



IHH 9475520-05

# COMMERCIAL LINES POLICY COMMON DECLARATIONS

BUMBERSHOOT

## Renewal of Number

Coverage is provided in the: HANOVER INSURANCE COMPANY

POLICY NUMBER		POLICY PERIOD		AGENCY CODE
		FROM	TO	
IHH 9475520-06	5/1/17	5/1/18	AT 12:01 AM STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ON THE COMMON DECLARATION.	03-0969
NAMED INSURED AND MAILING ADDRESS			AGENT	
(Street, Town or City, County, State, Zip Code) TOLEDO BEACH DOCKOMINIUM ASSOCIATION PO BOX 98 LASALLE, MI 48145			HYLANT GROUP 24 FRANK LLOYD WRIGHT DRIVE PO BOX 541, STE JF100 ANN ARBOR, MI 48106	

### DESCRIPTION OF BUSINESS

Individual    Corporation    Partnership    Joint Venture    Other: ASSOCIATION

Business Description: DOCKOMINIUM

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY. THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S) FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
• Commercial Property Coverage Part .....	\$ _____
• Commercial General Liability Coverage Part .....	\$ _____
• Commercial Crime Coverage Part .....	\$ _____
• Commercial Inland Marine Coverage Part .....	\$ _____
• Boiler and Machinery Coverage Part .....	\$ _____
• Commercial Auto Coverage Part .....	\$ _____
<b>TOTAL OCEAN MARINE BUMBERSHOOT PREMIUM</b>	<b>\$ 1,500</b>

<b>PREMIUM</b>	<b>PAYMENT PLAN:</b>
<input checked="" type="checkbox"/> The total annual premium of \$ 1,500 is due at inception	DB 100% DOWN
<input type="checkbox"/> Deposit premium of \$ is due at inception	

Audit Period: Non-Auditable Unless Indicated by   Annual    Semi-Annual    Quarterly    Monthly    Other:

Forms(s) and Endorsement(s) applicable to all Coverage Part(s) and made a part of this policy at time of issue:  
OM 442-1001 10/07, OM 442-1003 12/05, OM 442-1002 10/07, 401-1374 1/15,  
OM 442-1004 12/05, OM-442-1005 12/05, OM 442-1006 12/05, SIG-1100 8/16,  
231-0862 12/08, 401-1126 1/15, OM 442-1043 1/08, OM 442-1044 1/08  
401-1337 2/16, 401-1377 12/14, 401-1275 10/13

Countersigned:

By \_\_\_\_\_  
Authorized Representative

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

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

## NOTICE – REJECTION OF TERRORISM COVERAGE AND DISCLOSURE OF PREMIUM

### Schedule

<b>REJECTION STATEMENT</b>	
You have rejected the offer of terrorism coverage. You understand that an <b>exclusion</b> for certain terrorism losses will be made part of your policy.	
<b>Disclosure of Premium:</b>	
Total Terrorism Premium	<b>\$ 50</b>
Fire Following Premium	<b>\$ NOT APPLICABLE</b>
Other than Fire Following Premium	<b>\$ 50</b>

You have rejected coverage for “acts of terrorism,” as defined in Section 102(1) of the Terrorism Risk Insurance Act (“Act”) and an exclusion will be included in your policy. You are hereby notified that under the Act, as amended in 2015, the definition of “act of terrorism” is:

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

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

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

**Disclosure of Federal Participation in Payment of Terrorism Losses**

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

**Cap on Insurer Participation in Payment of Terrorism Losses**

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers’ liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

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

## DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

### Schedule

<b>Disclosure of Premium:</b>	
Total Terrorism Premium	<b>\$ 50</b>
Fire Following Premium	<b>\$ NOT APPLICABLE</b>
Other than Fire Following Premium	<b>\$ 50</b>

### Disclosure of Terrorism Coverage Available

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

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

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

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

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

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

### Disclosure of Federal Participation in Payment of Terrorism Losses

The United States government through the Department of the Treasury may pay a share of terrorism losses insured under the federal program under a formula set forth in the Act. Under this formula, the United States government generally reimburses the following percentage of covered terrorism loss which exceeds the statutorily established deductible paid by the insurance company providing the coverage: 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019; and 80% beginning on January 1, 2020.

