
 - (i) Being transported or towed by, handled, or handled for movement into, onto or from, a "covered auto";
 - (ii) Otherwise in the course of transit by or on behalf of the insured; or
 - (iii) Being stored, disposed of, treated or processed in or upon a "covered auto";
- (g) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto a "covered auto"; or
- (h) After the "pollutants" or any property in which the "pollutants" are contained are moved from a "covered auto" to the place where they are finally delivered, disposed of or abandoned by the insured.

With respect to liability arising out of the ownership, maintenance or use of "covered autos", Subparagraphs (f), (g) and (h) do not apply to the extent that valid "underlying insurance" for the pollution liability risks they describe exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

(2) "Pollution cost or expense".

However, this Paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of request, demand, order or statutory or regulatory requirement, or claim or suit by or on behalf of a governmental authority;

f. Association Liability

"Bodily injury" or "property damage" for which an insured is obligated to pay his or her share of any loss assessment charged against all members of an association, corporation or community of property owners;

g. 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 g. does not apply to written contracts:

- (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (2) Under which the liability of others is assumed by the insured prior to an "occurrence";

provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract;

h. Workers' Compensation Or Similar Laws

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

i. ERISA

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

j. Employers' Liability

"Bodily injury" to the spouse, child, parent, brother or sister of an employee as a consequence of "bodily injury" to that employee;

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V
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k. Employment-related Practices

"Bodily injury" to:

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

This Exclusion k. applies whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This Exclusion k. applies whether the insured may be liable as an employer or in any other capacity.

This Exclusion k. also applies to any obligation to share damages with or repay someone else who must pay damages because of the injury;

l. Aircraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any aircraft.

This Exclusion l. 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 that is owned or operated by or rented or loaned to any insured.

This Exclusion I. does not apply to:

- (a) Model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo; and
- (b) The extent that valid "underlying insurance" for the aircraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

m. Autos

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law;

n. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any watercraft.

This Exclusion n. 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 watercraft that is owned or operated by or rented or loaned to any insured.

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This Exclusion **n.** does not apply to the extent that valid "underlying insurance" for the watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

o. Recreational Motor Vehicle

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any "recreational motor vehicle" owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any "recreational motor vehicle".

This Exclusion **o.** 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 "recreational motor vehicle" that is owned or operated by or rented or loaned to any insured.

This Exclusion **o.** does not apply to the extent that valid "underlying insurance" for the "recreational motor vehicle" liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the "recreational motor vehicle" risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

p. Racing Activities

"Bodily injury" or "property damage" arising out of the use of any "auto", "recreational motor vehicle", watercraft, or "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed, strength, demolition contest, in any stunting activity or other similar competition;

q. Damage To Property

"Property damage" to property:

- (1) Owned by an insured, nor to 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; or
- (2) Rented to, occupied or used by an insured; or
- (3) In the care, custody or control of an insured.

Paragraph (2) of this exclusion applies to the extent that the insured is obligated by contract to provide insurance for such property. However, Paragraph (2) does not apply to "property damage" caused by fire, smoke or explosion.

Paragraph (3) of this exclusion does not apply to "property damage" to a residence or private garage caused by a "covered auto" of the private passenger type;

r. Bodily Injury To An Insured

"Bodily injury" to you or to any insured within the meaning of insured as defined in Paragraphs **C.1.a.**, **C.1.b.**, **C.2.a.** and **C.2.b.** below.

This exclusion also applies to any claim made or "suit" brought against you or any insured as defined in Paragraphs **C.1.a.** and **C.1.b.** to:

- (1) Repay; or
- (2) Share damages with; another person who may be obligated to pay damages because of such "bodily injury".

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However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (a) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an insured other than you or any family member; or
- (b) When a third party acquires a right of contribution against you or any family member.

As used in this exclusion, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over;

s. Use Of Livestock Or Other Animals

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

- (1) The use of any livestock or other animal in, or while in practice or preparation for:
 - (a) A prearranged racing, speed or strength contest; or
 - (b) A prearranged stunting activity.But this Exclusion **s.(1)** applies only to "occurrences", arising out of such contests or activities, that take place at the site designated for the contest or activity; or
- (2) The use of any livestock or other animal, with or without an accessory vehicle, for providing:
 - (a) Rides to any person for a fee; or
 - (b) Rides in connection with or during a fair, charitable function or similar type of event;

t. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of a disease by an insured through sexual contact;

u. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

~~An insured who inflicts, or directs another person to inflict, upon any person, sexual molestation, corporal punishment, or physical or mental abuse which results in "bodily injury" or "property damage";~~ "Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse;

v. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

w. Personal Injury

"Bodily injury" arising out of "personal injury";

x. Recording And Distribution Of Material Or Information In Violation Of Law

"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;
- (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; or

y. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;

R
E
V
I
S
E
D

- (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.

B. Coverage B – Personal And Advertising Injury Liability

Those provisions of Coverage B – Personal And Advertising Injury Liability which apply to damages the insured is obligated to pay because of "personal injury" are extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect only to insurance under this **Section II – Personal Liability Coverage**, Coverage B is replaced by the following:

Coverage B – Personal Injury Liability

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages because of "personal injury" to which this insurance applies when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted.

However, we will have no duty to defend the insured against any "suit" seeking damages for "personal injury" to which this insurance does not apply. When we have no duty to defend, we will have the right to defend or to participate in the defense of the insured against any other "suit" seeking damages to which this insurance may apply.

We may, at our discretion, investigate any offense that may involve this insurance and settle any claim or "suit", which we have the duty to defend, that may result.

But:

- (1) The amount we will pay for the "ultimate net loss" 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 Coverage A or B.

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, Paragraphs 1. and 2.

- b. This insurance applies to "personal injury" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "personal injury" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "personal injury" only if caused by an offense:
 - (1) Committed during the policy period; and
 - (2) Arising out of personal or nonbusiness activities.

2. Exclusions

This insurance does not apply to:

- a. "Personal injury":
 - (1) **Knowing Violation Of Rights Of Another**
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";
 - (2) **Material Published With Knowledge Of Falsity**
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) **Material Published Prior To Policy Period**
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) **Criminal Acts**
Arising out of a criminal act committed by or at the direction of the insured.
This Exclusion (4) does not affect our duty to defend, in accordance with Paragraph 1.a. under Coverage B above, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal act;

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(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to any indemnity obligation the insured has assumed under a written contract directly relating to the ownership, maintenance or use of the "insured location", provided the "personal injury" occurs subsequent to the execution of the contract;

(6) Business Pursuits

Arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstances, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This Exclusion **(6)** does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees;

(7) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by an insured;

(8) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;

(9) Employment-related Practices

To:

- (a)** A person arising out of any:
 - (i)** Refusal to employ that person;
 - (ii)** Termination of that person's employment; or
 - (iii)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (b)** The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph **(a)(i), (ii)** or **(iii)** above is directed.

This exclusion applies whether the injury-causing event described in Paragraph **(a)(i), (ii)** or **(iii)** above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity.

This exclusion also applies to any obligation to share damages with or repay someone else who must pay damages because of the injury;

(10) Personal Injury To An Insured

To you or to any insured within the meaning of insured as defined in Paragraphs **C.1.a., C.1.b., C.2.a.** and **C.2.b.** below.

This exclusion also applies to any claim made or "suit" brought against you or any insured as defined in Paragraphs **C.1.a.** and **C.1.b.** to:

- (a)** Repay; or
- (b)** Share damages with; another person who may be obligated to pay damages because of such "personal injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (i)** To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an insured other than you or any family member; or
- (ii)** When a third party acquires a right of contribution against you or any family member.

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As used in this exclusion, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over;

(11) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) 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
- (d) 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;

(12) War

However caused, arising, directly or indirectly, out of:

- (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;

(13) Infringement Of Copyright, Patent, Trademark Or Trade Secret

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;

(14) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

- (a) The insured hosts or owns; or
- (b) Over which the insured exercises control; or

(15) Unauthorized Use Of Another's Name Or Product

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.

b. Pollution Cost Or Expense

"Pollution cost or expense".

- C. With respect only to coverage provided under **Section II – Personal Liability Coverage** of this endorsement, **Section II – Who Is An Insured** in the Commercial Liability Umbrella Coverage Form is replaced by the following:

Section II – Who Is An Insured

- 1. Except for liability arising out of the ownership, maintenance, or use of "covered autos":
 - a. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
 - b. The following persons are also insureds, provided they are members of your household:
 - (1) Your relatives;
 - (2) Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.

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- c. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (1) 24 and your relative; or
 - (2) 24 and in your care or in the care of a member of your household who is your relative;
 is also an insured.
 - d. Insured also means any person or organization legally responsible for animals, "recreational motor vehicles" or watercraft owned by an insured as defined in Paragraph a. or b.(1) above, but only insofar as:
 - (1) The insurance under this Section II – Personal Liability Coverage applies to "occurrences" involving animals, "recreational motor vehicles" or watercraft;
 - (2) That person's or organization's custody or use of the animals, "recreational motor vehicles" or watercraft does not involve business; and
 - (3) That person or organization has the custody or use of the animals, "recreational motor vehicles" or watercraft with the owner's permission;
 - e. Any person while engaged in the employment of you or a person specified in Paragraph a. or b.(1) above is also an insured but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.
2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
- a. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
 - b. The following persons are also insureds, provided they are members of your household:
 - (1) Your relatives;
 - (2) Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.
 - c. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or lessor from whom you hire or borrow a "covered auto" unless the "covered auto" is a trailer hired or borrowed by you and is connected to a "covered auto" you own.
 - (2) Your employee if the "covered auto" is owned by that employee or by a member of his or her household.
 - (3) Anyone other than your "residence employees" while moving property to or from a "covered auto".
 - (4) Employees with respect to "bodily injury" to any co-employee of the insured arising out of and in the course of the co-employee's employment.
 - (5) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - d. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- D. With respect to coverage provided by this Section, the following is added to the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition of **Section IV – Conditions**:
- We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.
- E. With respect only to coverage provided under this **Section II – Personal Liability Coverage, Section V – Definitions** in the Commercial Liability Umbrella Coverage Form is revised as follows:
- 1. The definitions of "advertisement" and "executive officer" do not apply to coverage provided under this Section II.

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2. The following definitions are added:

- a. "Farming" means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the "underlying insurance", "farming" does not include:
 - (1) Retail activity other than that described above; or
 - (2) Mechanized processing operations.
- b. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":
 - (1) Buildings used as residences;
 - (2) Garages;
 - (3) Stables; and
 - (4) Individual or family cemetery plots or burial vaults.
- c. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- d. "Insured location" means:
 - (1) The "farm premises";
 - (2) The part of other premises, or of other structures and grounds, that is:
 - (a) Used by you as a residence and shown in the Declarations; or
 - (b) Acquired by you during the policy period for your use as a residence;
 - (3) Premises used by you in conjunction with the premises included in Paragraph (1) or (2) above;
 - (4) Any part of premises not owned by an insured but where an insured is temporarily residing;
 - (5) Vacant land, other than farm land, owned by or rented to an insured;
 - (6) Land owned by or rented to an insured on which a one- to four-family dwelling is being constructed as a residence for occupancy by:
 - (a) An insured; or
 - (b) An insured's farm employees or "residence employees"; and

(7) Any part of premises occasionally rented to an insured for other than business purposes.

e. "Recreational motor vehicle" means:

- (1) All-terrain vehicle;
- (2) Dune buggy;
- (3) Golf cart;
- (4) Snowmobile while off an "insured location" or any premises you own or rent; or
- (5) Any other motorized land vehicle which is designed for recreational use off public roads; and
- (6) Any vehicle, including any attached machinery or equipment, while being towed by or carried on a vehicle included in Paragraph (1), (2), (3), (4) or (5) above.

f. "Residence employee" means an insured's employee:

- (1) Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
- (2) Who performs duties of a similar nature to those described in Paragraph (1) above;
 - (a) Not at the "residence premises"; and
 - (b) Not in connection with the business of any insured.

g. "Residence premises" means

- (1) Your principal residence; and
- (2) The grounds and structures appurtenant to your principal residence.

"Residence premises" does not include any part or parts of a building or structure that are used for business.

3. The "personal and advertising injury" definition is replaced by the following:

"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;

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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; or

e. Oral or written publication, in any manner, of material that violates a person's right of privacy.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. Under Coverage H – Bodily Injury And Property Damage Liability, Paragraph 2. Exclusions:

1. Exclusion **2.m.** is replaced by the following:

m. Communicable Diseases

"Bodily injury" or "property damage" arising out of the transmission of disease by an "insured" through sexual contact.

2. Exclusion **2.q.** is replaced by the following:

q. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraph **12.a.(1)** in Section **IV – Definitions**.

(1) This exclusion, **2.q.**, also applies to any claim made or "suit" brought against you or any "insured" to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

(2) This exclusion, **2.q.**, does not apply to liability that an "insured" incurs solely, or that an "insured" must share with a third party subsequent to settlement of a "suit" establishing that party's liability, for "bodily injury" inflicted in an "occurrence" that involves:

(a) A "motor vehicle", while on premises you own or rent, except those described in Paragraph **a., c., d., e.** or **f.** of the "mobile equipment" definition; or

(b) A motorized golf cart while used for golfing purposes.

However, this exception, in Paragraph **2.q.(2)**, applies only if the "occurrence" involves maintenance or use of such vehicle by an "insured" other than:

(i) You; or

(ii) A member of your household who is:

i. Either your relative or is under the age of 21 and in the care of you or such a relative; or

ii. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:

(i) 24 and your relative; or

(ii) 24 and in your care or in the care of a member of your household who is your relative.

~~3. Exclusion **2.w.** is replaced by the following:~~

~~w. An "insured" who inflicts, or directs another person to inflict, upon any person, sexual molestation, corporal punishment, or physical or mental abuse which results in "bodily injury" or "property damage"; or~~

B. Exclusion **2.b.(3) under Coverage I – Personal And Advertising Injury Liability is replaced by the following:**

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraph **12.a.(1)** in Section **IV – Definitions**.

(a) This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

(i) Repay; or

(ii) Share damages with;

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another person who may be obligated to pay damages because of such "personal injury".

(b) This exclusion, **2.b.(3)**, does not apply to liability that an "insured" incurs solely, or that an "insured" must share with a third party subsequent to settlement of a "suit" establishing that party's liability, for "personal injury" inflicted in an offense that involves:

(i) A "motor vehicle", while on premises you own or rent, except those described in Paragraph **a.**, **c.**, **d.**, **e.** or **f.** of the "mobile equipment" definition; or

(ii) A motorized golf cart while used for golfing purposes.

However, this exception, in Paragraph **2.b.(3)(b)**, applies only if the offense involves maintenance or use of such vehicle by an "insured" other than:

i. You; or

ii. A member of your household who is:

(i) Either your relative or is under the age of 21 and in the care of you or such a relative; or

(ii) A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:

i. 24 and your relative; or

ii. 24 and in your care or in the care of a member of your household who is your relative.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – PERSONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Coverage A – Bodily Injury And Property Damage Liability is extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect to coverage provided under this endorsement, Section I, Coverage A, Paragraph **2. Exclusions** is replaced by the following:

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

b. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This exclusion, **b.**, does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees.

But in the event of "property damage" to which this exception may apply, the person who sustains the "property damage" must be someone other than an insured;

c. Rental Of Premises And Ownership Or Control Of Premises

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

- (1) The rental or holding for rental by an insured of any part of premises that are not residences;
- (2) The rental or holding for rental of any residence owned by an insured.

The only exceptions to this exclusion are in cases of occupancy or intended occupancy:

- (a) By persons using the residence exclusively as living quarters on an occasional basis;
 - (b) Of a part of the residence as living quarters by no more than two roomers or boarders; or
 - (c) Of a part of the residence as an office, school, studio or private garage; or
- (3) Any premises that is not an "insured location", but is owned, rented or controlled by an insured.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee" arising out of and in the course of his or her employment by the insured;

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d. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. 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 rendering of, or failure to render, any professional service;

e. Pollution

(1) "Bodily injury" or "property damage" 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, (1)(a), does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or

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

(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:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(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, (1)(d), 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"; or

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- (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:
 - (a) Arising out of any 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) Arising out of any 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 Subparagraph (2) 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;

f. Loss Assessment

"Bodily injury" or "property damage" for which an insured is obligated to pay:

- (1) His or her share of any loss assessment charged against all members of an association, corporation or community of property owners; or
- (2) Damages under any contract or agreement.

This exclusion does not apply to written contracts:

- (a) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (b) Under which the liability of others is assumed by the insured prior to an "occurrence";

provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract;

g. Workers' Compensation And Similar Laws

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

h. Employers' Liability

"Bodily injury" to the spouse, child, parent, brother or sister of an employee as a consequence of "bodily injury" to that employee;

i. Motor Vehicle

"Bodily injury" (except when sustained by a "residence employee" in the course of and as a result of his or her employment by the insured) or "property damage":

- (1) Arising out of ownership, maintenance or use of any motor vehicle or any other motorized land conveyance, including trailers or semitrailers, owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

The only exceptions to this exclusion are in "occurrences" involving:

- (a) Trailers or semitrailers. But this exception requires that the trailer or semitrailer must not be towed by or carried on a motorized land conveyance;
- (b) Motorized land conveyances designed for recreational use off public roads and not subject to motor vehicle registration. If the insured owns the conveyance, this exception requires that the "occurrence" must take place on an "insured location";
- (c) A motorized golf cart owned by an insured, designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground, and that at the time of an "occurrence" that caused the "bodily injury" or "property damage" is within the legal boundaries of:
 - (i) A golfing facility, and is parked or stored there or is being used by an insured to:
 - i. Play the game of golf, or for other recreational or leisure activity allowed by the facility;

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- ii. Travel to or from an area where motor vehicles or golf carts are parked or stored; or
- iii. Cross public roads at designated points to gain access to other parts of the golfing facility; or
- (ii) A private residential community, including its public roads upon which a motorized golf cart can legally travel, that is subject to the authority of a property owners' association and contains an insured's "residence premises"; or
- (d) A motorized land conveyance not subject to motor vehicle registration and:
 - (i) Used to service an insured's residence;
 - (ii) Kept in dead storage at the "insured location"; or
 - (iii) Used exclusively as a device for assisting the handicapped;
- (2) Arising out of the entrustment by an insured of any motor vehicle or any other motorized land conveyance to any person; or
- (3) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor using a means of transportation named in Paragraph (1) or (2).