**Cap on Insurer Participation in Payment of Terrorism Losses**

The Act contains a \$100 billion cap that limits the reimbursement by the United States government as well as insurers' liability for losses resulting from certified acts of terrorism. If the aggregate of insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Act, we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion. In such case, insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**Rejection of Terrorism Insurance Coverage**

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

Timothy M. Tadsen  
Applicant/Policyholder Signature  
TIMOTHY M. TADSEN  
Print Name  
04-12-2017  
Date

HANOVER INSURANCE COMPANY  
Insurance Company  
IHB 9475519 & IHB 94755120  
Quote or Policy Number

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

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

### MARINE EXCESS LIABILITY (BUMBERSHOOT) COVERAGE PART

**A.** The following exclusion is added:

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B.** The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part or underlying insurance to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part or underlying insurance.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

## **AMENDED TERRORISM COVERAGE – COVERED AUTOS**

This endorsement modifies insurance provided under the following:

MARINE EXCESS LIABILITY (BUMBERSHOOT) COVERAGE PART

### **SCHEDULE**

**OM442-1043 01 08** – Exclusion Of Certified Acts Of Terrorism

**OM442-1041 01 08** – Exclusion Of Punitive Damage Related To A Certified Act Of Terrorism

- A.** If any of the endorsements shown in the Schedule are attached to the policy, those endorsements do not apply to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is a "covered auto".
- B.** With respect to "bodily injury" or "property damage" arising out of the ownership, maintenance or use of any "auto" which is a "covered auto", coverage provided under this Coverage Part for acts of terrorism (however defined) will follow the provisions, exclusions and limitations of the "underlying insurance" unless otherwise directed by this insurance.

## **DECLARATIONS**

### **MARINE EXCESS LIABILITY (BUMBERSHOOT)**

**Policy Number IHH 9475520-06**

**Renewal of IHH 9475520-05**

**Policy Period: 12:01 AM Standard Time at the Named Insured's Mailing Address**

From: 5/1/17 To: 5/1/18

Terrorism Premium	\$
<b>Total Premium</b>	<b>\$1,500</b>

Item 1. **Name and Address of the Named Insured:**

TOLEDO BEACH DOCKOMINIUM ASSOCIATION  
11840 TOLEDO BEACH ROAD  
LASALLE, MI 48145-9767

Item 2. **Underlying Insurance** – Refer to Schedule of Underlying Insurance OM442-1003.

Item 3. **Self Insured Retention** in respect of each "Occurrence": \$10,000

Item 4. **Limits of Liability:**

- (a) Limit in respect of each "Occurrence" which is always subject to (b) below: \$1,000,000
- (b) Aggregate limit separately in respect of:
  - (i) "Products Liability" and "Completed Operations Liability" combined: \$1,000,000
  - (ii) All other coverages combined: \$1,000,000

This endorsement changes the  
 MARINE EXCESS LIABILITY (BUMBERSHOOT) POLICY  
 -- PLEASE READ THIS CAREFULLY --

**SCHEDULE OF UNDERLYING INSURANCE**

Endorsement No.

Date of Issuance 5/24/17

This Endorsement, effective 5/1/18

Forms a part of Policy No. IHH 9475520-06

**SCHEDULE OF UNDERLYING INSURANCE**

COMPANY	POLICY NUMBER	EXPIRATION DATE	AMOUNTS/LIMITS	COVERAGE
Hanover Insurance Company	IHH 9475519	5/1/18	\$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Agg	Commercial General Liability
Hanover Insurance Company	IHH 9475519	5/1/18	\$1,000,000 Each Employee \$1,000,000 Aggregate	Employee Benefits
EXCLUDED			\$ Each Accident \$ Each Employee \$ Policy Limit	Standard Workers' Compensation & Employers Liability
Hanover Insurance Company	IHH 9475519	5/1/18	\$1,000,000 While on Premises \$1,000,000 Any one Vessel While Afloat \$1,000,000 In Transit \$1,000,000 Away from Premises	Marina Operators Legal Liability
EXCLUDED			\$ Occurrence	Protection & Indemnity
Hanover Insurance Company	IHH 9475519	5/1/18	Bodily Injury and Property Damage Liability Combined \$1,000,000 Each Accident	-owned autos X-hired autos X-non-owned autos

All other terms and conditions remain unchanged.

\_\_\_\_\_  
 Authorized Representative



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **TRADE OR ECONOMIC SANCTIONS ENDORSEMENT**

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

ALL OTHER TERMS, CONDITIONS, AND EXCLUSIONS REMAIN UNCHANGED.

# IMPORTANT INFORMATION ABOUT YOUR INSURANCE COMPANY

The Home Office address for the Insurance Company shown on the policy Declarations page is:

**Allmerica Financial Alliance Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**The Hanover American Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Allmerica Financial Benefit Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**The Hanover Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Campmed Casualty & Indemnity Company, Inc.**

*(A Stock Company)*  
12100 Sunset Hills Road, Suite 300  
Reston, VA 20190-3295

**Hanover Lloyds Insurance Company**

*(A Texas Lloyd's Plan Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Citizens Insurance Company of America**

*(A Stock Company)*  
808 North Highlander Way  
Howell, MI 48843-1070

**Massachusetts Bay Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Citizens Insurance Company of Illinois**

*(A Stock Company)*  
333 West Pierce Road, Suite 300  
Itasca, IL 60143-3114

**The Hanover New Jersey Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Citizens Insurance Company of the Midwest**

*(A Stock Company)*  
9229 Delegates Row, Suite 100  
Indianapolis, IN 46240-3824

**Verlan Fire Insurance Company**

*(A Stock Company)*  
440 Lincoln Street  
Worcester, MA 01653-0002

**Citizens Insurance Company of Ohio**

*(A Stock Company)*  
1300 East 9th Street, Suite 1010  
Cleveland, OH 44114-1506

## **MICHIGAN FILING EXEMPTION DISCLAIMER ADVISORY NOTICE TO POLICYHOLDERS**

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

Carefully read your policy, including the endorsements attached to your policy.

### **Michigan Filing Exemption Disclaimer**

This policy is exempt from the filing requirements of section 2236 of the insurance code of 1956, 1956 PA 218, MCL 500.2236.

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

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



Joseph M. Zubretsky  
President



Charles Frederick Cronin  
Secretary



## **Privacy Policy and Producer Compensation Practices Disclosures**

### ***Privacy Policy Disclosure***

#### ***Collection of Information***

We collect personal information so that we may offer quality products and services. This information may include, but is not limited to, name, address, Social Security number, and consumer reports from consumer reporting agencies in connection with your application for insurance or any renewal of insurance. For example, we may access driving records, insurance scores or health information. Our information sources will differ depending on your state and/or the product or service we are providing to you. This information may be collected directly from you and/or from affiliated companies, non-affiliated third parties, consumer reporting agencies, medical providers and third parties such as the Medical Information Bureau.

#### ***Disclosure of Information***

We may disclose non-public, personal information you provide, as required to conduct our business and as permitted or required by law. We may share information with our insurance company affiliates or with third parties that assist us in processing and servicing your account. We also may share your information with regulatory or law enforcement agencies, reinsurers and others, as permitted or required by law.