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 motor vehicle or any other motorized land conveyance that is owned or operated by or rented or loaned to any insured;

j. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of an excluded watercraft described below. Use includes operation and "loading or unloading"; or

- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving an excluded watercraft described below.

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 an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor or are sailing vessels, whether owned by or rented to an insured. This exclusion does not apply to:

- (1) Watercraft that are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an insured;
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an insured;
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an insured;
 - (e) Outboard engines or motors of more than 25 total horsepower owned by an insured if:
 - (i) You acquire them prior to the policy period; and
 - i. You declare them at policy inception; or
 - ii. Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.
 - (ii) You acquire them during the policy period.

This coverage applies for the policy period.

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- (2) Watercraft that are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an insured.
- (3) Watercraft that are stored.
- (4) "Occurrences" of "bodily injury" or "property damage":
 - (a) That take place on the "insured location"; or
 - (b) Sustained by a "residence employee" in the course of and as a result of his or her employment by an insured;

k. Aircraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance or use of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".
 The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee". But this exception requires that the "residence employee" must:
 - (a) Sustain the "bodily injury" in the course of and as a result of his or her employment by the insured; and
 - (b) Not be operating or performing maintenance work on the aircraft at the time of the "occurrence";
- (2) Arising out of the entrustment by an insured of any aircraft to any person; or
- (3) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor using an aircraft.

This exclusion, **k.**, 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 that is owned or operated by or rented or loaned to any insured.

This exclusion, **k.**, does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo;

I. Damage To Property

"Property damage" to property:

- (1) Owned by an insured, nor to 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; or
- (2) Rented to, occupied or used by, or in the care of an insured.

The only exceptions to this exclusion, **I.(2)**, are in the case of the insured's legal obligation to pay damages because of an "occurrence" of "property damage" caused by fire, smoke or explosion;

m. Bodily Injury To An Insured

"Bodily injury" to you or to any insured within the meaning of insured as defined in Paragraphs **E-1.**, **2.** and **3.** of Paragraph **E.** below.

This exclusion, **m.**, also applies to any claim made or "suit" brought against you or any insured to:

- (1) Repay; or
- (2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

This exclusion, **m.**, does not apply to liability that an insured incurs solely, or that an insured must share with a third party subsequent to a "suit" establishing that party's liability, for "bodily injury" inflicted in an "occurrence" that:

- (a) Involves any motor vehicle or other motorized land conveyance or trailer, but not any "mobile equipment"; and
- (b) Is not otherwise excluded under the terms of this endorsement.

This exception applies only if the "occurrence" involves maintenance or use of such vehicle, conveyance or trailer by an insured other than a person who is an insured as defined in Paragraphs **E-1.**, **2.** and **3.** of Paragraph **E.** below;

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n. Mobile Equipment

"Bodily injury" or "property damage" arising out of the use of any self-propelled land vehicle or "mobile equipment" in, or while in practice or preparation for:

- (1) A prearranged racing, speed, strength or demolition contest; or
- (2) Any stunting activity;

o. Use Of Animals

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

- (1) The use of any animal in, or while in practice or preparation for:
 - (a) A prearranged racing, speed or strength contest; or
 - (b) A prearranged stunting activity.
 But this Exclusion o.(1) applies only to "occurrences", arising out of such contests or activities, that take place at the site designated for the contest or activity; or
- (2) The use of any animal, with or without an accessory vehicle, for providing:
 - (a) Rides to any person for a fee; or
 - (b) Rides in connection with or during a fair, charitable function or similar type of event;

p. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of disease by an "insured" through sexual contact;

q. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

~~An insured who inflicts, or directs another person to inflict, upon any person, sexual molestation, corporal punishment or physical or mental abuse which results in "bodily injury" or "property damage";~~ "Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse;

r. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

s. Personal Injury

"Bodily injury" arising out of "personal injury";

t. Recording And Distribution Of Material Or Information In Violation Of Law

"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;
- (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; or

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u. War

"Bodily injury" or "property damage", 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.

B. Those provisions of Coverage **B – Personal And Advertising Injury Liability** which apply to damages the insured is obligated to pay because of "personal injury" are extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect to coverage provided by this endorsement, Section **I**, Coverage **B** is replaced by the following:

Coverage B – Personal Injury Liability

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal 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 injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" or 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:
 - (a) Judgments or settlements under Coverage **A** or **B**; or
 - (b) 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 Paragraph **1.** of Supplementary Payments – Coverages **A** and **B**.

b. This insurance applies to "personal injury" only if caused by an offense:

- (1) Committed during the policy period; and
- (2) Arising out of the conduct of your personal or nonbusiness activities.

2. Exclusions

This insurance does not apply to:

a. "Personal injury":

(1) Knowing Violation Of Rights Of Another

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";

(2) Material Published With Knowledge Of Falsity

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) Material Published Prior To Policy Period

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) Criminal Acts

Arising out of a criminal act committed by or at the direction of the insured.

This exclusion, **(4)**, does not affect our duty to defend, in accordance with Paragraph **1.a.** under Coverage **B** above, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal act;

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to any indemnity obligation the insured has assumed under a written contract directly relating to the ownership, maintenance or use of the "insured location", provided the "personal injury" occurs subsequent to the execution of the contract;

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(6) Business Pursuits

Arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This exclusion, **(6)**, does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees;

(7) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by an insured;

(8) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;

(9) Personal Injury To An Insured

To you or to any insured within the meaning of insured as defined in Paragraphs **1.**, **2.** and **3.** of Paragraph **E.** below.

This exclusion also applies to any claim made or "suit" brought against you or any insured to:

- (a)** Repay; or
- (b)** Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

This exclusion, **2.a.(9)**, does not apply to liability that an insured incurs solely, or that an insured must share with a third party subsequent to a "suit" establishing that party's liability, for "personal injury" inflicted in an offense that:

- (i)** Involves any motor vehicle or other motorized land conveyance or trailer, but not any "mobile equipment"; and
- (ii)** Is not otherwise excluded under the terms of this endorsement.

This exception applies only if the offense involves maintenance or use of such vehicle, conveyance or trailer by an insured other than a person who is an insured as defined in Paragraphs **E-1.**, **2.** and **3.** of Paragraph **E.** below;

(10) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (b)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (c)** 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
- (d)** 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;

(11) War

However caused, arising, directly or indirectly, out of:

- (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;

(12) Infringement Of Copyright, Patent, Trademark Or Trade Secret

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".

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

(13) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

- (a) The insured hosts or owns; or
- (b) Over which the insured exercises control; or

(14) Unauthorized Use Of Another's Name Or Product

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.

b. Pollution-related Loss, Cost Or Expense

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".

C. Coverage C – Medical Payments is replaced by the following with respect to "occurrences" of "bodily injury" to which Coverage **A** of this endorsement applies:

Coverage C – Medical Payments

1. Insuring Agreement

- a. We will pay reasonable medical expenses incurred or medically ascertained within three years from the date of an accident causing "bodily injury".

Reasonable medical expenses means expenses incurred or ascertained 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.

b. This coverage applies only:

- (1) To a person (other than an insured) on the "insured location" with the permission of an insured; or
- (2) To a person (other than an insured) off the "insured location", provided the "bodily injury":
 - (a) Arises out of a condition on the "insured location" or the ways immediately adjoining it;
 - (b) Is caused by the activities of an insured;
 - (c) Is caused or sustained by a "residence employee" in the course of his or her employment by an insured; or
 - (d) Is caused by an animal owned by or in the care of an insured.

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

2. Exclusions

We will not pay expenses for "bodily injury":

a. Residence Employee

To a "residence employee" if "bodily injury" occurs:

- (1) Off the "insured location"; and
- (2) Outside the scope of his or her employment by an insured;

b. Injury To Resident

To any person (other than a "residence employee") regularly residing on any part of the "insured location"; or

c. Coverage A Exclusions

To any person, if the "bodily injury" is excluded under Coverage **A** of this endorsement.

D. Additional Coverage

DAMAGE TO PROPERTY OF OTHERS

We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an insured.

But we will not pay for "property damage":

- 1. To the extent of any amount recoverable under another coverage of this or any other policy;

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2. Caused intentionally by an insured who is 13 years of age or older;
3. To property owned by or rented to:
 - a. An insured;
 - b. A tenant of an insured; or
 - c. A member of your household; or
4. Arising out of:
 - a. Business pursuits;
 - b. An act or omission in connection with any premises (other than an "insured location") that are owned, rented or controlled by the insured; or
 - c. The ownership, maintenance, operation, use, "loading or unloading" of aircraft, watercraft or motor vehicles or any other motorized land conveyances.

The only exceptions are in "occurrences" of "property damage" involving motorized land conveyances designed for recreational use off public roads and neither:

 - (1) Subject to motor vehicle registration; nor
 - (2) Owned by an insured.

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

- E. With respect to coverage provided under this endorsement, **Section II – Who Is An Insured** is replaced by the following:

Section II – Who Is An Insured

1. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
2. The following persons are also insureds, provided they are members of your household:
 - a. Your relatives;
 - b. Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.
3. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - a. 24 and your relative; or
 - b. 24 and in your care or in the care of a member of your household who is your relative;

is also an insured.

4. Any person or organization legally responsible for animals or watercraft owned by you or a person specified in Paragraph 1. or 2.a. above is also an insured. But such a person or organization is an insured only insofar as:
 - a. The insurance under this Coverage Form applies to "occurrences" involving animals or watercraft;
 - b. That person's or organization's custody or use of the animals or watercraft does not involve business; and
 - c. That person or organization has the custody or use of the animals with the owner's permission.
5. Any person while engaged in the employment of you or a person specified in Paragraph 1. or 2.a. above is also an insured but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.
6. Any other person using a vehicle on the "insured location" with your consent is also an insured, but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.
- F. With respect to coverage provided under this endorsement, Paragraph 5. in **Section III – Limits Of Insurance** is replaced by the following:
 5. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C; because of all "bodily injury" and "property damage" arising out of any one "occurrence".

Included within the Each Occurrence Limit is a special Limit of Insurance of \$10,000, which is the most we will pay for all covered damages that the insured becomes legally obligated to pay because of statutorily imposed vicarious liability for the actions of a child or minor. However, we will not pay for those damages excluded by means of Paragraph 2.i., 2.j. or 2.k. of Coverage A, Exclusions, in this endorsement.

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G. With respect to coverage provided by this endorsement, the following is added to **Section IV – Commercial General Liability Conditions, Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit:**

We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.

H. With respect to Additional Coverage – Damage To Property Of Others provided by this endorsement, the following is added to **Section IV – Commercial General Liability Conditions, Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit:**

e. If loss occurs under Additional Coverage – Damage To Property Of Others, you must:

- (1) Submit to us within 60 days after the loss, a signed sworn proof of loss; and
- (2) If within your control, exhibit the damaged property.

I. With respect to coverage provided under this endorsement, **Section V – Definitions** is revised as follows:

1. Definition 4. "Coverage Territory" is deleted.
2. Definition 14. "Personal and advertising injury" is replaced by the following:
"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; or
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy.

3. The following are added:

a. "Farming" means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the Declarations, farming does not include:

- (1) Retail activity other than that described above; or
- (2) Mechanized processing operations.

b. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":

- (1) Buildings used as residences;
- (2) Garages;
- (3) Stables; and
- (4) Individual or family cemetery plots or burial vaults.

c. "Insured location" means:

- (1) The "farm premises";
- (2) The part of other premises, or of other structures and grounds, that is:
 - (a) Used by you as a residence and shown in the Declarations; or
 - (b) Acquired by you during the policy period for your use as a residence;
- (3) Premises used by you in conjunction with the premises included in Paragraph (1) or (2) above;
- (4) Any part of premises not owned by an insured but where an insured is temporarily residing;
- (5) Vacant land, other than farm land, owned by or rented to an insured;

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- (6) Land owned by or rented to an insured on which a one- to four-family dwelling is being constructed as a residence for occupancy by:
 - (a) An insured; or
 - (b) An insured's farm employees or "residence employees"; and
- (7) Any part of premises occasionally rented to an insured for other than business purposes.
- d. "Residence employee" means an insured's employee:
 - (1) Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
 - (2) Who performs duties of a similar nature to those described in Paragraph (1) above:
 - (a) Not at the "residence premises"; and
 - (b) Not in connection with the business of any insured.
- e. "Residence premises" means:
 - (1) Your principal residence; and
 - (2) The grounds and structures appurtenant to your principal residence.

"Residence premises" does not include any part or parts of a building or structure that are used for business.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY

A. The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.

B. The following is added to Paragraph **A. Insuring Agreement of Section I – Insurance Agents And Brokers Professional Liability Coverage:**

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

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

~~**C.** The following is added to Exclusion **B.1. Abuse Or Molestation of Section I – Insurance Agents And Brokers Professional Liability Coverage:**~~

~~However, this exclusion does not apply to any "insured" who did not actually perpetrate or who did not take part in any abuse or molestation.~~

DC. The following is added to Exclusion **B.22. Pollution of Section I – Insurance Agents And Brokers Professional Liability Coverage:**

However, Paragraphs **a.**, **b.** and **c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.

ED. Paragraph **1.** under **E. Other Insurance of Section VI – Conditions** is replaced by the following:

1. You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the Limits of Insurance of all insurance covering on the same or similar basis.

FE. Paragraph **K.** of **Section VI – Conditions** is replaced by the following:

K. Cancellation

1. The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.

2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.

3. If we cancel for:

a. Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.

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- b. A reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- 4. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any "insured" has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.
- 5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
- 6. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
- 7. If this Policy is cancelled, we will send the first "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the first "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

GF. Paragraph **L.** of **Section VI – Conditions** is replaced by the following:

L. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

HG. Paragraph **B.** of **Section VII – Extended Reporting Period** is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

IH. The following is added to **Section VIII – Definitions**:

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

LAWYERS PROFESSIONAL LIABILITY POLICY

A. The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.

B. The following is added to Paragraph **A. Insuring Agreement of Section I – Lawyers Professional Liability Coverage:**

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

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

C. The following is added to Exclusion **B.20. Pollution of Section I – Lawyers Professional Liability Coverage:**

However, Paragraphs **a., b. and c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.

~~**D.** The following is added to Exclusion **B.22. Abuse Or Molestation of Section I – Lawyers Professional Liability Coverage:**~~

~~However, this exclusion does not apply to any "insured" who did not actually perpetrate or who did not take part in any abuse or molestation.~~

~~**ED.** Paragraph **E.1. under E. Other Insurance of Section VI – Conditions** is replaced by the following:~~

~~**E. Other Insurance**~~

1. You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the Limits of Insurance of all insurance covering on the same or similar basis.

~~**FE.** Paragraph **L. of Section VI – Conditions** is replaced by the following:~~

~~**L. Cancellation**~~

1. The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.
3. If we cancel for:
 - a. Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.

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- b. A reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- 4. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any "insured" has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this sState.
- 5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
- 6. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
- 7. If this Policy is cancelled, we will send the first "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the first "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

GF. Paragraph **M.** of **Section VI – Conditions** is replaced by the following:

M. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

HG. Paragraph **B.** of **Section VII – Extended Reporting Period** is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

IH. The following is added to **Section VIII – Definitions**:

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION COVERAGE

This endorsement modifies insurance provided under the following:

LAWYERS PROFESSIONAL LIABILITY POLICY

- A. Exclusion **22.** of Section **I. Exclusions** does not apply.
- B. With respect to the Abuse Or Molestation coverage provided by this endorsement, the following exclusions are added:
 - This insurance does not apply to:
 - 1. Any "insured" who perpetrates or takes part in abuse or molestation;
 - 2. Any "claim" for abuse or molestation that was known to the Named Insured(s) and for which no action was taken in notifying us and the proper authorities; and
 - 3. Abuse or molestation expected or intended from the standpoint of the "insured".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

MISCELLANEOUS PROFESSIONAL LIABILITY POLICY

A. The following is added to Section II – Limit Of Liability:

"We" will pay interest accruing before and after a judgment is entered in accordance with Illinois law. "Our" duty to pay interest ends when "we" pay, offer to pay or deposit in court that part of the judgment which does not exceed the Limit of Liability for which coverage is provided under this Policy.

This payment will not reduce the Limit of Liability for which coverage is provided under this Policy, and this provision supersedes any other provision to the contrary.

B. The following is added to Paragraph A. Defense of Section III – Defense And Settlement:

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

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

C. In Section VII – Coverage Extension and Paragraph G. Business Enterprise of Section VIII – Exclusions, the term spouse includes a party to a civil union recognized under Illinois law.

~~D. Paragraph A. Abuse Or Molestation of Section VIII – Exclusions is replaced by the following:~~

~~A. Abuse Or Molestation~~

~~The actual or threatened abuse or molestation by anyone, of any person. This exclusion does not apply to any "insured" who did not actually perpetrate or who did not take part in any abuse or molestation.~~

ED. The following is added to Paragraph Q. Pollution of Section VIII – Exclusions:

However, this exclusion shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.

FE. Paragraph C. Cancellation And Nonrenewal of Section IX – Conditions is replaced by the following:

C. Cancellation And Nonrenewal

1. Cancellation

- a. The "named insured" shown in the Declarations may cancel this Policy by mailing to "us" advance written notice of cancellation.
- b. "We" may cancel this Policy by mailing to the "named insured", at the "named insured's" last mailing address known to "us", written notice stating the reason for cancellation.
- c. If "we" cancel for:
 - (1) Nonpayment of premium, "we" will mail the notice at least 10 days prior to the effective date of cancellation.
 - (2) A reason other than nonpayment of premium, "we" will mail the notice at least:
 - (a) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.

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- (b) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- d. If this Policy has been in effect for more than 60 days, "we" may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) The Policy was obtained through a material misrepresentation;
 - (3) Any "insured" has violated any of the terms and conditions of the Policy;
 - (4) The risk originally accepted has measurably increased;
 - (5) Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to "us" for all or a substantial part of the underlying risk insured; or
 - (6) A determination by the Director of Insurance that the continuation of the Policy could place "us" in violation of the insurance laws of this state.
- e. Notification of cancellation will also be sent to "your" broker, if known, or agent of record, if known.
- f. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
- g. Proof of mailing the cancellation notice will be sufficient proof of notice.
- h. If this Policy is cancelled, "we" will send the "named insured" any premium refund due. If "we" cancel, the refund will be pro rata. If the "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if "we" have not offered a refund.