Our insurance companies may share information with their affiliates, but will not share information with non-affiliated third parties who would use the information to market products or services to you. We do not share the non-public personal information of customers of our SEC regulated companies or customers who own products of ours which are SEC regulated with affiliated or non-affiliated companies who would use that information to market products or services to you.

Our standards for disclosure apply to all of our current and former customers.

#### ***Safeguards to Protect Your Personal Information***

We recognize the need to prevent unauthorized access to the information we collect, including that held in an electronic format on our computer systems. We maintain physical, electronic and procedural safeguards intended to protect all non-public, personal information.

#### ***Internal Access to Information***

Access to personal, nonpublic information is limited to those people who need the information to provide our customers with products or services. These people are expected to protect this information from inappropriate access, disclosure and modification.

#### ***Consumer Reports***

In some cases, we may obtain a consumer report in connection with an application for insurance. Depending on the type of policy, a consumer report may include information about you or your business, such as:

- character, general reputation, personal characteristics, mode of living;
- credit history, driving record (including records of any operators who will be insured under the policy); and/or
- an appraisal of your dwelling or place of business that may include photos and comments on its general condition.

#### ***Access to Information***

Upon written request, we will inform you if we have ordered an investigative consumer report. You have the right to make a written request within a reasonable period for information concerning the nature and scope of the report and to be interviewed as part of its preparation. You may obtain a copy of the report from the reporting agency and, under certain circumstances; you may be entitled to a copy at no cost.

You also may review certain information we have about you or your business in our files. To review information we maintain in our files about you or your business, please write to us, providing your complete name, address and policy number(s), and indicating specifically what you would like to see. If you request actual copies of your file, there may be a nominal charge.

We will tell you to whom we have disclosed the information within the two years prior to your request. If there is not a record indicating that the information was provided to another party, we will tell you to whom such information is normally disclosed.

There is information that we cannot share with you. This may include information collected in order to evaluate a claim under an insurance policy, when the possibility of a lawsuit exists. It may also include medical information that we would have to forward to a licensed medical doctor of your choosing so that it may be properly explained.

#### ***Correction of Information***

If after reviewing your file you believe information is incorrect, please write to the consumer reporting agency or to us, whichever is applicable, explaining your position. The information in question will be investigated. If appropriate, corrections will be made to your file and the parties to whom the incorrect information was disclosed, if any, will be notified. However, if the investigation substantiates the information in the file, you will be notified of the reasons why the file will not be changed. If you are not satisfied with the evaluation, you have the right to place a statement in the file explaining why you believe the information is incorrect. We also will send a copy of your statement to the parties, if any, to whom we previously disclosed the information and include it in any future disclosures.

#### ***Our Commitment to Privacy***

In the insurance and financial services business, lasting relationships are built upon mutual respect and trust. With that in mind, we will periodically review and revise our privacy policy and procedures to ensure that we remain compliant with all state and federal requirements. If any provision of our privacy policy is found to be non-compliant, then that provision will be modified to reflect the appropriate state or federal requirement. If any modifications are made, all remaining provisions of this privacy policy will remain in effect. For more detailed information about our privacy policy, visit our Web site, located at [www.hanover.com](http://www.hanover.com).

#### ***Producer Compensation Disclosure***

Our products are sold through independent agents and brokers, often referred to as "Producers." We may pay Producers a fixed commission for placing and renewing business with our company. We may also pay additional commission and other forms of compensation and incentives to Producers who place and maintain their business with us. Details of our Producer compensation practices may be found at [www.hanover.com](http://www.hanover.com).

#### ***Further Information***

If you have questions about our privacy policy, or if you would like to request information we have on file, please write to us at our Privacy Office, N435, The Hanover Insurance Group, Inc., 440 Lincoln Street, Worcester, MA 01653. Please provide your complete name, address and policy number(s). A copy of our Producer Compensation Disclosure is also available upon written request addressed to the attention of the Corporate Secretary, N435, The Hanover Insurance Group, 440 Lincoln Street, Worcester, MA 01653.

This notice is being provided on behalf of the following Hanover Companies: The Hanover Insurance Group, Inc. - Allmerica Financial Alliance Insurance Company - Allmerica Financial Benefit Insurance Company - Allmerica Plus Insurance Agency, Inc. - Citizens Insurance Company of America - Citizens Insurance Company of Illinois - Citizens Insurance Company of the Midwest - Citizens Insurance Company of Ohio - Citizens Management, Inc. - Coatings Industry Services, Inc. - The Hanover American Insurance Company The Hanover Insurance Company - The Hanover New Jersey Insurance Company - The Hanover National Insurance Company - Hanover Lloyd's Insurance Company - Massachusetts Bay Insurance Company - Opus Investment Management, Inc. - Opus Investment Trust - Professionals Direct Insurance Company - Professionals Direct Insurance Services, Inc. - Verlan Fire Insurance Company - Nova Casualty Company - AIX Specialty Insurance Company

## MARINE EXCESS LIABILITY (BUMBERSHOOT) POLICY

VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED. THROUGHOUT THIS POLICY THE WORDS "YOU" AND "YOUR" REFER TO THE NAMED INSURED SHOWN IN THE DECLARATIONS. THE WORDS "WE", "US" AND "OUR" REFER TO THE COMPANY PROVIDING THIS INSURANCE. OTHER WORDS AND PHRASES THAT APPEAR IN "QUOTATION MARKS" HAVE SPECIFIC MEANING. PLEASE REFER TO SECTION IV –DEFINITIONS.

### **I. INSURING AGREEMENTS**

#### **1. COVERAGE**

A. In consideration of the payment of the premiums and subject to the statements in the Declarations and the proposal submitted by the "Insured", including any supplementary information provided therewith, which are all deemed incorporated herein, "we" agree, subject to the Declarations, Endorsements, Insuring Agreements, Conditions, Exclusions, Clauses and Definitions contained in this Policy, to indemnify the "Insured" in respect of its operations within 100 miles of the shoreline of the United States, its territories and possessions, and Canada, for "Ultimate Net Loss" by reason of liability:

- (a) for Protection and Indemnity losses if covered by the underlying Protection and Indemnity insurance and the Protection and Indemnity insurance is listed in the Schedule of Underlying Insurance.
- (b) imposed upon the "Insured" by law or
- (c) assumed by the "Insured" under an "Insured Contract", for damages in respect of:
  - (i) "Bodily Injury"
  - (ii) "Personal Injury"
  - (iii) "Property Damage"
  - (iv) "Advertising Injury",

caused by or arising out of an "Occurrence" during the Policy Period as set out in the Declarations. However, the loss must result from an "Occurrence" insured by the policies designated in the Schedule of Underlying Insurance as underlying insurance and shall apply:

- (a) only in excess of the underlying insurance;
- (b) only after the underlying insurance has been exhausted by payment of the limits of liability of such insurance; and
- (c) only if caused by an occurrence which takes place during the policy period, provided however, if suit is brought, only if such suit is brought in the United States, its territories or possessions, or Canada.

If the underlying insurance does not pay a loss, for any reason other than exhaustion of an aggregate limit of liability, then "we" shall not pay such loss. This policy shall follow the underlying insurance in all

respects, including changes by endorsement, with the exception of any special conditions as set out in any endorsement hereto.

B. "Bodily Injury" or "Property Damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by an "Insured" or employee authorized by "you" to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "Bodily Injury" or "Property Damage" occurring after the end of the policy period.

C. **This policy does not apply to:**

Any liability or expense arising out of "Bodily Injury" or "Property Damage" that, prior to the policy period, any "Insured" or employee authorized by "you" to give or receive notice of an occurrence or claim, knew that the "Bodily Injury" or "Property Damage" had occurred in whole or in part. If such "Insured" or authorized employee knew, prior to the policy period, that the "Bodily Injury" or "Property Damage" occurred, then any continuation, change or resumption of such "Bodily Injury" or "Property Damage" during or after the policy period will be deemed to have been known prior to the policy period.