2. Nonrenewal

If "we" decide not to renew or continue this Policy, "we" will mail the "named insured" written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing the nonrenewal notice will be sufficient proof of notice. Notification of nonrenewal will also be sent to "your" broker, if known, or agent of record, if known.

If "we" offer to renew or continue and the "named insured" does not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that the "named insured" has not accepted "our" offer.

If "we" fail to mail proper written notice of nonrenewal and the "named insured" obtained other insurance, this Policy will end on the effective date of that insurance.

GF. Paragraph **G. Other Insurance** of **Section IX – Conditions** is replaced by the following:

G. Other Insurance

- 1. "You" may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If "you" do, "we" will pay "our" share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Liability under this Policy bears to the Limits of Liability of all insurance covering on the same or similar basis.
- 2. If there is other insurance covering the same "wrongful act", other than that described in Paragraph 1. above, "we" will pay only for the amount of the "claim" resulting from that "wrongful act" 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 Liability.

HG. Paragraph **2. Severability Of The Application** under **I. Representations And Severability Of The Application** of **Section IX – Conditions** is replaced by the following:

2. Severability Of The Application

The "application" shall be considered as a separate "application" by each "insured person". With respect to the "application", no knowledge possessed by an "insured person" shall be imputed to any other "insured person". However, if "we" learn that "you" committed a misrepresentation, false warranty or breach of condition of this Policy and such misrepresentation, false warranty or breach of condition is stated in the Policy or endorsement or in the written "application" for this Policy and:

- a. Was made with actual intent to deceive; or

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b. Materially affected either "our" decision to provide this insurance or the hazard "we" assumed; then "we" are entitled to treat this Policy as if it had never existed with respect to:

- (1) Any "insured person" who knew of such misrepresentations, false warranty or breach of condition stated in the Policy if such individual was aware that the "application" included the misrepresentations, false warranty or breach of condition stated in the Policy; or
- (2) Any "organization" if any past or present chief financial officer, chief executive officer, in-house general counsel, managing partner or any person in any equivalent positions of the foregoing, regardless of title, knew of such misrepresentations, false warranty or breach of condition stated in the Policy, even if such individual was not aware that the "application" included the misrepresentations, false warranty or breach of condition stated in the Policy.

However, this condition will not serve as a reason to void this Policy after the Policy has been in effect for one year or one policy term, whichever is less.

H. Section X – Extended Reporting Periods And Run-Off Coverage Period is replaced by the following:

Section X – Extended Reporting Periods And Run-Off Coverage Period

A. Extended Reporting Periods

This Policy provides a Basic Extended Reporting Period without an additional charge that starts at the end of the "policy period" and lasts for 60 days if this Policy is cancelled or not renewed by "us" or the "named insured".

The "named insured" will have the right to purchase an Additional Extended Reporting Period for the period of time and at the percentage of the expiring premium as stated in the Declarations, which shall be no less than 12 months, if this Policy is cancelled or not renewed by "us" or the "named insured". If the Additional Extended Reporting Period is purchased, it will start when the Basic Extended Reporting Period ends.

The Basic or Additional Extended Reporting Period will apply only to "claims" that:

1. Are first made against "you" and reported to "us" during the applicable Extended Reporting Period; and
2. Arise from "wrongful acts" occurring on or after the Retroactive Date shown in the Declarations, but prior to the expiration date of the "policy period".

B. Run-Off Coverage Period

The "named insured" will have the right to purchase a Run-Off Coverage Period for the requested period, which shall be no less than 12 months but shall not exceed six years, in the event of the merger, consolidation or acquisition of the "named insured" or cessation of a "subsidiary".

1. In the event of a merger, consolidation or acquisition of the "named insured", the Run-Off Coverage Period will apply only to "claims" that:
 - a. Are first made against "you" and reported to "us" during the Run-Off Coverage Period; and
 - b. Arise from "wrongful acts" occurring on or after the retroactive date and prior to the merger, consolidation or acquisition of the "named insured".
2. In the event of a cessation of a "subsidiary", the Run-Off Coverage Period will apply only to "claims" that:
 - a. Are first made against the "subsidiary" or any "insured persons" of such "subsidiary" and reported to "us" during the Run-Off Coverage Period; and
 - b. Arise from "wrongful acts" occurring on or after the retroactive date and prior to the cessation of such "subsidiary".

If Run-Off Coverage is purchased in the event of the cessation of a "subsidiary" and a "claim" is made that is also covered by another policy issued by "us" or a related company, the maximum "we" will pay under both policies combined shall not be greater than the Limit of Liability available under either policy, whichever is greater.

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Notice of election of the Additional Extended Reporting Period and the Run-Off Coverage Period and full payment of any applicable additional premiums must be received by "us" within 30 days after the expiration of the "policy period". The premium will be priced as a factor of the expiring annual premium. We will determine the additional premium for the Additional Extended Reporting Period or Run-Off Coverage Period in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. The Limits of Liability available under this Policy for future payment of damages; and
4. Other related factors.

Provided the additional premium is paid in full, the Additional Extended Reporting Period and Run-Off Coverage Period are noncancellable and their additional premiums will be fully earned at the inception of the Additional Extended Reporting Period or the Run-Off Coverage Period.

There is no reinstatement of or separate or additional Limit of Liability for any Extended Reporting Period or Run-Off Coverage Period. The Limit of Liability available during any purchased Additional Extended Reporting Period or Run-Off Coverage Period shall be the remaining amount of the Limit of Liability available at the time this Policy was cancelled or nonrenewed. Any coverage provided by any Extended Reporting Period or Run-Off Coverage Period shall apply only as excess over any other valid and collectible insurance.

J. Paragraph C. "Damages" of **Section XI – Definitions** is replaced by the following:

C. "Damages" means the following that "you" are legally obligated to pay:

1. Compensatory awards or judgments; or
2. Monetary settlements.

"Damages" shall not include:

1. Taxes, fines or penalties imposed by law, including punitive, exemplary or multiple damages;
2. Liquidated damages;
3. Any amounts that are uninsurable under the law pursuant to which this Policy shall be construed;
4. Restitution, disgorgement, unjust enrichment or any profits or advantage "you" were not legally entitled to;
5. The cost to comply with any order or agreement to provide any equitable relief including injunctive relief; or
6. "Your" cost to provide, correct, re-perform or complete any "professional services".

K. The following is added to Paragraph D. Defense Costs of **Section XI – Definitions**:

"Defense costs" shall not include internal expenses including, but not limited to, salaries of attorneys and adjusters employed by "us" and, therefore, do not reduce the Limit Of Liability shown in the Declarations.

L. The following is added to **Section XI – Definitions**:

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HEALTH CLUBS AND GYMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART – BUILDING AND PERSONAL PROPERTY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART – CAUSES OF LOSS – SPECIAL FORM

The provisions of the Building And Personal Property Coverage Form, the Causes Of Loss – Special Form and the Commercial General Liability Coverage Part apply except as otherwise provided in this endorsement. This endorsement applies only if the Coverage Forms and Coverage Part named above are all included in this policy. All numbers and letters used to designate paragraphs in this endorsement are specific to this endorsement only. They do not reference paragraphs in the Commercial Property or Commercial General Liability Coverage Parts.

I. Changes To The Building And Personal Property Coverage Form

A. The following coverages are added to **Additional Coverages** in the **Coverage** section:

1. Money And Securities

- a.** We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, at the described premises, or in transit between any of these places.
- b.** We will pay only for loss of "money" and "securities" resulting directly from:
 - (1)** Theft, meaning any act of stealing;
 - (2)** Disappearance; or
 - (3)** Destruction.
- c.** We will not pay for loss:
 - (1)** Resulting from accounting or arithmetical errors or omissions;

- (2)** Due to the giving or surrendering of property in any exchange or purchase; or
- (3)** Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous reading instrument on the device.
- d.** Unless different limits are shown in the Declarations for "money" and "securities", the most we will pay for loss in any one "occurrence" is:
 - (1)** \$10,000 for "money" and "securities" while:
 - (a)** In or on the described premises; or
 - (b)** Within a bank or savings institution; and
 - (2)** \$5,000 for "money" and "securities" while anywhere else described in Paragraph **1.a.** above.
- e.** You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- f.** To the extent that coverage for "money" and "securities" is provided under this Additional Coverage, the **Property Not Covered** provisions in the **Coverage** section do not apply.

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2. Fire Extinguisher Systems Expense

a. We will pay:

- (1) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged in or on the building described in the Declarations or within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater; and
- (2) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or fire extinguishing system.

- b. No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- c. The most we will pay under this Additional Coverage is \$5,000 in any one occurrence.
- d. No deductible applies to this Additional Coverage.

3. Reward Payment

a. We will reimburse you for rewards paid as follows:

- (1) Up to \$5,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:
 - (a) Actual cash value of the Covered Property at the time of loss or damage, but not more than the amount required to repair or replace it; or
 - (b) The amount determined by the loss settlement procedure applicable to the Covered Property under the Loss Payment Condition.

- (2) Up to \$5,000 to an eligible person for the return of stolen Covered Property, when the loss is caused by theft. However, we will pay no more than the lesser of the following amounts:

- (a) Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or
- (b) The amount determined by the loss settlement procedure applicable to the returned Covered Property under the Loss Payment Condition.

b. This Additional Coverage applies subject to the following conditions:

- (1) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:
 - (a) You or any family member;
 - (b) Your employee or any of his or her family members;
 - (c) An employee of a law enforcement agency;
 - (d) An employee of a business engaged in property protection;
 - (e) Any person who had custody of the Covered Property at the time the theft was committed; or
 - (f) Any person involved in the crime.
- (2) No reward will be reimbursed unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned.
- (3) The lesser of the amount of the reward or \$5,000 is the most we will reimburse for loss under this Additional Coverage in any one occurrence.

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4. Computer Fraud

a. We will pay for loss of or damage to "money", "securities" and other property resulting directly from the use of any "computer" to fraudulently cause a transfer of that property from inside a building at the described premises or from any bank or similar safe depository:

- (1) To a person outside those premises;
- (2) To a place outside those premises.

b. The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is \$25,000, unless a different Limit Of Insurance for computer fraud is shown in the Declarations.

c. With respect to this Additional Coverage, the following are added to the **Additional Conditions** section:

- (1) We cover loss or damage commencing during the policy period shown in the Declarations and within the coverage territory.
- (2) The coverage territory is anywhere in the world.

5. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

The most we will pay for any loss in any one "occurrence" under this Additional Coverage is \$2,500, unless a different Limit Of Insurance for money orders and "counterfeit money" is shown in the Declarations.

6. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that is:

- (1) Made or drawn by or drawn upon you; or

- (2) Made or drawn by one acting as your agent;

or that is purported to have been so made or drawn.

b. If you are sued for refusing to pay any instrument covered in Paragraph a. above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense.

c. We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

d. For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act and will be treated the same as the original it replaced.

e. The most we will pay for any loss in any one "occurrence", including legal expenses, under this Additional Coverage is \$2,500, unless a different Limit Of Insurance for "forgery" or alteration is shown in the Declarations.

7. Outdoor Signs

a. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:

- (1) Owned by you; or
- (2) Owned by others but in your care, custody or control.

b. The most we will pay under this Additional Coverage for loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance for outdoor signs is shown in the Declarations.

c. The provisions of this Additional Coverage supersede all other outdoor signs coverage references in the Building And Personal Property Coverage Form.

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8. Employee Dishonesty

a. Your Business Personal Property And Your Money And Securities

We will pay for direct loss of or damage to Your Business Personal Property and your "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners, "members" or "managers") with the manifest intent to:

- (1) Cause you to sustain loss or damage; and
- (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (a) Any "employee"; or
 - (b) Any other person or organization.

b. We will not pay for:

- (1) Loss or damage resulting from any dishonest or criminal act committed by:
 - (a) You, your partners or your "members";
 - (b) Your "managers", directors, officers, trustees or authorized representatives; or
 - (c) Anyone to whom you entrust the property for any purpose; whether acting alone or in collusion with other persons.
- (2) Loss or damage that is an indirect result of any act covered by this insurance including, but not limited to, loss or damage resulting from:
 - (a) Your inability to realize income that you would have realized had there been no loss of or damage to "money" or "securities";
 - (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
 - (c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

(3) Expenses related to any legal action; or

(4) Loss or damage the only proof of which as to its existence or amount is one or both of the following:

- (a) An inventory computation; or
- (b) A profit and loss computation.

c. The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is \$5,000, unless a different Limit Of Insurance for employee dishonesty is shown in the Declarations.

d. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

e. This Additional Coverage does not apply to loss caused by any "employee" after discovery by:

- (1) You; or
- (2) Any of your partners, officers or directors, trustees or "members" or "managers" not in collusion with the "employee";

of any dishonest act committed by that "employee" before or after being hired by you.

f. We will pay only for covered loss or damage discovered no later than one year from the end of the policy period.

g. If you discover a loss or damage during the policy period that you (or any predecessor in interest) sustained during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:

(1) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and

(2) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

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Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts that if true would constitute a covered loss under this Additional Coverage.

h. The insurance under Paragraph **g.** above is provided within, and not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:

- (1) This Additional Coverage as of its effective date; or
- (2) The prior insurance, had it remained in effect.

9. Ordinance Or Law – Equipment Coverage

a. Subject to Paragraph **b.**, if a Covered Cause of Loss occurs to equipment that is Covered Property, we will pay to repair or replace the equipment as required to comply with an ordinance or law.

b. If a Covered Cause of Loss occurs to refrigeration equipment that is Covered Property, we will pay:

- (1) The cost to reclaim the refrigerant as required by law;
- (2) The cost to retrofit the equipment to use a non-CFC refrigerant as required by the Clean Air Act of 1990, and any amendments thereto or any other similar laws; and
- (3) The increased cost to recharge the system with a non-CFC refrigerant.

c. The terms of this coverage apply separately to each piece of covered equipment.

d. We will not pay under this Additional Coverage for the costs associated with the enforcement of or compliance with 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".

e. Loss to the equipment will be determined as follows:

(1) If the replacement cost coverage applies and the equipment is repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

(a) The amount you actually spend to repair the equipment, but not for more than the amount it would cost to replace the equipment with equipment of the same kind and quality; or

(b) The Limit Of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.

(2) If the replacement cost coverage applies and the equipment is not repaired or replaced, or if the replacement cost coverage does not apply, we will not pay more than the lesser of:

(a) The actual cash value of the equipment at the time of loss; or

(b) The Limit Of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.

(3) We will not pay for loss due to any ordinance or law that:

(a) You were required to comply with before the loss, even if the equipment was undamaged; and

(b) You failed to comply with.

f. The **Coinsurance** Additional Condition does not apply to this coverage.

10. Lock Replacement

a. We will pay for the cost to repair or replace locks at the described premises due to theft or other loss to keys.

b. The most we will pay under this Additional Coverage for all loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance is shown in the Declarations for Lock Replacement.

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- c. No deductible applies to this Additional Coverage.

11. Artificially Generated Electrical Current

We will pay for loss or damage to "computers" due to artificially generated electrical current if such loss or damage is caused by or results from:

- a. An occurrence that took place within 1,000 feet of the described premises; or
- b. Interruption of electric power supply, power surge, blackout or brownout if the cause of such occurrence took place within 1,000 feet of the described premises.

If such loss or damage as specified above exceeds in any one occurrence the applicable deductible shown in the Declarations, we will then pay the amount of loss or damage in excess of the deductible up to the applicable Limit of Insurance for the equipment.

B. Coverage Extensions in the **Coverage** section is amended as follows:

1. Personal Effects And Property Of Others is replaced by the following:

Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- a. Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- b. Personal property of others in your care, custody or control.

The most we will pay under this Extension for loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance for personal effects and property of others is shown in the Declarations. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Valuable Papers And Records (Other Than Electronic Data) is replaced by the following:

Valuable Papers And Records (Other Than Electronic Data)

- a. You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to valuable papers and records that you own, or that are in your care, custody or control, caused by or resulting from a Covered Cause of Loss. This Extension includes the cost to research lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- b. Coverage under this Extension is limited to the "specified causes of loss" as defined in the Causes Of Loss – Special Form and Collapse as set forth in that form.
- c. This Extension does not apply to:
 - (1) Property held as samples or for delivery after sale; or
 - (2) Property in storage away from the premises shown in the Declarations.
- d. The most we will pay under this Extension for loss or damage to valuable papers and records in any one occurrence at each described premises is \$10,000, unless a different Limit Of Insurance for valuable papers and records is shown in the Declarations.
For valuable papers and records not at a described premises, the most we will pay is \$5,000 in any one occurrence.

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Such amounts are additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

3. **Outdoor Property** is replaced by the following:

Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to the following outdoor property located on the described premises:

- a. Fences and retaining walls that are not a part of a building. The most we will pay for loss or damage under this Extension is \$15,000 in any one occurrence;
- b. Outdoor radio, television, satellite or other antennas, including their masts, towers and lead-in and support wiring. The most we will pay for loss or damage under this Extension is \$3,000 in any one occurrence; and
- c. Trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof). The most we will pay for loss or damage, including debris removal expense, under this Extension is \$5,000 for any one occurrence, but not more than \$1,000 for any one tree, shrub or plant;

but only for loss caused by or resulting from the following causes of loss and only if they are Covered Causes of Loss:

- (1) Fire;
 - (2) Lightning;
 - (3) Explosion;
 - (4) Aircraft;
 - (5) Riot or civil commotion.
- d. To the extent that coverage for outdoor property is provided under this Extension, the provisions of **Property Not Covered** in the **Coverage** section do not apply.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

4. **Accounts Receivable** is added as follows:

a. You may extend the insurance that applies to Your Business Personal Property to accounts receivable. We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
- (4) Other reasonable expenses that you incur to reestablish your records of accounts receivable;

that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.

b. The most we will pay under this Extension for loss or damage in any one occurrence at each described premises is \$10,000.

For accounts receivable not at described premises, the most we will pay is \$1,500 in any one occurrence.

c. To the extent that coverage for accounts receivable is provided under this Extension, the provisions of **Property Not Covered** in the **Coverage** section do not apply.

II. Changes To The Causes Of Loss – Special Form

A. The **Ordinance Or Law** Exclusion in the **Exclusions** section does not apply to the **Ordinance Or Law – Equipment Coverage** Additional Coverage in Section I of this endorsement.

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B. The mechanical breakdown exclusion in the **Exclusions** section does not apply to loss or damage to "computers".

C. In the exclusions of certain causes of loss to personal property (which excludes dampness and dryness of atmosphere, changes in or extremes of temperature or marring or scratching), the exclusion of dampness or dryness of atmosphere and the exclusion of changes in or extremes of temperature do not apply if such conditions result from physical damage caused by a Covered Cause of Loss to an air conditioning unit or system, including equipment and parts, which is part of, or used with, "computers".

D. The following exclusions are added to the **Exclusions** section and apply only to coverage for "computers":

1. 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.

a. Errors Or Omissions

Errors or omissions in processing, recording or storing electronic data on "computers".

However, we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this policy.

b. Electrical Disturbance

Electrical or magnetic injury, disturbance or erasure of electronic recordings.

However, we will pay for direct loss or damage caused by lightning.

c. Computer-related Losses

The failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any insured or to others:

(a) "Computer" hardware, including microprocessors;

(b) "Computer" application software;

(c) "Computer" operating systems and related software;

(d) "Computer" networks;

(e) Microprocessors ("computer" chips) not part of any "computer" system; or

(f) Any other computerized or electronic equipment or components; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **c.(1)** above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

d. Computer Advice Or Consultation

Any advice, consultation, design, evaluation, inspection, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Exclusion **c.** above.

2. If an excluded Cause of Loss as described in Exclusion **b.**, **c.** or **d.** above results in a "specified cause of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified cause of loss" or elevator collision. We will not pay for repair, replacement or modification of any items in Exclusion **c.** above to correct any deficiencies or change any features.

E. The **Exclusions** section does not apply to the **Employee Dishonesty** Additional Coverage in Section **I** of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard; and
- 3. War And Military Action.

F. The **Exclusions** section and **Limitations** section do not apply to the **Outdoor Signs** Additional Coverage in Section **I** of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard;
- 3. War And Military Action;
- 4. Wear and tear;
- 5. Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself; and

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- 6. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

G. The **Exclusions** section does not apply to the **Valuable Papers And Records (Other Than Electronic Data)** or the **Accounts Receivable Coverage Extensions** in Section I of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard;
- 3. War And Military Action;
- 4. Computer-related Losses;
- 5. Computer Advice Or Consultation;
- 6. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more;
- 7. 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 the heat is not maintained; and
- 8. We will not pay for loss or damage caused by or resulting from any of the following, Paragraphs **a.** through **c.** But if an excluded cause of loss that is listed in Paragraphs **a.** through **c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in any of the following exclusions to produce the loss or damage:
 - (1) Ordinance Or Law;
 - (2) Earth Movement;
 - (3) Governmental Action;
 - (4) Nuclear Hazard;
 - (5) Utility Services;
 - (6) War And Military Action;
 - (7) Water; and

(8) "Fungus", Wet Rot, Dry Rot And Bacteria.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property on or off the described premises.

H. The following additional exclusions apply to the **Accounts Receivable Coverage Extension** only:

We will not pay for:

1. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding;

2. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions; or

3. Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

III. Changes To The Commercial General Liability Coverage Part

A. The following exclusion is added to the **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and the **Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or

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2. The negligent:
 - a. Employment;
 - b. Investigation;
 - c. Supervision;
 - d. Reporting to the proper authorities, or failure to so report; or
 - e. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

B. Coverage C Medical Payments is amended as follows:

The exclusion related to **Athletic Activities** does not apply.

IV. Definitions

A. "Computer" means:

1. Your programmable electronic equipment that is used to store, retrieve and process electronic data. It includes their component parts and dedicated air conditioning, fire suppression equipment and electrical equipment used exclusively in your "computer" operations; and
2. Associated peripheral equipment that provides communication, including input and output functions such as printing or auxiliary functions such as electronic data transmission.

It does not include electronic data and media.

B. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.

C. "Employee":

1. As respects the coverage provided under Section I of this endorsement for Money And Securities and Employee Dishonesty only, "employee" means:
 - a. Any natural person:
 - (1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to theft or any other dishonest act committed by the "employee";
 - (2) Whom you compensate directly by salary, wages or commissions; and
 - (3) Whom you have the right to direct and control while performing services for you; or

b. Any natural person who is furnished temporarily to you:

- (1) To substitute for a permanent "employee", as defined in Paragraph 1.a., who is on leave; or
- (2) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph 1.b.;

d. Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;

e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the premises;

f. Any "employee" of an entity merged or consolidated with you prior to the effective date of this insurance; or

g. Any of your "managers", directors or trustees while:

- (1) Performing acts within the scope of the usual duties of an "employee"; or
- (2) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

2. As respects the coverage provided under Section I of this endorsement for Money And Securities and Employee Dishonesty only, "employee" does not mean:

a. Any agent, broker, factor, commission merchant, consignee or independent contractor; or

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- b. A representative of the same general character as in Paragraph **C.2.a.**, unless such representative is specified in Paragraph **C.1.**
- D. "Forgery" means the signing of the name of another person or organization with intent to deceive. It does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
- E. "Manager", as respects the coverage provided under Section **I** of this endorsement for Employee Dishonesty only, means a person serving in a directorial capacity for a limited liability company.
- F. "Member", as respects the coverage provided under Section **I** of this endorsement for Employee Dishonesty only, means an owner of a limited liability company represented by its membership interest who also may serve as a "manager".
- G. "Money" means:
 1. Currency, coins and bank notes in current use and having a face value; and
 2. Traveler's checks, register checks and money orders.
- H. "Occurrence":
 1. As respects the coverage provided under Section **I** of this endorsement for Money And Securities only, "occurrence" means:
 - a. An individual act;
 - b. The combined total of all separate acts whether or not related; or
 - c. A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy period shown in the Declarations, before such policy period or both.
 2. As respects the coverage provided under Section **I** of this endorsement for Computer Fraud and Money Orders And Counterfeit Money only, "occurrence" means:
 - a. An individual act or event;

- b. The combined total of all separate acts or events whether or not related; or
 - c. A series of acts or events whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy period shown in the Declarations, before such policy period or both.
- 3. As respects the coverage provided under Section **I** of this endorsement for Forgery Or Alteration only, "occurrence" means:
 - a. An individual act;
 - b. The combined total of all separate acts whether or not related; or
 - c. A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the policy period shown in the Declarations, before such policy period or both.
- 4. As respects the coverage provided under Section **I** of this endorsement for Employee Dishonesty only, "occurrence" means:
 - a. An individual act;
 - b. The combined total of all separate acts whether or not related; or
 - c. A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the policy period shown in the Declarations, before such policy period or both.
- I. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HEALTH CLUBS AND GYMS – ABUSE OR MOLESTATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
HEALTH CLUBS AND GYMS ENDORSEMENT

SCHEDULE

Limits Of Insurance	
Abuse Or Molestation Aggregate Limit:	\$
Abuse Or Molestation Each Occurrence Limit:	\$
Premium:	\$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The provisions of the Commercial General Liability Coverage Part apply except as otherwise provided in this endorsement. All numbers and letters used to designate paragraphs in this endorsement are specific to this endorsement only. They do not reference paragraphs in the Commercial General Liability Coverage Part.

Abuse Or Molestation

- A.** Paragraph **A.** under Section **III** of Health Clubs And Gyms Endorsement **MS HC 01** does not apply to the coverage provided by this endorsement.
- B.** With respect to the Abuse Or Molestation coverage provided by this endorsement, the following **Exclusions** are added:
 - 1.** This insurance does not apply to:
 - a.** Any insured who perpetrates or takes part in abuse or molestation;
 - b.** Any claim for abuse or molestation that was known to the Named Insured(s) and for which no action was taken in notifying us and the proper authorities;
 - c.** Abuse or molestation expected or intended from the standpoint of the insured;

C. With respect to the Abuse Or Molestation coverage provided by this endorsement, the following is added to the **Limits Of Insurance** Section:

- 1.** Subject to the General Aggregate Limit described in Paragraph **C.2.**, the Limits of Insurance shown in the Schedule of this endorsement are the only limits that apply with respect to the coverage provided by this endorsement, and they apply to no other coverage. 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.** Subject to the General Aggregate Limit, the most we will pay for the sum of all damages because of all "bodily injury", "property damage" and "personal and advertising injury" arising out of alleged abuse or molestation is the Abuse Or Molestation Aggregate Limit shown in the Schedule of this endorsement.

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3. Subject to Paragraph 2., the most we will pay for damages because of all:
 - a. "Bodily injury" and "property damage" arising out of any one "occurrence" of abuse or molestation; and
 - b. "Personal and advertising injury" sustained by any one person or organization caused by an offense arising out of abuse or molestation;

is the Abuse Or Molestation Each Occurrence Limit shown in the Schedule of this endorsement.

4. The Abuse Or Molestation Aggregate Limit shown in the Schedule of this endorsement applies 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.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS – HEALTH CLUBS AND GYMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART – BUILDING AND PERSONAL PROPERTY COVERAGE FORM
COMMERCIAL PROPERTY COVERAGE PART – CAUSES OF LOSS – SPECIAL FORM

The provisions of the Building And Personal Property Coverage Form, the Causes Of Loss – Special Form and the Commercial General Liability Coverage Part apply except as otherwise provided in this endorsement. This endorsement applies only if the Coverage Forms and Coverage Part named above are all included in this policy. All numbers and letters used to designate paragraphs in this endorsement are specific to this endorsement only. They do not reference paragraphs in the Commercial Property or Commercial General Liability Coverage Parts.

I. Changes To The Building And Personal Property Coverage Form

A. The following coverages are added to **Additional Coverages** in the **Coverage** section:

1. Money And Securities

- a.** We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any "employee" having use and custody of the property, at the described premises, or in transit between any of these places.
- b.** We will pay only for loss of "money" and "securities" resulting directly from:
 - (1)** Theft, meaning any act of stealing;
 - (2)** Disappearance; or
 - (3)** Destruction.
- c.** We will not pay for loss:
 - (1)** Resulting from accounting or arithmetical errors or omissions;
 - (2)** Due to the giving or surrendering of property in any exchange or purchase; or

- (3)** Of property contained in any money-operated device unless the amount of "money" deposited in it is recorded by a continuous reading instrument on the device.
- d.** Unless different limits are shown in the Declarations for "money" and "securities", the most we will pay for loss in any one "occurrence" is:
 - (1)** \$10,000 for "money" and "securities" while:
 - (a)** In or on the described premises; or
 - (b)** Within a bank or savings institution; and
 - (2)** \$5,000 for "money" and "securities" while anywhere else described in Paragraph **1.a.** above.
- e.** You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
- f.** To the extent that coverage for "money" and "securities" is provided under this Additional Coverage, the **Property Not Covered** provisions in the **Coverage** section do not apply.

2. Fire Extinguisher Systems Expense

- a.** We will pay:
 - (1)** The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged in or on the building described in the Declarations or within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater; and

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(2) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or fire extinguishing system.

- b. No coverage will apply if the fire extinguishing system is discharged during installation or testing.
- c. The most we will pay under this Additional Coverage is \$5,000 in any one occurrence.
- d. No deductible applies to this Additional Coverage.

3. Reward Payment

a. We will reimburse you for rewards paid as follows:

(1) Up to \$5,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

- (a) Actual cash value of the Covered Property at the time of loss or damage, but not more than the amount required to repair or replace it; or
- (b) The amount determined by the loss settlement procedure applicable to the Covered Property under the Loss Payment Condition.

(2) Up to \$5,000 to an eligible person for the return of stolen Covered Property, when the loss is caused by theft. However, we will pay no more than the lesser of the following amounts:

- (a) Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or
- (b) The amount determined by the loss settlement procedure applicable to the returned Covered Property under the Loss Payment Condition.

b. This Additional Coverage applies subject to the following conditions:

(1) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:

- (a) You or any family member;
- (b) Your employee or any of his or her family members;
- (c) An employee of a law enforcement agency;
- (d) An employee of a business engaged in property protection;
- (e) Any person who had custody of the Covered Property at the time the theft was committed; or
- (f) Any person involved in the crime.

(2) No reward will be reimbursed unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned.

(3) The lesser of the amount of the reward or \$5,000 is the most we will reimburse for loss under this Additional Coverage in any one occurrence.

4. Computer Fraud

a. We will pay for loss of or damage to "money", "securities" and other property resulting directly from the use of any "computer" to fraudulently cause a transfer of that property from inside a building at the described premises or from any bank or similar safe depository:

- (1) To a person outside those premises;
- (2) To a place outside those premises.

b. The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is \$25,000, unless a different Limit Of Insurance for computer fraud is shown in the Declarations.

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c. With respect to this Additional Coverage, the following are added to the **Additional Conditions** section:

- (1) We cover loss or damage commencing during the policy period shown in the Declarations and within the coverage territory.
- (2) The coverage territory is anywhere in the world.

5. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

The most we will pay for any loss in any one "occurrence" under this Additional Coverage is \$2,500, unless a different Limit Of Insurance for money orders and "counterfeit money" is shown in the Declarations.

6. Forgery Or Alteration

- a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that is:
 - (1) Made or drawn by or drawn upon you; or
 - (2) Made or drawn by one acting as your agent;
or that is purported to have been so made or drawn.
- b. If you are sued for refusing to pay any instrument covered in Paragraph a. above, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense.
- c. We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.
- d. For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act and will be treated the same as the original it replaced.

e. The most we will pay for any loss in any one "occurrence", including legal expenses, under this Additional Coverage is \$2,500, unless a different Limit Of Insurance for "forgery" or alteration is shown in the Declarations.

7. Outdoor Signs

- a. We will pay for direct physical loss of or damage to all outdoor signs at the described premises:
 - (1) Owned by you; or
 - (2) Owned by others but in your care, custody or control.
- b. The most we will pay under this Additional Coverage for loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance for outdoor signs is shown in the Declarations.
- c. The provisions of this Additional Coverage supersede all other outdoor signs coverage references in the Building And Personal Property Coverage Form.

8. Employee Dishonesty

a. Your Business Personal Property And Your Money And Securities

We will pay for direct loss of or damage to Your Business Personal Property and your "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partners, "members" or "managers") with the manifest intent to:

- (1) Cause you to sustain loss or damage; and
 - (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (a) Any "employee"; or
 - (b) Any other person or organization.
- b. We will not pay for:
- (1) Loss or damage resulting from any dishonest or criminal act committed by:
 - (a) You, your partners or your "members";

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- (b) Your "managers", directors, officers, trustees or authorized representatives; or
 - (c) Anyone to whom you entrust the property for any purpose; whether acting alone or in collusion with other persons.
- (2) Loss or damage that is an indirect result of any act covered by this insurance including, but not limited to, loss or damage resulting from:
- (a) Your inability to realize income that you would have realized had there been no loss of or damage to "money" or "securities";
 - (b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance; or
 - (c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
- (3) Expenses related to any legal action; or
- (4) Loss or damage the only proof of which as to its existence or amount is one or both of the following:
- (a) An inventory computation; or
 - (b) A profit and loss computation.
- c. The most we will pay under this Additional Coverage for loss or damage in any one "occurrence" is \$5,000, unless a different Limit Of Insurance for employee dishonesty is shown in the Declarations.
- d. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- e. This Additional Coverage does not apply to loss caused by any "employee" after discovery by:
- (1) You; or
 - (2) Any of your partners, officers, directors, trustees, "members" or "managers" not in collusion with the "employee";
- of any dishonest act committed by that "employee" before or after being hired by you.
- f. We will pay only for covered loss or damage discovered no later than one year from the end of the policy period.
- g. If you discover a loss or damage during the policy period that you (or any predecessor in interest) sustained during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Additional Coverage, provided:
- (1) This Additional Coverage became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss or damage would have been covered by this Additional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.
- Discovery also occurs when you receive notice of an actual or potential claim against you alleging facts that if true would constitute a covered loss under this Additional Coverage.
- h. The insurance under Paragraph g. above is provided within, and not in addition to, the Limit of Insurance applying to this Additional Coverage and is limited to the lesser of the amount recoverable under:
- (1) This Additional Coverage as of its effective date; or
 - (2) The prior insurance, had it remained in effect.

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9. Ordinance Or Law – Equipment Coverage

- a. Subject to Paragraph **b.**, if a Covered Cause of Loss occurs to equipment that is Covered Property, we will pay to repair or replace the equipment as required to comply with an ordinance or law.
- b. If a Covered Cause of Loss occurs to refrigeration equipment that is Covered Property, we will pay:
 - (1) The cost to reclaim the refrigerant as required by law;
 - (2) The cost to retrofit the equipment to use a non-CFC refrigerant as required by the Clean Air Act of 1990, and any amendments thereto or any other similar laws; and
 - (3) The increased cost to recharge the system with a non-CFC refrigerant.
- c. The terms of this coverage apply separately to each piece of covered equipment.
- d. We will not pay under this Additional Coverage for the costs associated with the enforcement of or compliance with 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".
- e. Loss to the equipment will be determined as follows:
 - (1) If the replacement cost coverage applies and the equipment is repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair the equipment, but not for more than the amount it would cost to replace the equipment with equipment of the same kind and quality; or
 - (b) The Limit Of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.

- (2) If the replacement cost coverage applies and the equipment is not repaired or replaced, or if the replacement cost coverage does not apply, we will not pay more than the lesser of:

- (a) The actual cash value of the equipment at the time of loss; or
- (b) The Limit Of Insurance shown in the Declarations as applicable to the covered Building or Your Business Personal Property.

- (3) We will not pay for loss due to any ordinance or law that:

- (a) You were required to comply with before the loss, even if the equipment was undamaged; and
- (b) You failed to comply with.

- f. The **Coinsurance** Additional Condition does not apply to this coverage.

10. Lock Replacement

- a. We will pay for the cost to repair or replace locks at the described premises due to theft or other loss to keys.
- b. The most we will pay under this Additional Coverage for all loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance is shown in the Declarations for Lock Replacement.
- c. No deductible applies to this Additional Coverage.

11. Artificially Generated Electrical Current

We will pay for loss or damage to "computers" due to artificially generated electrical current if such loss or damage is caused by or results from:

- a. An occurrence that took place within 1,000 feet of the described premises; or
- b. Interruption of electric power supply, power surge, blackout or brownout if the cause of such occurrence took place within 1,000 feet of the described premises.

If such loss or damage as specified above exceeds in any one occurrence the applicable deductible shown in the Declarations, we will then pay the amount of loss or damage in excess of the deductible up to the applicable Limit of Insurance for the equipment.

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B. Coverage Extensions in the **Coverage** section is amended as follows:

1. Personal Effects And Property Of Others is replaced by the following:

Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- a. Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.
- b. Personal property of others, in your care, custody or control.