D. "Bodily Injury" or "Property Damage" will be deemed to have been known to have occurred at the earliest time when any "Insured" or employee authorized by "you" to give or receive notice of an occurrence or claim:

(a) Reports all, or any part, of the "Bodily Injury" or "Property Damage" to "us" or any other insurer.

(b) Receives a written or verbal demand or claim for damages because of the "Bodily Injury" or "Property Damage"

(c) Becomes aware by any other means that "Bodily Injury" or "Property Damage" has occurred or has begun to occur.

## 2. **LIMITS OF LIABILITY**

"We" shall only be liable for "Ultimate Net Loss" in excess of:

(a) the Underlying Insurance(s) set out in Item 2 of the Declarations, or,

(b) the Self Insured Retention set out in Item 3 of the Declarations, whichever is the greater and then only up to the amount stated in Item 4(a) of the Declarations in respect of each "Occurrence".

Regardless of the number of "Occurrences" that may be covered by this policy the aggregate limit shown in item 4(b) of the Declarations is the most "we" will pay for all "Ultimate Net Loss" under:

(i) "Products Liability" and "Completed Operations Liability" combined,

(ii) All other coverages combined except "Ultimate Net Loss" because of "Bodily injury" or "Property Damage" arising out of the ownership, maintenance or use of a "Covered Automobile",

for each annual period.

The inclusion or addition hereunder of more than one "Insured" shall not increase "our" Limits of Liability as set out in Item 4 of the Declarations.

## 3. **UNDERLYING INSURANCE(S) SELF INSURED RETENTION**

Regardless of the number of "Occurrences" that may be covered by this Policy:



- (a) where the Underlying Insurance(s) is any one "Occurrence" the "Insured" shall always be liable for either the Underlying Insurance(s) or the Self Insured Retention, whichever is the greater, in respect of each and every "Occurrence";
- (b) where the Underlying Insurance(s) is in the aggregate, the "Insured" shall always be liable for the remaining Underlying Insurance(s) or the Self Insured Retention, whichever is the greater, in respect of each and every "Occurrence".

The Self Insured Retention shall be subject to no aggregate limitation regardless of the number of "Occurrences" that may be covered by this Policy.

The "Insured" shall have the right to insure all or part of the Underlying Insurance(s) and/or the Self Insured Retention.

#### 4. **JOINT VENTURES**

As regards any liability of the "Insured" which is covered under this Policy and arises in any manner whatsoever out of the operations or existence of any joint venture, co-venture, joint lease, joint operating agreement or partnership (hereinafter "Joint Venture") the Limits of Liability under this Policy, shall be limited to the product of:

- (a) the percentage interest of the "Insured" in said "Joint Venture" or such percentage as takes account of any acceptance by "us" as set out in Definition 15 (f), and
- (b) the Underlying Insurance(s), the Self Insured Retention and the Limits of Liability specified by this Policy, respectively.

Where the percentage interest of the "Insured" in said "Joint Venture" is not set forth in writing, the percentage to be applied shall be that which would be imposed by law at the inception of the "Joint Venture". Such percentage shall not be increased by the insolvency, bankruptcy, or receivership of any members of the said "Joint Venture" or any other parties. Nothing contained in this Joint Venture clause shall make this Policy subject to the terms of any other insurance.

## **II. CONDITIONS**

This Policy is subject to the following conditions:

### 1. **APPEALS**

In the event the "Insured" elects not to appeal a judgment which may, in whole or in part, involve indemnity under this Policy, "we" may, following discussion with the "Insured", elect to make such appeal at their own cost and expense and shall be liable for the taxable costs and disbursements and any additional interest incidental to such appeal; but in no event shall the liability exceed the relevant Limits of Liability set out in Item 4 of the Declarations plus such costs, expenses, disbursements and interest.