The most we will pay under this Extension for loss or damage in any one occurrence is \$5,000, unless a different Limit Of Insurance for personal effects and property of others is shown in the Declarations. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Valuable Papers And Records (Other Than Electronic Data) is replaced by the following:

Valuable Papers And Records (Other Than Electronic Data)

- a. You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage to valuable papers and records that you own, or that are in your care, custody or control, caused by or resulting from a Covered Cause of Loss. This Extension includes the cost to research lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- b. Coverage under this Extension is limited to the "specified causes of loss" as defined in the Causes Of Loss – Special Form and Collapse as set forth in that form.

c. This Extension does not apply to:

- (1) Property held as samples or for delivery after sale; or
- (2) Property in storage away from the premises shown in the Declarations.

d. The most we will pay under this Extension for loss or damage to valuable papers and records in any one occurrence at each described premises is \$10,000, unless a different Limit Of Insurance for valuable papers and records is shown in the Declarations.

For valuable papers and records not at a described premises, the most we will pay is \$5,000 in any one occurrence.

Such amounts are additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

3. Outdoor Property is replaced by the following:

Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to the following outdoor property located on the described premises:

- a. Fences and retaining walls that are not a part of a building. The most we will pay for loss or damage under this Extension is \$15,000 in any one occurrence;
- b. Outdoor radio, television, satellite or other antennas, including their masts, towers and lead-in and support wiring. The most we will pay for loss or damage under this Extension is \$3,000 in any one occurrence; and
- c. Trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof). The most we will pay for loss or damage, including debris removal expense, under this Extension is \$5,000 for any one occurrence, but not more than \$1,000 for any one tree, shrub or plant;

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but only for loss caused by or resulting from the following causes of loss and only if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Aircraft;
- (5) Riot or civil commotion.

d. To the extent that coverage for outdoor property is provided under this Extension, the provisions of **Property Not Covered** in the **Coverage** section do not apply.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

4. Accounts Receivable is added as follows:

a. You may extend the insurance that applies to Your Business Personal Property to accounts receivable. We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
- (4) Other reasonable expenses that you incur to reestablish your records of accounts receivable;

that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.

b. The most we will pay under this Extension for loss or damage in any one occurrence at each described premises is \$10,000.

For accounts receivable not at described premises, the most we will pay is \$1,500 in any one occurrence.

c. To the extent that coverage for accounts receivable is provided under this Extension, the provisions of **Property Not Covered** in the **Coverage** section do not apply.

II. Changes To The Causes Of Loss – Special Form

A. The **Ordinance Or Law** Exclusion in the **Exclusions** section does not apply to the **Ordinance Or Law – Equipment Coverage** Additional Coverage in Section I of this endorsement.

B. The mechanical breakdown exclusion in the **Exclusions** section does not apply to loss or damage to "computers".

C. In the exclusions of certain causes of loss to personal property (which excludes dampness and dryness of atmosphere, changes in or extremes of temperature or marring or scratching), the exclusion of dampness or dryness of atmosphere and the exclusion of changes in or extremes of temperature do not apply if such conditions result from physical damage caused by a Covered Cause of Loss to an air conditioning unit or system, including equipment and parts, which is part of, or used with, "computers".

D. The following exclusions are added to the **Exclusions** section and apply only to coverage for "computers":

1. 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.

a. Errors Or Omissions

Errors or omissions in processing, recording or storing electronic data on "computers".

However, we will pay for direct loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this policy.

b. Electrical Disturbance

Electrical or magnetic injury, disturbance or erasure of electronic recordings.

However, we will pay for direct loss or damage caused by lightning.

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c. Computer-related Losses

The failure, malfunction or inadequacy of:

- (1) Any of the following, whether belonging to any insured or to others:
 - (a) "Computer" hardware, including microprocessors;
 - (b) "Computer" application software;
 - (c) "Computer" operating systems and related software;
 - (d) "Computer" networks;
 - (e) Microprocessors ("computer" chips) not part of any "computer" system; or
 - (f) Any other computerized or electronic equipment or components; or
- (2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **c.(1)** above;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times.

d. Computer Advice Or Consultation

Any advice, consultation, design, evaluation, inspection, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Exclusion **c.** above.

- 2. If an excluded Cause of Loss as described in Exclusion **b.**, **c.** or **d.** above results in a "specified cause of loss", or in elevator collision resulting from mechanical breakdown, we will pay only for the loss or damage caused by such "specified cause of loss" or elevator collision. We will not pay for repair, replacement or modification of any items in Exclusion **c.** above to correct any deficiencies or change any features.

E. The **Exclusions** section does not apply to the **Employee Dishonesty** Additional Coverage in Section **I** of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard; and
- 3. War And Military Action.

F. The **Exclusions** section and **Limitations** section do not apply to the **Outdoor Signs** Additional Coverage in Section **I** of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard;
- 3. War And Military Action;
- 4. Wear and tear;
- 5. Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself; and
- 6. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

G. The **Exclusions** section does not apply to the **Valuable Papers And Records (Other Than Electronic Data)** or the **Accounts Receivable** Coverage Extensions in Section **I** of this endorsement, except for the following exclusions:

- 1. Governmental Action;
- 2. Nuclear Hazard;
- 3. War And Military Action;
- 4. Computer-related Losses;
- 5. Computer Advice Or Consultation;
- 6. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more;

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- 7. 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 the heat is not maintained; and
- 8. We will not pay for loss or damage caused by or resulting from any of the following, Paragraphs **a.** through **c.** But if an excluded cause of loss that is listed in Paragraphs **a.** through **c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in any of the following exclusions to produce the loss or damage:
 - (1) Ordinance Or Law;
 - (2) Earth Movement;
 - (3) Governmental Action;
 - (4) Nuclear Hazard;
 - (5) Utility Services;
 - (6) War And Military Action;
 - (7) Water; and
 - (8) "Fungus", Wet Rot, Dry Rot And Bacteria.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance;

of part or all of any property on or off the described premises.

H. The following additional exclusions apply to the **Accounts Receivable Coverage Extension** only:

We will not pay for:

- 1. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding;

- 2. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions; or
- 3. Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

III. Changes To The Commercial General Liability Coverage Part

Coverage C Medical Payments is amended as follows:

The exclusion related to **Athletic Activities** does not apply.

IV. Definitions

A. "Computer" means:

- 1. Your programmable electronic equipment that is used to store, retrieve and process electronic data. It includes their component parts and dedicated air conditioning, fire suppression equipment and electrical equipment used exclusively in your "computer" operations; and
- 2. Associated peripheral equipment that provides communication, including input and output functions such as printing or auxiliary functions such as electronic data transmission.

It does not include electronic data and media.

B. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.

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C. "Employee":

1. As respects the coverage provided under Section I of this endorsement for Money And Securities and Employee Dishonesty only, "employee" means:

a. Any natural person:

(1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to theft or any other dishonest act committed by the "employee";

(2) Whom you compensate directly by salary, wages or commissions; and

(3) Whom you have the right to direct and control while performing services for you; or

b. Any natural person who is furnished temporarily to you:

(1) To substitute for a permanent "employee", as defined in Paragraph 1.a., who is on leave; or

(2) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises;

c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph 1.b.;

d. Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;

e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the premises;

f. Any "employee" of an entity merged or consolidated with you prior to the effective date of this insurance; or

g. Any of your "managers", directors or trustees while:

(1) Performing acts within the scope of the usual duties of an "employee"; or

(2) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

2. As respects the coverage provided under Section I of this endorsement for Money And Securities and Employee Dishonesty only, "employee" does not mean:

a. Any agent, broker, factor, commission merchant, consignee or independent contractor; or

b. A representative of the same general character as in Paragraph C.2.a., unless such representative is specified in Paragraph C.1.

D. "Forgery" means the signing of the name of another person or organization with intent to deceive. It does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

E. "Manager", as respects the coverage provided under Section I of this endorsement for Employee Dishonesty only, means a person serving in a directorial capacity for a limited liability company.

F. "Member", as respects the coverage provided under Section I of this endorsement for Employee Dishonesty only, means an owner of a limited liability company represented by its membership interest who also may serve as a "manager".

G. "Money" means:

1. Currency, coins and bank notes in current use and having a face value; and

2. Traveler's checks, register checks and money orders.

H. "Occurrence":

1. As respects the coverage provided under Section I of this endorsement for Money And Securities only, "occurrence" means:

a. An individual act;

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- b.** The combined total of all separate acts whether or not related; or
 - c.** A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy period shown in the Declarations, before such policy period or both.
- 2.** As respects the coverage provided under Section I of this endorsement for Computer Fraud and Money Orders And Counterfeit Money only, "occurrence" means:
 - a.** An individual act or event;
 - b.** The combined total of all separate acts or events whether or not related; or
 - c.** A series of acts or events whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the policy period shown in the Declarations, before such policy period or both.
- 3.** As respects the coverage provided under Section I of this endorsement for Forgery Or Alteration only, "occurrence" means:
 - a.** An individual act;
 - b.** The combined total of all separate acts whether or not related; or
 - c.** A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the policy period shown in the Declarations, before such policy period or both.
- 4.** As respects the coverage provided under Section I of this endorsement for Employee Dishonesty only, "occurrence" means:
 - a.** An individual act;
 - b.** The combined total of all separate acts whether or not related; or
 - c.** A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the policy period shown in the Declarations, before such policy period or both.
- I.** "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 - 1.** Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - 2.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
 but does not include "money".

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

ALLIED HEALTH CARE PROVIDERS LIABILITY COVERAGE PART
OPTOMETRISTS PROFESSIONAL LIABILITY COVERAGE PART
PHYSICIANS, SURGEONS AND DENTISTS PROFESSIONAL LIABILITY PART

A. If you are an individual, Exclusion **a.** under Paragraph **3. Exclusions** of Section **I – Coverage(s)** is replaced by the following:

3. Exclusions

This insurance does not apply to:

- a.** Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed by the insured or any person for whom the insured is legally responsible. This exclusion does not affect our duty to defend, in accordance with the Insuring Agreement, an insured prior to determining, through the appropriate legal processes, that the insured is responsible for a criminal act or has instructed, directed or provided approval for another concerning such criminal act.

B. If you are other than an individual, Exclusion **a.** under Paragraph **3. Exclusions** of Section **I – Coverage(s)** is replaced by the following:

3. Exclusions

This insurance does not apply to:

- a.** Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed by or at the direction of the insured. This insurance also does not apply to any claim for damages against an insured who actively participates in any act of sexual misconduct, sexual molestation or physical or mental abuse.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

BLOOD BANKS PROFESSIONAL LIABILITY COVERAGE PART
DIAGNOSTIC TESTING LABORATORIES PROFESSIONAL LIABILITY COVERAGE PART
HOSPITAL PROFESSIONAL LIABILITY COVERAGE PART

A. If you are an individual, Exclusion **a.** under Paragraph **2. Exclusions** of Section **I – Coverage(s)** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- a.** Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed by or at the direction of the insured. This exclusion does not affect our duty to defend, in accordance with the Insuring Agreement, an insured prior to determining, through the appropriate legal processes, that the insured is responsible for a criminal act or has instructed, directed or provided approval for another concerning such criminal act.

B. If you are other than an individual, Exclusion **a.** under Paragraph **2. Exclusions** of Section **I – Coverage(s)** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- a.** Injury arising out of a criminal act, including but not limited to sexual abuse or molestation or fraud, committed by or at the direction of the insured. This insurance also does not apply to any claim for damages against an insured who actively participates in any act of sexual misconduct, sexual molestation or physical or mental abuse.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

REAL ESTATE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY

A. The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.

B. The following is added to Paragraph **A. Insuring Agreement of Section I – Real Estate Agents And Brokers Professional Liability Coverage:**

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

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

~~**C.** The following is added to Exclusion **B.1. Abuse Or Molestation of Section I – Real Estate Agents And Brokers Professional Liability Coverage:**~~

~~However, this exclusion does not apply to any "insured" who did not actually perpetrate or who did not take part in any abuse or molestation.~~

DC. The following is added to Exclusion **B.22. Pollution of Section I – Real Estate Agents And Brokers Professional Liability Coverage:**

However, Paragraphs **a.**, **b.** and **c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.

ED. Paragraph **1.** under **E. Other Insurance of Section VI – Conditions** is replaced by the following:

1. You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limits of Insurance under this Policy bears to the Limits of Insurance of all insurance covering on the same or similar basis.

FE. Paragraph **K.** of **Section VI – Conditions** is replaced by the following:

K. Cancellation

1. The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.

2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.

3. If we cancel for:

a. Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.

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- b. A reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- 4. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any "insured" has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;
 - e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.
- 5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
- 6. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
- 7. If this Policy is cancelled, we will send the first "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the first "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

GF. Paragraph **L.** of **Section VI – Conditions** is replaced by the following:

L. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

HG. Paragraph **B.** of **Section VII – Extended Reporting Period** is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

IH. The following is added to **Section VIII – Definitions**:

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

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

FARM UMBRELLA LIABILITY POLICY

A. Exclusion 2.s. Bodily Injury To An Insured of Section I – Coverages – Coverage H – Bodily Injury And Property Damage Liability is replaced by the following:

s. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraphs **14.a.(1)(a)** and **14.b.(1)** in Section **IV – Definitions**.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" as defined in Paragraph **14.a.(1)(a)** to:

(1) Repay; or

(2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

(a) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an "insured" other than you or any family member; or

(b) When a third party acquires a right of contribution against you or any family member.

As used in this endorsement, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over.

B. Exclusion 2.y. Communicable Disease of Section I – Coverages – Coverage H – Bodily Injury And Property Damage Liability is replaced by the following:

y. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of a disease by an "insured" through sexual contact.

C. Exclusion 2.b.(3) Personal Injury To An Insured of Section I – Coverages – Coverage I – Personal And Advertising Injury Liability is replaced by the following:

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraphs **14.a.(1)(a)** and **14.b.(1)** in Section **IV – Definitions**.

This exclusion also applies to any claim made or "suit" brought against you or any "insured" as defined in Paragraph **14.a.(1)(a)** to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

(i) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an "insured" other than you or any family member; or

(ii) When a third party acquires a right of contribution against you or any family member.

As used in this endorsement, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – FARM PREMISES AND PERSONAL UMBRELLA LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
SCHEDULE

<input type="checkbox"/>	Personal Liability Coverage Applies.
<input type="checkbox"/>	Custom Farming Liability Coverage Applies. Advance Premium: \$
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

The definitions of "employee", "leased worker", "temporary worker" and "volunteer worker", as shown in Section V – Definitions of the Commercial Liability Umbrella Coverage Form, do not apply to the insurance provided under this endorsement.

SECTION I – PREMISES, OPERATIONS AND PRODUCTS LIABILITY COVERAGE

Subject to the provisions of this endorsement, insurance under the Commercial Liability Umbrella Coverage Form applies with respect to liability arising out of the ownership, use or maintenance of "farm premises". The terms ownership, use or maintenance include operations necessary or incidental to ownership, use or maintenance.

A. Coverage A – Bodily Injury And Property Damage Liability

1. Exclusion 2.a. is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

2. Exclusion 2.i. is replaced by the following:

i. Pollution

(1) "Bodily injury" or "property damage" 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 (1)(a) does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire, if the fire:
 - i. Is set by the insured on the "insured location"; and
 - ii. Is set for the purpose of burning off crop stubble or other vegetation and is consistent with normal and usual agricultural practice; and
 - iii. Is not set in violation of an ordinance or law;
- (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:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible;
- (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 **(1)(d)** 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";
- (f) That are, or that are contained in any property that is:
- (i) Being transported or towed by, handled, or handled for movement into, onto or from, a "covered auto";
 - (ii) Otherwise in the course of transit by or on behalf of the insured; or
 - (iii) Being stored, disposed of, treated or processed in or upon a "covered auto";
- (g) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto a "covered auto"; or
- (h) After the "pollutants" or any property in which the "pollutants" are contained are moved from a "covered auto" to the place where they are finally delivered, disposed of or abandoned by the insured.

With respect to liability arising out of the ownership, maintenance or use of "covered autos", Subparagraphs (f), (g) and (h) do not apply to the extent that valid "underlying insurance" for the pollution liability risks they describe exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

(2) "Pollution cost or expense".

However, this Paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of request, demand, order or statutory or regulatory requirement, or claim or suit by or on behalf of a governmental authority.

3. Exclusion 2.o. **Damage To Your Work** does not apply to operations necessary or incidental to the ownership, use or maintenance of the "farm premises".

4. Unless the Declarations specifies otherwise, the following exclusions are added:

v. Nonagricultural Use

"Bodily injury" or "property damage" arising out of the ownership, use or maintenance of any part of the "farm premises" that is:

- (1) Used for nonagricultural business purposes;
- (2) Rented to others or held for rental by an insured for nonagricultural business; or
- (3) Rented to others or held for rental by an insured for dwelling purposes.

This Exclusion **v.(3)** does not apply to the extent that valid "underlying insurance" for the dwelling rental liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the dwelling rental risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

w. Use Of Farm Tools, Farm Tractors And Trailers And Animals

"Bodily injury" or "property damage" arising out of the ownership, use or maintenance of:

- (1) Farm tools, farm tractors and trailers under contract to others for a charge;
- (2) Draft animals or vehicles used with them:
 - (a) Under contract to others for a charge; or
 - (b) Used for route delivery; or
- (3) Saddle animals:
 - (a) Rented to others by or for an insured; or
 - (b) Used in practicing for or participating in any exhibition or contest;

x. Release Or Discharge From Aircraft

"Property damage" arising out of any substance released or discharged from any aircraft;

y. Migrant And Seasonal Agricultural Worker Protection Act

Damages awarded under:

- (1) The Migrant and Seasonal Agricultural Worker Protection Act (29 USC Sections 1801 et seq.) (hereinafter M.S.A.W.P.A.);
- (2) Any law, due to violation of the M.S.A.W.P.A.; or
- (3) Any regulation promulgated pursuant to the M.S.A.W.P.A.;

z. Custom Farming

"Bodily injury" or "property damage" arising out of the insured's performance of, or failure to perform, "custom farming" operations.

However, if the Custom Farming Liability Coverage option is chosen by entry in the Schedule, the following provisions apply:

- (1) This Exclusion **z.** and Exclusions **2.m.(4)** and **(6)**, **2.o.** and **2.p.** under Coverage **A** of the Commercial Liability Umbrella Coverage Form do not apply but only to the extent that valid "underlying insurance" for "custom farming" liability risks exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage"; and
- (2) Any insurance provided under this Coverage Part with respect to "custom farming" liability risks as a result of Paragraph **z.(1)** will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

B. Paragraph 1.a. under Section II – Who Is An Insured is replaced by the following:

a. If you are designated in the Declarations as:

- (1) An individual, you are an insured; and, if they are members of your household, your spouse, and your and your spouse's relatives who are under the age of 21 are also insureds.
- (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 "farming" operations.
- (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your "farming" operations. 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.

C. The following is added to the Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition of Section IV – Conditions:

We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.

D. Section V – Definitions is revised as follows:

1. The following definitions are added:

- a. "Custom farming"** means performance of specific planting, cultivating, harvesting or similar specific "farming" operations by an insured, at a farm that is not a "farm premises", when the performance is for, and under the direction or supervision of, the owner or operator of the farm or the authorized representative of the owner or operator.

But "custom farming" does **not** mean:

- (1)** Operations conducted at a premises rented to, leased to or controlled by an insured;
 - (2)** Operations for which no compensation in money or goods is received; or
 - (3)** A neighborly exchange of services.
- b. "Farming"** means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the "underlying insurance", "farming" does not include:
- (1)** Retail activity other than that described above; or
 - (2)** Mechanized processing operations.
- c. "Farm premises"** means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":
- (1)** Buildings used as residences;
 - (2)** Garages;
 - (3)** Stables; and
 - (4)** Individual or family cemetery plots or burial vaults.
- d. "Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.

2. Paragraph f. of the "insured contract" definition is replaced by the following:

"Insured contract" means:

- f.** That part of any contract or agreement entered into, as part of your "farming" operations, pertaining to the rental or lease, by you or any of your farm employees, of any "auto". However, such contract or agreement:

- (1)** Does not constitute an "insured contract" insofar as it includes terms obligating you or any of your farm employees to pay for "property damage" to any "auto" rented or leased by you or any of your farm employees;
- (2)** Constitutes an "insured contract" only if and to the extent that valid "underlying insurance" on the liability you or any of your farm employees assume under it exists or would have existed but for exhaustion of underlying limits for "bodily injury" or "property damage".

3. The "your product" definition is replaced by the following:

"Your product":

a. Means:

- (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You; or
 - (b)** Others trading under your name; 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 property rented to or located for the use of others but not sold.

SECTION II – PERSONAL LIABILITY COVERAGE

The following applies only if the Personal Liability Coverage option is chosen by entry in the Schedule.

Subject to the provisions of this Section II, insurance under the Commercial Liability Umbrella Coverage Form applies with respect to liability arising out of the insured's personal and nonbusiness activities. The term personal or nonbusiness activities does not include any "farming" activity.

A. Coverage A – Bodily Injury And Property Damage Liability

With respect only to coverage provided under this **Section II – Personal Liability Coverage**, Section I, Coverage A, Paragraph 2. **Exclusions** under the Commercial Liability Umbrella Coverage Form is replaced by the following:

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

b. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a business engaged in by any insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This Exclusion **b.** does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees.

But in the event of "property damage" to which this exception may apply, the person who sustains the "property damage" must be someone other than an insured;

c. Rental Of Premises And Ownership Or Control Of Premises

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

- (1) The rental or holding for rental:
 - (a) By an insured of any part of premises that are not residences; or

- (b) Of any residence owned by an insured.

This Exclusion **c.(1)(b)** does not apply to the rental or holding for rental of any part of an "insured location" shown in the Declarations or acquired during the present annual policy period to the extent that valid "underlying insurance" for such liability risks exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the rental or holding for rental of any part of an "insured location" shown in the Declarations or acquired during the present annual policy period described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

Exclusion **2.b. Business Pursuits** under this Coverage **A** does not apply with respect to the coverage provided in the exception to Exclusion **c.(1)(b)**;

- (2) Any premises that is not an "insured location", but is owned, rented or controlled by an insured.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee" arising out of and in the course of his or her employment by the insured;

d. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. 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 rendering of, or failure to render, any professional service;

e. Pollution

(1) "Bodily injury" or "property damage" 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 **(1)(a)** does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

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

(iii) "Bodily injury" or "property damage" caused by heat, smoke or fumes from a fire, if the fire:

i. Is set by the insured on the "insured location"; and

ii. Is set for the purpose of burning off crop stubble or other vegetation and is consistent with normal and usual agricultural practice; and

iii. Is not set in violation of an ordinance or law;

(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:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(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 **(1)(d)** 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";
- (f) That are, or that are contained in any property that is:
 - (i) Being transported or towed by, handled, or handled for movement into, onto or from, a "covered auto";
 - (ii) Otherwise in the course of transit by or on behalf of the insured; or
 - (iii) Being stored, disposed of, treated or processed in or upon a "covered auto";
- (g) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto a "covered auto"; or
- (h) After the "pollutants" or any property in which the "pollutants" are contained are moved from a "covered auto" to the place where they are finally delivered, disposed of or abandoned by the insured.

With respect to liability arising out of the ownership, maintenance or use of "covered autos", Subparagraphs (f), (g) and (h) do not apply to the extent that valid "underlying insurance" for the pollution liability risks they describe exists or would have existed but for the exhaustion of underlying limits for "bodily injury" and "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the pollution risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance.

(2) "Pollution cost or expense".

However, this Paragraph (2) does not apply to liability for damages because of "property damage" that the insured would have in the absence of request, demand, order or statutory or regulatory requirement, or claim or suit by or on behalf of a governmental authority;

f. Association Liability

"Bodily injury" or "property damage" for which an insured is obligated to pay his or her share of any loss assessment charged against all members of an association, corporation or community of property owners;

g. 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 g. does not apply to written contracts:

- (1) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (2) Under which the liability of others is assumed by the insured prior to an "occurrence";

provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract;

h. Workers' Compensation Or Similar Laws

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

i. ERISA

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

j. Employers' Liability

"Bodily injury" to the spouse, child, parent, brother or sister of an employee as a consequence of "bodily injury" to that employee;

k. Employment-related Practices

"Bodily injury" to:

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

This Exclusion **k.** applies whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person.

This Exclusion **k.** applies whether the insured may be liable as an employer or in any other capacity.

This Exclusion **k.** also applies to any obligation to share damages with or repay someone else who must pay damages because of the injury;

l. Aircraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any aircraft.

This Exclusion **l.** 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 that is owned or operated by or rented or loaned to any insured.

This Exclusion **l.** does not apply to:

- (a) Model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo; and
- (b) The extent that valid "underlying insurance" for the aircraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the aircraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

m. Autos

- (1) "Bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is not a "covered auto"; or
- (2) Any loss, cost or expense payable under or resulting from any first-party physical damage coverage; no-fault law; personal injury protection or auto medical payments coverage; or uninsured or underinsured motorist law;

n. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any watercraft.

This Exclusion **n.** 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 watercraft that is owned or operated by or rented or loaned to any insured.

This Exclusion **n.** does not apply to the extent that valid "underlying insurance" for the watercraft liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the watercraft risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

o. Recreational Motor Vehicle

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of any "recreational motor vehicle" owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading"; or
- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving any "recreational motor vehicle".

This Exclusion **o.** 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 "recreational motor vehicle" that is owned or operated by or rented or loaned to any insured.

This Exclusion **o.** does not apply to the extent that valid "underlying insurance" for the "recreational motor vehicle" liability risks described above exists or would have existed but for the exhaustion of underlying limits for "bodily injury" or "property damage". To the extent this exclusion does not apply, the insurance provided under this Coverage Part for the "recreational motor vehicle" risks described above will follow the same provisions, exclusions and limitations that are contained in the applicable "underlying insurance", unless otherwise directed by this insurance;

p. Racing Activities

"Bodily injury" or "property damage" arising out of the use of any "auto", "recreational motor vehicle", watercraft, or "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed, strength, demolition contest, in any stunting activity or other similar competition;

q. Damage To Property

"Property damage" to property:

- (1) Owned by an insured, nor to 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; or
- (2) Rented to, occupied or used by an insured; or
- (3) In the care, custody or control of an insured.

Paragraph (2) of this exclusion applies to the extent that the insured is obligated by contract to provide insurance for such property. However, Paragraph (2) does not apply to "property damage" caused by fire, smoke or explosion.

Paragraph (3) of this exclusion does not apply to "property damage" to a residence or private garage caused by a "covered auto" of the private passenger type;

r. Bodily Injury To An Insured

"Bodily injury" to you or to any insured within the meaning of insured as defined in Paragraphs **C.1.a.**, **C.1.b.**, **C.2.a.** and **C.2.b.** below.

This exclusion also applies to any claim made or "suit" brought against you or any insured as defined in Paragraphs **C.1.a.** and **C.1.b.** to:

- (1) Repay; or
- (2) Share damages with;
another person who may be obligated to pay damages because of such "bodily injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (a) To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an insured other than you or any family member; or
- (b) When a third party acquires a right of contribution against you or any family member.

As used in this exclusion, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over;

s. Use Of Livestock Or Other Animals

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

- (1) The use of any livestock or other animal in, or while in practice or preparation for:
 - (a) A prearranged racing, speed or strength contest; or
 - (b) A prearranged stunting activity.But this Exclusion **s.(1)** applies only to "occurrences", arising out of such contests or activities, that take place at the site designated for the contest or activity; or
- (2) The use of any livestock or other animal, with or without an accessory vehicle, for providing:
 - (a) Rides to any person for a fee; or
 - (b) Rides in connection with or during a fair, charitable function or similar type of event;

t. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of a disease by an insured through sexual contact;

u. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse;

v. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

w. Personal Injury

"Bodily injury" arising out of "personal injury";

x. Recording And Distribution Of Material Or Information In Violation Of Law

"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;
- (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; or

y. War

"Bodily injury" or "property damage", 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.

B. Coverage B – Personal And Advertising Injury Liability

Those provisions of Coverage B – Personal And Advertising Injury Liability which apply to damages the insured is obligated to pay because of "personal injury" are extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect only to insurance under this **Section II – Personal Liability Coverage**, Coverage B is replaced by the following:

Coverage B – Personal Injury Liability

1. Insuring Agreement

- a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "personal injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking damages because of "personal injury" to which this insurance applies when the "underlying insurance" does not provide coverage or the limits of "underlying insurance" have been exhausted.

However, we will have no duty to defend the insured against any "suit" seeking damages for "personal injury" to which this insurance does not apply. When we have no duty to defend, we will have the right to defend or to participate in the defense of the insured against any other "suit" seeking damages to which this insurance may apply.

We may, at our discretion, investigate any offense that may involve this insurance and settle any claim or "suit", which we have the duty to defend, that may result.

But:

- (1) The amount we will pay for the "ultimate net loss" 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 Coverage A or B.

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, Paragraphs 1. and 2.

- b. This insurance applies to "personal injury" that is subject to an applicable "retained limit". If any other limit, such as a sublimit, is specified in the "underlying insurance", this insurance does not apply to "personal injury" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "underlying insurance".
- c. This insurance applies to "personal injury" only if caused by an offense:
 - (1) Committed during the policy period; and
 - (2) Arising out of personal or nonbusiness activities.

2. Exclusions

This insurance does not apply to:

- a. "Personal injury":
 - (1) **Knowing Violation Of Rights Of Another**
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";
 - (2) **Material Published With Knowledge Of Falsity**
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) **Material Published Prior To Policy Period**
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) **Criminal Acts**
Arising out of a criminal act committed by or at the direction of the insured.
This Exclusion (4) does not affect our duty to defend, in accordance with Paragraph 1.a. under Coverage B above, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal act;

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to any indemnity obligation the insured has assumed under a written contract directly relating to the ownership, maintenance or use of the "insured location", provided the "personal injury" occurs subsequent to the execution of the contract;

(6) Business Pursuits

Arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstances, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This Exclusion **(6)** does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees;

(7) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by an insured;

(8) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;

(9) Employment-related Practices

To:

- (a)** A person arising out of any:
 - (i)** Refusal to employ that person;
 - (ii)** Termination of that person's employment; or
 - (iii)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

- (b)** The spouse, child, parent, brother or sister of that person as a consequence of "personal injury" to that person at whom any of the employment-related practices described in Paragraph **(a)(i), (ii)** or **(iii)** above is directed.

This exclusion applies whether the injury-causing event described in Paragraph **(a)(i), (ii)** or **(iii)** above occurs before employment, during employment or after employment of that person.

This exclusion applies whether the insured may be liable as an employer or in any other capacity.

This exclusion also applies to any obligation to share damages with or repay someone else who must pay damages because of the injury;

(10) Personal Injury To An Insured

To you or to any insured within the meaning of insured as defined in Paragraphs **C.1.a., C.1.b., C.2.a.** and **C.2.b.** below.

This exclusion also applies to any claim made or "suit" brought against you or any insured as defined in Paragraphs **C.1.a.** and **C.1.b.** to:

- (a)** Repay; or
- (b)** Share damages with;
another person who may be obligated to pay damages because of such "personal injury".

However, with respect to any "covered auto" or "recreational motor vehicle" covered under this Policy, this exclusion does not apply:

- (i)** To the maintenance or use of such "covered auto" or "recreational motor vehicle" by an insured other than you or any family member; or
- (ii)** When a third party acquires a right of contribution against you or any family member.

As used in this exclusion, family member means a resident of your household who is your relative, including a ward or foster child, or a resident of your household who is under the age of 21 and is in the care of you or a resident relative who is age 21 or over;

(11) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (c) 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
- (d) 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;

(12) War

However caused, arising, directly or indirectly, out of:

- (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;

(13) Infringement Of Copyright, Patent, Trademark Or Trade Secret

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;

(14) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

- (a) The insured hosts or owns; or
- (b) Over which the insured exercises control; or

(15) Unauthorized Use Of Another's Name Or Product

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.

b. Pollution Cost Or Expense

"Pollution cost or expense".

C. With respect only to coverage provided under **Section II – Personal Liability Coverage** of this endorsement, **Section II – Who Is An Insured** in the Commercial Liability Umbrella Coverage Form is replaced by the following:

Section II – Who Is An Insured

- 1. Except for liability arising out of the ownership, maintenance, or use of "covered autos":
 - a. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
 - b. The following persons are also insureds, provided they are members of your household:
 - (1) Your relatives;
 - (2) Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.

- c. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - (1) 24 and your relative; or
 - (2) 24 and in your care or in the care of a member of your household who is your relative;
 is also an insured.
 - d. Insured also means any person or organization legally responsible for animals, "recreational motor vehicles" or watercraft owned by an insured as defined in Paragraph a. or b.(1) above, but only insofar as:
 - (1) The insurance under this Section II – Personal Liability Coverage applies to "occurrences" involving animals, "recreational motor vehicles" or watercraft;
 - (2) That person's or organization's custody or use of the animals, "recreational motor vehicles" or watercraft does not involve business; and
 - (3) That person or organization has the custody or use of the animals, "recreational motor vehicles" or watercraft with the owner's permission;
 - e. Any person while engaged in the employment of you or a person specified in Paragraph a. or b.(1) above is also an insured but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.
2. Only with respect to liability arising out of the ownership, maintenance or use of "covered autos":
- a. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
 - b. The following persons are also insureds, provided they are members of your household:
 - (1) Your relatives;
 - (2) Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.
 - c. Anyone else while using with your permission a "covered auto" you own, hire or borrow is also an insured except:
 - (1) The owner or lessor from whom you hire or borrow a "covered auto" unless the "covered auto" is a trailer hired or borrowed by you and is connected to a "covered auto" you own.
 - (2) Your employee if the "covered auto" is owned by that employee or by a member of his or her household.
 - (3) Anyone other than your "residence employees" while moving property to or from a "covered auto".
 - (4) Employees with respect to "bodily injury" to any co-employee of the insured arising out of and in the course of the co-employee's employment.
 - (5) Someone using a "covered auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - d. Anyone liable for the conduct of an insured described above is also an insured, but only to the extent of that liability.
- D. With respect to coverage provided by this Section, the following is added to the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** Condition of **Section IV – Conditions**:
- We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.
- E. With respect only to coverage provided under this **Section II – Personal Liability Coverage, Section V – Definitions** in the Commercial Liability Umbrella Coverage Form is revised as follows:
- 1. The definitions of "advertisement" and "executive officer" do not apply to coverage provided under this Section II.

2. The following definitions are added:
- a. "Farming" means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the "underlying insurance", "farming" does not include:
 - (1) Retail activity other than that described above; or
 - (2) Mechanized processing operations.
 - b. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":
 - (1) Buildings used as residences;
 - (2) Garages;
 - (3) Stables; and
 - (4) Individual or family cemetery plots or burial vaults.
 - c. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
 - d. "Insured location" means:
 - (1) The "farm premises";
 - (2) The part of other premises, or of other structures and grounds, that is:
 - (a) Used by you as a residence and shown in the Declarations; or
 - (b) Acquired by you during the policy period for your use as a residence;
 - (3) Premises used by you in conjunction with the premises included in Paragraph (1) or (2) above;
 - (4) Any part of premises not owned by an insured but where an insured is temporarily residing;
 - (5) Vacant land, other than farm land, owned by or rented to an insured;
 - (6) Land owned by or rented to an insured on which a one- to four-family dwelling is being constructed as a residence for occupancy by:
 - (a) An insured; or
 - (b) An insured's farm employees or "residence employees"; and
 - (7) Any part of premises occasionally rented to an insured for other than business purposes.
 - e. "Recreational motor vehicle" means:
 - (1) All-terrain vehicle;
 - (2) Dune buggy;
 - (3) Golf cart;
 - (4) Snowmobile while off an "insured location" or any premises you own or rent; or
 - (5) Any other motorized land vehicle which is designed for recreational use off public roads; and
 - (6) Any vehicle, including any attached machinery or equipment, while being towed by or carried on a vehicle included in Paragraph (1), (2), (3), (4) or (5) above.
 - f. "Residence employee" means an insured's employee:
 - (1) Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
 - (2) Who performs duties of a similar nature to those described in Paragraph (1) above;
 - (a) Not at the "residence premises"; and
 - (b) Not in connection with the business of any insured.
 - g. "Residence premises" means
 - (1) Your principal residence; and
 - (2) The grounds and structures appurtenant to your principal residence.

"Residence premises" does not include any part or parts of a building or structure that are used for business.
3. The "personal and advertising injury" definition is replaced by the following:
- "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;
or
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

FARM LIABILITY COVERAGE FORM

A. Under Coverage H – Bodily Injury And Property Damage Liability, Paragraph 2. Exclusions:

1. Exclusion 2.m. is replaced by the following:

m. Communicable Diseases

"Bodily injury" or "property damage" arising out of the transmission of disease by an "insured" through sexual contact.

2. Exclusion 2.q. is replaced by the following:

q. Bodily Injury To An Insured

"Bodily injury" to you or to any "insured" within the meaning of "insured" as defined in Paragraph **12.a.(1)** in Section **IV – Definitions**.

(1) This exclusion, **2.q.**, also applies to any claim made or "suit" brought against you or any "insured" to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

(2) This exclusion, **2.q.**, does not apply to liability that an "insured" incurs solely, or that an "insured" must share with a third party subsequent to settlement of a "suit" establishing that party's liability, for "bodily injury" inflicted in an "occurrence" that involves:

(a) A "motor vehicle", while on premises you own or rent, except those described in Paragraph **a., c., d., e.** or **f.** of the "mobile equipment" definition; or

(b) A motorized golf cart while used for golfing purposes.

However, this exception, in Paragraph **2.q.(2)**, applies only if the "occurrence" involves maintenance or use of such vehicle by an "insured" other than:

(i) You; or

(ii) A member of your household who is:

i. Either your relative or is under the age of 21 and in the care of you or such a relative; or

ii. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:

(i) 24 and your relative; or

(ii) 24 and in your care or in the care of a member of your household who is your relative.

B. Exclusion 2.b.(3) under Coverage I – Personal And Advertising Injury Liability is replaced by the following:

(3) Personal Injury To An Insured

To you or to any "insured" within the meaning of "insured" as defined in Paragraph **12.a.(1)** in Section **IV – Definitions**.

(a) This exclusion also applies to any claim made or "suit" brought against you or any "insured" to:

(i) Repay; or

(ii) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

(b) This exclusion, **2.b.(3)**, does not apply to liability that an "insured" incurs solely, or that an "insured" must share with a third party subsequent to settlement of a "suit" establishing that party's liability, for "personal injury" inflicted in an offense that involves:

- (i)** A "motor vehicle", while on premises you own or rent, except those described in Paragraph **a., c., d., e.** or **f.** of the "mobile equipment" definition; or
- (ii)** A motorized golf cart while used for golfing purposes.

However, this exception, in Paragraph **2.b.(3)(b)**, applies only if the offense involves maintenance or use of such vehicle by an "insured" other than:

- i.** You; or

ii. A member of your household who is:

- (i)** Either your relative or is under the age of 21 and in the care of you or such a relative; or
- (ii)** A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - i.** 24 and your relative; or
 - ii.** 24 and in your care or in the care of a member of your household who is your relative.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES – PERSONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Coverage A – Bodily Injury And Property Damage
Liability is extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect to coverage provided under this endorsement, Section I, Coverage A, Paragraph 2. Exclusions is replaced by the following:

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real or personal property, than initially expected or intended.

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

b. Business Pursuits

"Bodily injury" or "property damage" arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This exclusion, **b.**, does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees.

But in the event of "property damage" to which this exception may apply, the person who sustains the "property damage" must be someone other than an insured;

c. Rental Of Premises And Ownership Or Control Of Premises

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

- (1) The rental or holding for rental by an insured of any part of premises that are not residences;
- (2) The rental or holding for rental of any residence owned by an insured.

The only exceptions to this exclusion are in cases of occupancy or intended occupancy:

- (a) By persons using the residence exclusively as living quarters on an occasional basis;
 - (b) Of a part of the residence as living quarters by no more than two roomers or boarders; or
 - (c) Of a part of the residence as an office, school, studio or private garage; or
- (3) Any premises that is not an "insured location", but is owned, rented or controlled by an insured.

The only exceptions to this exclusion are in "occurrences" of "bodily injury" to a "residence employee" arising out of and in the course of his or her employment by the insured;

d. Professional Services

"Bodily injury" or "property damage" arising out of the rendering of, or failure to render, professional services. 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 rendering of, or failure to render, any professional service;

e. Pollution

(1) "Bodily injury" or "property damage" 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, **(1)(a)**, does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or

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

(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:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible;

(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, **(1)(d)**, 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"; or

- (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:
 - (a) Arising out of any 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) Arising out of any 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 Subparagraph (2) 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;

f. Loss Assessment

"Bodily injury" or "property damage" for which an insured is obligated to pay:

- (1) His or her share of any loss assessment charged against all members of an association, corporation or community of property owners; or
- (2) Damages under any contract or agreement.

This exclusion does not apply to written contracts:

- (a) That directly relate to the ownership, maintenance or use of an "insured location"; or
- (b) Under which the liability of others is assumed by the insured prior to an "occurrence";

provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract;

g. Workers' Compensation And Similar Laws

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

h. Employers' Liability

"Bodily injury" to the spouse, child, parent, brother or sister of an employee as a consequence of "bodily injury" to that employee;

i. Motor Vehicle

"Bodily injury" (except when sustained by a "residence employee" in the course of and as a result of his or her employment by the insured) or "property damage":

- (1) Arising out of ownership, maintenance or use of any motor vehicle or any other motorized land conveyance, including trailers or semitrailers, owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

The only exceptions to this exclusion are in "occurrences" involving:

- (a) Trailers or semitrailers. But this exception requires that the trailer or semitrailer must not be towed by or carried on a motorized land conveyance;
- (b) Motorized land conveyances designed for recreational use off public roads and not subject to motor vehicle registration. If the insured owns the conveyance, this exception requires that the "occurrence" must take place on an "insured location";
- (c) A motorized golf cart owned by an insured, designed to carry up to four persons, not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground, and that at the time of an "occurrence" that caused the "bodily injury" or "property damage" is within the legal boundaries of:
 - (i) A golfing facility, and is parked or stored there or is being used by an insured to:
 - i. Play the game of golf, or for other recreational or leisure activity allowed by the facility;

- ii. Travel to or from an area where motor vehicles or golf carts are parked or stored; or
- iii. Cross public roads at designated points to gain access to other parts of the golfing facility; or
- (ii) A private residential community, including its public roads upon which a motorized golf cart can legally travel, that is subject to the authority of a property owners' association and contains an insured's "residence premises"; or
- (d) A motorized land conveyance not subject to motor vehicle registration and:
 - (i) Used to service an insured's residence;
 - (ii) Kept in dead storage at the "insured location"; or
 - (iii) Used exclusively as a device for assisting the handicapped;
- (2) Arising out of the entrustment by an insured of any motor vehicle or any other motorized land conveyance to any person; or
- (3) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor using a means of transportation named in Paragraph (1) or (2).

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 motor vehicle or any other motorized land conveyance that is owned or operated by or rented or loaned to any insured;

j. Watercraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance, use or entrustment to others of an excluded watercraft described below. Use includes operation and "loading or unloading"; or

- (2) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor involving an excluded watercraft described below.

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 an excluded watercraft described below.

Excluded watercraft are those that are principally designed to be propelled by engine power or electric motor or are sailing vessels, whether owned by or rented to an insured. This exclusion does not apply to:

- (1) Watercraft that are not sailing vessels and are powered by:
 - (a) Inboard or inboard-outdrive engine or motor power of 50 horsepower or less not owned by an insured;
 - (b) Inboard or inboard-outdrive engine or motor power of more than 50 horsepower not owned by or rented to an insured;
 - (c) One or more outboard engines or motors with 25 total horsepower or less;
 - (d) One or more outboard engines or motors with more than 25 total horsepower if the outboard engine or motor is not owned by an insured;
 - (e) Outboard engines or motors of more than 25 total horsepower owned by an insured if:
 - (i) You acquire them prior to the policy period; and
 - i. You declare them at policy inception; or
 - ii. Your intention to insure is reported to us in writing within 45 days after you acquire the outboard engines or motors.
 - (ii) You acquire them during the policy period.

This coverage applies for the policy period.

- (2) Watercraft that are sailing vessels, with or without auxiliary power:
 - (a) Less than 26 feet in overall length;
 - (b) 26 feet or more in overall length, not owned by or rented to an insured.
- (3) Watercraft that are stored.
- (4) "Occurrences" of "bodily injury" or "property damage":
 - (a) That take place on the "insured location"; or
 - (b) Sustained by a "residence employee" in the course of and as a result of his or her employment by an insured;

k. Aircraft

"Bodily injury" or "property damage":

- (1) Arising out of ownership, maintenance or use of any aircraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".
The only exceptions to this exclusion are in "occurrences" of "bodily injury" sustained by a "residence employee". But this exception requires that the "residence employee" must:
 - (a) Sustain the "bodily injury" in the course of and as a result of his or her employment by the insured; and
 - (b) Not be operating or performing maintenance work on the aircraft at the time of the "occurrence";
- (2) Arising out of the entrustment by an insured of any aircraft to any person; or
- (3) Giving rise to vicarious liability, whether or not imposed by law, for the actions of a child or minor using an aircraft.

This exclusion, **k.**, 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 that is owned or operated by or rented or loaned to any insured.

This exclusion, **k.**, does not apply to model or hobby aircraft unless used or designed to carry an operator(s), any other person(s) or cargo;

I. Damage To Property

"Property damage" to property:

- (1) Owned by an insured, nor to 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; or
- (2) Rented to, occupied or used by, or in the care of an insured.

The only exceptions to this exclusion, **I.(2)**, are in the case of the insured's legal obligation to pay damages because of an "occurrence" of "property damage" caused by fire, smoke or explosion;

m. Bodily Injury To An Insured

"Bodily injury" to you or to any insured within the meaning of insured as defined in Paragraphs 1., 2. and 3. of Paragraph E. below.

This exclusion, **m.**, also applies to any claim made or "suit" brought against you or any insured to:

- (1) Repay; or
- (2) Share damages with;

another person who may be obligated to pay damages because of such "bodily injury".

This exclusion, **m.**, does not apply to liability that an insured incurs solely, or that an insured must share with a third party subsequent to a "suit" establishing that party's liability, for "bodily injury" inflicted in an "occurrence" that:

- (a) Involves any motor vehicle or other motorized land conveyance or trailer, but not any "mobile equipment"; and
- (b) Is not otherwise excluded under the terms of this endorsement.

This exception applies only if the "occurrence" involves maintenance or use of such vehicle, conveyance or trailer by an insured other than a person who is an insured as defined in Paragraphs 1., 2. and 3. of Paragraph E. below;

n. Mobile Equipment

"Bodily injury" or "property damage" arising out of the use of any self-propelled land vehicle or "mobile equipment" in, or while in practice or preparation for:

- (1) A prearranged racing, speed, strength or demolition contest; or
- (2) Any stunting activity;

o. Use Of Animals

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

- (1) The use of any animal in, or while in practice or preparation for:
 - (a) A prearranged racing, speed or strength contest; or
 - (b) A prearranged stunting activity.But this Exclusion **o.(1)** applies only to "occurrences", arising out of such contests or activities, that take place at the site designated for the contest or activity; or
- (2) The use of any animal, with or without an accessory vehicle, for providing:
 - (a) Rides to any person for a fee; or
 - (b) Rides in connection with or during a fair, charitable function or similar type of event;

p. Sexually Transmitted Disease

"Bodily injury" or "property damage" arising out of the transmission of disease by an "insured" through sexual contact;

q. Sexual Molestation, Corporal Punishment Or Physical Or Mental Abuse

"Bodily injury" or "property damage" arising out of sexual molestation, corporal punishment or physical or mental abuse;

r. Controlled Substances

"Bodily injury" or "property damage" arising out of the use, sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs. However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the lawful orders of a licensed health care professional;

s. Personal Injury

"Bodily injury" arising out of "personal injury";

t. Recording And Distribution Of Material Or Information In Violation Of Law

"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;
- (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; or

u. War

"Bodily injury" or "property damage", 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.

B. Those provisions of Coverage **B** – Personal And Advertising Injury Liability which apply to damages the insured is obligated to pay because of "personal injury" are extended to apply to liability arising out of the insured's personal or nonbusiness activities.

With respect to coverage provided by this endorsement, Section I, Coverage B is replaced by the following:

Coverage B – Personal Injury Liability

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal 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 injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" or 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:
 - (a) Judgments or settlements under Coverage A or B; or
 - (b) 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 Paragraph 1. of Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal injury" only if caused by an offense:
- (1) Committed during the policy period; and
 - (2) Arising out of the conduct of your personal or nonbusiness activities.

2. Exclusions

This insurance does not apply to:

- a. "Personal injury":
- (1) **Knowing Violation Of Rights Of Another**
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";

(2) Material Published With Knowledge Of Falsity

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) Material Published Prior To Policy Period

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) Criminal Acts

Arising out of a criminal act committed by or at the direction of the insured.

This exclusion, (4), does not affect our duty to defend, in accordance with Paragraph 1.a. under Coverage B above, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal act;

(5) Contractual Liability

For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to any indemnity obligation the insured has assumed under a written contract directly relating to the ownership, maintenance or use of the "insured location", provided the "personal injury" occurs subsequent to the execution of the contract;

(6) Business Pursuits

Arising out of or in connection with a business engaged in by an insured. This exclusion applies but is not limited to an act or omission, regardless of its nature or circumstance, involving a service or duty rendered, promised, owed, or implied to be provided because of the nature of the business.

This exclusion, (6), does not apply to an insured under the age of 21 years involved in a part-time or occasional, self-employed business with no employees;

(7) Civic Or Public Activities For Pay

Arising out of civic or public activities performed for pay by an insured;

(8) Pollution

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;

(9) Personal Injury To An Insured

To you or to any insured within the meaning of insured as defined in Paragraphs 1., 2. and 3. of Paragraph E. below.

This exclusion also applies to any claim made or "suit" brought against you or any insured to:

(a) Repay; or

(b) Share damages with;

another person who may be obligated to pay damages because of such "personal injury".

This exclusion, **2.a.(9)**, does not apply to liability that an insured incurs solely, or that an insured must share with a third party subsequent to a "suit" establishing that party's liability, for "personal injury" inflicted in an offense that:

(i) Involves any motor vehicle or other motorized land conveyance or trailer, but not any "mobile equipment"; and

(ii) Is not otherwise excluded under the terms of this endorsement.

This exception applies only if the offense involves maintenance or use of such vehicle, conveyance or trailer by an insured other than a person who is an insured as defined in Paragraphs 1., 2. and 3. of Paragraph E. below;

(10) Recording And Distribution Of Material Or Information In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(a) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(b) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(c) 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

(d) 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;

(11) War

However caused, arising, directly or indirectly, out of:

(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;

(12) Infringement Of Copyright, Patent, Trademark Or Trade Secret

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;

(13) Electronic Chatrooms Or Bulletin Boards

Arising out of an electronic chatroom or bulletin board:

(a) The insured hosts or owns; or

(b) Over which the insured exercises control; or

(14) Unauthorized Use Of Another's Name Or Product

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.

b. Pollution-related Loss, Cost Or Expense

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".

C. Coverage C – Medical Payments is replaced by the following with respect to "occurrences" of "bodily injury" to which Coverage A of this endorsement applies:

Coverage C – Medical Payments

1. Insuring Agreement

- a. We will pay reasonable medical expenses incurred or medically ascertained within three years from the date of an accident causing "bodily injury".

Reasonable medical expenses means expenses incurred or ascertained 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.

- b. This coverage applies only:

- (1) To a person (other than an insured) on the "insured location" with the permission of an insured; or
- (2) To a person (other than an insured) off the "insured location", provided the "bodily injury":
 - (a) Arises out of a condition on the "insured location" or the ways immediately adjoining it;

- (b) Is caused by the activities of an insured;

- (c) Is caused or sustained by a "residence employee" in the course of his or her employment by an insured; or

- (d) Is caused by an animal owned by or in the care of an insured.

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

2. Exclusions

We will not pay expenses for "bodily injury":

a. Residence Employee

To a "residence employee" if "bodily injury" occurs:

- (1) Off the "insured location"; and
- (2) Outside the scope of his or her employment by an insured;

b. Injury To Resident

To any person (other than a "residence employee") regularly residing on any part of the "insured location"; or

c. Coverage A Exclusions

To any person, if the "bodily injury" is excluded under Coverage A of this endorsement.

D. Additional Coverage

DAMAGE TO PROPERTY OF OTHERS

We will pay, at replacement cost, up to \$1,000 per "occurrence" for "property damage" to property of others caused by an insured.

But we will not pay for "property damage":

1. To the extent of any amount recoverable under another coverage of this or any other policy;
2. Caused intentionally by an insured who is 13 years of age or older;
3. To property owned by or rented to:
 - a. An insured;
 - b. A tenant of an insured; or
 - c. A member of your household; or
4. Arising out of:
 - a. Business pursuits;
 - b. An act or omission in connection with any premises (other than an "insured location") that are owned, rented or controlled by the insured; or

- c. The ownership, maintenance, operation, use, "loading or unloading" of aircraft, watercraft or motor vehicles or any other motorized land conveyances.

The only exceptions are in "occurrences" of "property damage" involving motorized land conveyances designed for recreational use off public roads and neither:

- (1) Subject to motor vehicle registration; nor
- (2) Owned by an insured.

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

- E. With respect to coverage provided under this endorsement, **Section II – Who Is An Insured** is replaced by the following:

Section II – Who Is An Insured

- 1. You are an insured and, if your spouse is a member of your household, the word you includes your spouse.
- 2. The following persons are also insureds, provided they are members of your household:
 - a. Your relatives;
 - b. Any person under the age of 21 who is in your care or in the care of a member of your household who is your relative.
- 3. A student enrolled in school full-time, as defined by the school, who was a member of your household before moving out to attend school, provided the student is under the age of:
 - a. 24 and your relative; or
 - b. 24 and in your care or in the care of a member of your household who is your relative;is also an insured.
- 4. Any person or organization legally responsible for animals or watercraft owned by you or a person specified in Paragraph 1. or 2.a. above is also an insured. But such a person or organization is an insured only insofar as:
 - a. The insurance under this Coverage Form applies to "occurrences" involving animals or watercraft;
 - b. That person's or organization's custody or use of the animals or watercraft does not involve business; and
 - c. That person or organization has the custody or use of the animals with the owner's permission.

- 5. Any person while engaged in the employment of you or a person specified in Paragraph 1. or 2.a. above is also an insured but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.

- 6. Any other person using a vehicle on the "insured location" with your consent is also an insured, but only insofar as the insurance under this endorsement applies to "occurrences" involving vehicles.

- F. With respect to coverage provided under this endorsement, Paragraph 5. in **Section III – Limits Of Insurance** is replaced by the following:

- 5. Subject to Paragraph 2. above, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
- b. Medical expenses under Coverage C;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

Included within the Each Occurrence Limit is a special Limit of Insurance of \$10,000, which is the most we will pay for all covered damages that the insured becomes legally obligated to pay because of statutorily imposed vicarious liability for the actions of a child or minor. However, we will not pay for those damages excluded by means of Paragraph 2.i., 2.j. or 2.k. of Coverage A, Exclusions, in this endorsement.

- G. With respect to coverage provided by this endorsement, the following is added to **Section IV – Commercial General Liability Conditions, Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit:**

We have no duty to provide coverage under this Policy if failure to comply with the duties described in this condition is prejudicial to us.

- H. With respect to Additional Coverage – Damage To Property Of Others provided by this endorsement, the following is added to **Section IV – Commercial General Liability Conditions, Paragraph 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit:**

- e. If loss occurs under Additional Coverage – Damage To Property Of Others, you must:

- (1) Submit to us within 60 days after the loss, a signed sworn proof of loss; and
- (2) If within your control, exhibit the damaged property.

- I. With respect to coverage provided under this endorsement, **Section V – Definitions** is revised as follows:
1. Definition 4. "Coverage territory" is deleted.
 2. Definition 14. "Personal and advertising injury" is replaced by the following:
 "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; or
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy.
 3. The following are added:
 - a. "Farming" means the operation of an agricultural or aquacultural enterprise, and includes the operation of roadside stands, on your "farm premises", maintained solely for the sale of farm products produced principally by you. Unless specifically indicated in the Declarations, farming does not include:
 - (1) Retail activity other than that described above; or
 - (2) Mechanized processing operations.
 - b. "Farm premises" means the location identified as such in the Declarations and operated for "farming" purposes, and includes the following, provided they are not used or held for rental or for business purposes other than "farming":
 - (1) Buildings used as residences;
 - (2) Garages;
 - (3) Stables; and
 - (4) Individual or family cemetery plots or burial vaults.
- c. "Insured location" means:
- (1) The "farm premises";
 - (2) The part of other premises, or of other structures and grounds, that is:
 - (a) Used by you as a residence and shown in the Declarations; or
 - (b) Acquired by you during the policy period for your use as a residence;
 - (3) Premises used by you in conjunction with the premises included in Paragraph (1) or (2) above;
 - (4) Any part of premises not owned by an insured but where an insured is temporarily residing;
 - (5) Vacant land, other than farm land, owned by or rented to an insured;
 - (6) Land owned by or rented to an insured on which a one- to four-family dwelling is being constructed as a residence for occupancy by:
 - (a) An insured; or
 - (b) An insured's farm employees or "residence employees"; and
 - (7) Any part of premises occasionally rented to an insured for other than business purposes.
- d. "Residence employee" means an insured's employee:
- (1) Whose duties are principally in connection with the maintenance or use of the "residence premises", including household or domestic services; or
 - (2) Who performs duties of a similar nature to those described in Paragraph (1) above:
 - (a) Not at the "residence premises"; and
 - (b) Not in connection with the business of any insured.
- e. "Residence premises" means:
- (1) Your principal residence; and
 - (2) The grounds and structures appurtenant to your principal residence.
- "Residence premises" does not include any part or parts of a building or structure that are used for business.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

INSURANCE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY

- A.** The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.
- B.** The following is added to Paragraph **A. Insuring Agreement** of **Section I – Insurance Agents And Brokers Professional Liability Coverage**:
If we initially defend an "insured" or pay for an "insured's" defense but later determine that the "claim(s)" is (are) not covered under this insurance, we will have the right to reimbursement for the defense expenses we have incurred.
The right to reimbursement for the defense expenses under this provision will only apply to defense expenses we have incurred after we notify you that there may not be coverage and that we are reserving our rights to terminate the defense and seek reimbursement for defense expenses.
- C.** The following is added to Exclusion **B.22. Pollution** of **Section I – Insurance Agents And Brokers Professional Liability Coverage**:
However, Paragraphs **a.**, **b.** and **c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.
- D.** Paragraph **1.** under **E. Other Insurance** of **Section VI – Conditions** is replaced by the following:
- 1.** You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the Limits of Insurance of all insurance covering on the same or similar basis.
- E.** Paragraph **K.** of **Section VI – Conditions** is replaced by the following:
- K. Cancellation**
- 1.** The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
 - 2.** We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.
 - 3.** If we cancel for:
 - a.** Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b.** A reason other than nonpayment of premium, we will mail the notice at least:
 - (1)** 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2)** 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
 - 4.** If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a.** Nonpayment of premium;
 - b.** The Policy was obtained through a material misrepresentation;
 - c.** Any "insured" has violated any of the terms and conditions of the Policy;
 - d.** The risk originally accepted has measurably increased;

- e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
 - f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.
5. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
 6. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
 7. If this Policy is cancelled, we will send the first "named insured" any premium refund due. If we cancel, the refund will be pro rata. If the first "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

F. Paragraph L. of **Section VI – Conditions** is replaced by the following:

L. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

G. Paragraph B. of **Section VII – Extended Reporting Period** is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

H. The following is added to **Section VIII – Definitions**:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

LAWYERS PROFESSIONAL LIABILITY POLICY

- A.** The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.
- B.** The following is added to Paragraph **A. Insuring Agreement** of **Section I – Lawyers Professional Liability Coverage**:
If we initially defend an "insured" or pay for an "insured's" defense but later determine that the "claim(s)" is (are) not covered under this insurance, we will have the right to reimbursement for the "defense expenses" we have incurred.
The right to reimbursement for the "defense expenses" under this provision will only apply to "defense expenses" we have incurred after we notify you that there may not be coverage and that we are reserving our rights to terminate the defense and seek reimbursement for "defense expenses".
- C.** The following is added to Exclusion **B.20. Pollution** of **Section I – Lawyers Professional Liability Coverage**:
However, Paragraphs **a.**, **b.** and **c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.
- D.** Paragraph **1.** under **E. Other Insurance** of **Section VI – Conditions** is replaced by the following:
1. You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Insurance under this Policy bears to the Limits of Insurance of all insurance covering on the same or similar basis.
- E.** Paragraph **L.** of **Section VI – Conditions** is replaced by the following:
- L. Cancellation**
1. The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
 2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.
 3. If we cancel for:
 - a. Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. A reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
 4. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any "insured" has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;

e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.

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

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

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

F. Paragraph M. of Section VI – Conditions is replaced by the following:

M. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

G. Paragraph B. of Section VII – Extended Reporting Period is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

H. The following is added to Section VIII – Definitions:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

MISCELLANEOUS PROFESSIONAL LIABILITY POLICY

A. The following is added to Section II – Limit Of Liability:

"We" will pay interest accruing before and after a judgment is entered in accordance with Illinois law. "Our" duty to pay interest ends when "we" pay, offer to pay or deposit in court that part of the judgment which does not exceed the Limit of Liability for which coverage is provided under this Policy.

This payment will not reduce the Limit of Liability for which coverage is provided under this Policy, and this provision supersedes any other provision to the contrary.

B. The following is added to Paragraph A. Defense of Section III – Defense And Settlement:

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

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

C. In Section VII – Coverage Extension and Paragraph G. Business Enterprise of Section VIII – Exclusions, the term spouse includes a party to a civil union recognized under Illinois law.

D. The following is added to Paragraph Q. Pollution of Section VIII – Exclusions:

However, this exclusion shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.

E. Paragraph C. Cancellation And Nonrenewal of Section IX – Conditions is replaced by the following:

C. Cancellation And Nonrenewal

1. Cancellation

- a. The "named insured" shown in the Declarations may cancel this Policy by mailing to "us" advance written notice of cancellation.
- b. "We" may cancel this Policy by mailing to the "named insured", at the "named insured's" last mailing address known to "us", written notice stating the reason for cancellation.
- c. If "we" cancel for:
 - (1) Nonpayment of premium, "we" will mail the notice at least 10 days prior to the effective date of cancellation.
 - (2) A reason other than nonpayment of premium, "we" will mail the notice at least:
 - (a) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (b) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
- d. If this Policy has been in effect for more than 60 days, "we" may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) The Policy was obtained through a material misrepresentation;
 - (3) Any "insured" has violated any of the terms and conditions of the Policy;

- (4) The risk originally accepted has measurably increased;
 - (5) Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to "us" for all or a substantial part of the underlying risk insured; or
 - (6) A determination by the Director of Insurance that the continuation of the Policy could place "us" in violation of the insurance laws of this state.
- e. Notification of cancellation will also be sent to "your" broker, if known, or agent of record, if known.
 - f. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
 - g. Proof of mailing the cancellation notice will be sufficient proof of notice.
 - h. If this Policy is cancelled, "we" will send the "named insured" any premium refund due. If "we" cancel, the refund will be pro rata. If the "named insured" cancels, the refund will be less than pro rata. The cancellation will be effective even if "we" have not offered a refund.

2. Nonrenewal

If "we" decide not to renew or continue this Policy, "we" will mail the "named insured" written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing the nonrenewal notice will be sufficient proof of notice. Notification of nonrenewal will also be sent to "your" broker, if known, or agent of record, if known.

If "we" offer to renew or continue and the "named insured" does not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that the "named insured" has not accepted "our" offer.

If "we" fail to mail proper written notice of nonrenewal and the "named insured" obtained other insurance, this Policy will end on the effective date of that insurance.

F. Paragraph **G. Other Insurance** of **Section IX – Conditions** is replaced by the following:

G. Other Insurance

- 1. "You" may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If "you" do, "we" will pay "our" share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limit of Liability under this Policy bears to the Limits of Liability of all insurance covering on the same or similar basis.
- 2. If there is other insurance covering the same "wrongful act", other than that described in Paragraph 1. above, "we" will pay only for the amount of the "claim" resulting from that "wrongful act" 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 Liability.

G. Paragraph **2. Severability Of The Application** under **I. Representations And Severability Of The Application** of **Section IX – Conditions** is replaced by the following:

2. Severability Of The Application

The "application" shall be considered as a separate "application" by each "insured person". With respect to the "application", no knowledge possessed by an "insured person" shall be imputed to any other "insured person". However, if "we" learn that "you" committed a misrepresentation, false warranty or breach of condition of this Policy and such misrepresentation, false warranty or breach of condition is stated in the Policy or endorsement or in the written "application" for this Policy and:

- a. Was made with actual intent to deceive; or
- b. Materially affected either "our" decision to provide this insurance or the hazard "we" assumed;

then "we" are entitled to treat this Policy as if it had never existed with respect to:

- (1) Any "insured person" who knew of such misrepresentations, false warranty or breach of condition stated in the Policy if such individual was aware that the "application" included the misrepresentations, false warranty or breach of condition stated in the Policy; or
- (2) Any "organization" if any past or present chief financial officer, chief executive officer, in-house general counsel, managing partner or any person in any equivalent positions of the foregoing, regardless of title, knew of such misrepresentations, false warranty or breach of condition stated in the Policy, even if such individual was not aware that the "application" included the misrepresentations, false warranty or breach of condition stated in the Policy.

However, this condition will not serve as a reason to void this Policy after the Policy has been in effect for one year or one policy term, whichever is less.

H. Section X – Extended Reporting Periods And Run-Off Coverage Period is replaced by the following:

Section X – Extended Reporting Periods And Run-Off Coverage Period

A. Extended Reporting Periods

This Policy provides a Basic Extended Reporting Period without an additional charge that starts at the end of the "policy period" and lasts for 60 days if this Policy is cancelled or not renewed by "us" or the "named insured".

The "named insured" will have the right to purchase an Additional Extended Reporting Period for the period of time and at the percentage of the expiring premium as stated in the Declarations, which shall be no less than 12 months, if this Policy is cancelled or not renewed by "us" or the "named insured". If the Additional Extended Reporting Period is purchased, it will start when the Basic Extended Reporting Period ends.

The Basic or Additional Extended Reporting Period will apply only to "claims" that:

1. Are first made against "you" and reported to "us" during the applicable Extended Reporting Period; and
2. Arise from "wrongful acts" occurring on or after the Retroactive Date shown in the Declarations, but prior to the expiration date of the "policy period".

B. Run-Off Coverage Period

The "named insured" will have the right to purchase a Run-Off Coverage Period for the requested period, which shall be no less than 12 months but shall not exceed six years, in the event of the merger, consolidation or acquisition of the "named insured" or cessation of a "subsidiary".

1. In the event of a merger, consolidation or acquisition of the "named insured", the Run-Off Coverage Period will apply only to "claims" that:
 - a. Are first made against "you" and reported to "us" during the Run-Off Coverage Period; and
 - b. Arise from "wrongful acts" occurring on or after the retroactive date and prior to the merger, consolidation or acquisition of the "named insured".
2. In the event of a cessation of a "subsidiary", the Run-Off Coverage Period will apply only to "claims" that:
 - a. Are first made against the "subsidiary" or any "insured persons" of such "subsidiary" and reported to "us" during the Run-Off Coverage Period; and
 - b. Arise from "wrongful acts" occurring on or after the retroactive date and prior to the cessation of such "subsidiary".

If Run-Off Coverage is purchased in the event of the cessation of a "subsidiary" and a "claim" is made that is also covered by another policy issued by "us" or a related company, the maximum "we" will pay under both policies combined shall not be greater than the Limit of Liability available under either policy, whichever is greater.

Notice of election of the Additional Extended Reporting Period and the Run-Off Coverage Period and full payment of any applicable additional premiums must be received by "us" within 30 days after the expiration of the "policy period". The premium will be priced as a factor of the expiring annual premium. We will determine the additional premium for the Additional Extended Reporting Period or Run-Off Coverage Period in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. The Limits of Liability available under this Policy for future payment of damages; and
4. Other related factors.

Provided the additional premium is paid in full, the Additional Extended Reporting Period and Run-Off Coverage Period are noncancellable and their additional premiums will be fully earned at the inception of the Additional Extended Reporting Period or the Run-Off Coverage Period.

There is no reinstatement of or separate or additional Limit of Liability for any Extended Reporting Period or Run-Off Coverage Period. The Limit of Liability available during any purchased Additional Extended Reporting Period or Run-Off Coverage Period shall be the remaining amount of the Limit of Liability available at the time this Policy was cancelled or nonrenewed. Any coverage provided by any Extended Reporting Period or Run-Off Coverage Period shall apply only as excess over any other valid and collectible insurance.

I. Paragraph C. "Damages" of **Section XI – Definitions** is replaced by the following:

C. "Damages" means the following that "you" are legally obligated to pay:

1. Compensatory awards or judgments; or
2. Monetary settlements.

"Damages" shall not include:

1. Taxes, fines or penalties imposed by law, including punitive, exemplary or multiple damages;
2. Liquidated damages;
3. Any amounts that are uninsurable under the law pursuant to which this Policy shall be construed;
4. Restitution, disgorgement, unjust enrichment or any profits or advantage "you" were not legally entitled to;
5. The cost to comply with any order or agreement to provide any equitable relief including injunctive relief; or
6. "Your" cost to provide, correct, re-perform or complete any "professional services".

J. The following is added to Paragraph D. Defense Costs of **Section XI – Definitions**:

"Defense costs" shall not include internal expenses including, but not limited to, salaries of attorneys and adjusters employed by "us" and, therefore, do not reduce the Limit Of Liability shown in the Declarations.

K. The following is added to **Section XI – Definitions**:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES

This endorsement modifies insurance provided under the following:

REAL ESTATE AGENTS AND BROKERS PROFESSIONAL LIABILITY POLICY

- A.** The term spouse is replaced by the following:
Spouse or party to a civil union recognized under Illinois law.
- B.** The following is added to Paragraph **A. Insuring Agreement of Section I – Real Estate Agents And Brokers Professional Liability Coverage:**
If we initially defend an "insured" or pay for an "insured's" defense but later determine that the "claim(s)" is (are) not covered under this insurance, we will have the right to reimbursement for the defense expenses we have incurred.
The right to reimbursement for the defense expenses under this provision will only apply to defense expenses we have incurred after we notify you that there may not be coverage and that we are reserving our rights to terminate the defense and seek reimbursement for defense expenses.
- C.** The following is added to Exclusion **B.22. Pollution of Section I – Real Estate Agents And Brokers Professional Liability Coverage:**
However, Paragraphs **a.**, **b.** and **c.** shall not apply to any "claim" resulting from a "hostile fire" if, and to the extent that, such "claim" is based upon, attributable to or arising out of heat, smoke or fumes.
- D.** Paragraph **1.** under **E. Other Insurance of Section VI – Conditions** is replaced by the following:
1. You may have other insurance subject to the same or similar plan, terms, conditions and provisions as the insurance under this Policy. If you do, we will pay our share of the "claim" resulting from a "wrongful act". Our share is the proportion that the applicable Limits of Insurance under this Policy bear to the Limits of Insurance of all insurance covering on the same or similar basis.
- E.** Paragraph **K. of Section VI – Conditions** is replaced by the following:
- K. Cancellation**
1. The first "named insured" shown in the Declarations may cancel this Policy by mailing to us advance written notice of cancellation.
 2. We may cancel this Policy by mailing to you, at your last mailing address known to us, written notice stating the reason for cancellation. Proof of mailing will be sufficient proof of notice.
 3. If we cancel for:
 - a. Nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. A reason other than nonpayment of premium, we will mail the notice at least:
 - (1) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (2) 60 days prior to the effective date of cancellation if the Policy has been in effect for more than 60 days.
 4. If this Policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The Policy was obtained through a material misrepresentation;
 - c. Any "insured" has violated any of the terms and conditions of the Policy;
 - d. The risk originally accepted has measurably increased;

e. Certification of the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

f. A determination by the Director of Insurance that the continuation of the Policy could place us in violation of the insurance laws of this state.

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

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

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

F. Paragraph L. of **Section VI – Conditions** is replaced by the following:

L. When We Do Not Renew

If we decide not to renew or continue this Policy, we will mail you written notice, stating the reason for nonrenewal, at least 60 days before the end of the "policy period". Proof of mailing will be sufficient proof of notice. Notification of nonrenewal will also be sent to your broker, if known, or agent of record, if known. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current "policy period". Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

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

G. Paragraph B. of **Section VII – Extended Reporting Period** is replaced by the following:

B. An Additional Extended Reporting Period is available from us if this Policy is cancelled or not renewed by either you or us.

H. The following is added to **Section VIII – Definitions**:

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