### 2. **APPLICATION OF RECOVERIES**

All recoveries, salvage or payments recovered or received subsequent to a payment by "us" under this Policy, after deduction of all recovery expenses shall be applied as if recovered or received prior to such payment and all necessary adjustments shall then be made between the "Insured" and "us". Nothing in this clause shall be construed to mean that losses under this policy are not recoverable until the "Insured's" "Ultimate Net Loss" has been fully ascertained.

### 3. **APPORTIONMENT OF "DEFENSE EXPENSES"**

Whenever any written demand received by the "Insured" for damages is finally resolved by a payment by the "Insured" which, regardless of the amount thereof, is only covered in part by this Policy, then the percentage of any "Defense Expenses" that can be included in the "Ultimate Net Loss" shall be calculated by dividing that part of such payment which is covered by this Policy, by the total amount paid by the "Insured".

#### 4. **ASSIGNMENT**

Assignment of interest under this Policy shall not bind "us" unless and until their written agreement thereto is secured.

#### 5. **CANCELLATION**

Cancellation of this Policy may be effected either

- (a) by the "Insured", or
- (b) by "us" or "our" representatives.

The "Insured" may cancel this Policy by mailing or delivering advance written notice to "us" or "our" representatives stating when the cancellation is to take effect.

If "we" cancel the Policy because of non-payment of premium, "we" or "our" representatives must mail or deliver to the "Insured" not less than ten (10) days advance written notice stating when the cancellation is to take effect. If "we" cancel for any other reason, "we" or "our" representatives must mail or deliver to the "Insured" not less than sixty (60) days advance written notice stating when the cancellation is to take effect. Mailing of notice by "us" or "our" representatives to the "insured" at the mailing address shown in Item 1 of the Declarations will be sufficient to prove notice.

The Policy Period will end on the day and hour stated in the cancellation notice.

If "we" cancel the Policy, final premium will be calculated pro rata based on the time that this Policy was in force.

If the "Insured" cancels the Policy, final premium will be more than pro rata; it will be based on the time this Policy was in force and increased by "our" short rate cancellation table and procedure.

Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if no refund has been made or offered to the "Insured". Underwriters' check, or their representative's check, mailed or delivered, shall be sufficient tender of any refund due to the "Insured".

The first named "Insured" in Item 1 of the Declarations shall act on behalf of all other "Insureds" with respect to the giving and receiving of notice of cancellation and the receipt of any refund that may become payable under the Policy.

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

#### 6. **CONFORMITY**

Terms of this policy which are in conflict with the laws of the state wherein this policy is issued are hereby amended to conform to such laws.

#### 7. **CURRENCY AND PAYMENTS OF PREMIUMS**

Premiums and loss payments due under this Policy are payable in United States currency. Payment of premiums shall be made by the first named "Insured". If the first named "Insured" or its agent fails to pay the

premium due to "us" by the due date, "we" may issue notice to the named "Insured", not less than ten (10) days thereafter, cancellation shall be effective.

## 8. **INSOLVENCY**

The insolvency, bankruptcy, receivership or any refusal or inability to pay of the "Insured" and/or any other company shall not operate to:

- (a) deplete the Underlying Insurance(s) set out in the Schedule of Underlying Insurance;
- (b) deplete the Self Insured Retention set out in Item 3 of the Declarations;
- (c) increase "our" liability under this Policy;
- (d) relieve "us" from the payment of "Ultimate Net Loss" under this Policy.

## 9. **INSPECTION AND AUDIT**

"We" may, at any time, audit and examine the books and records of the "Insured" as they relate to this Policy at any time during the Policy Period and for up to three years after the expiration or termination of this Policy.

"We" have the right, but are not obligated, to inspect the premises and operations of the "Insured" at any time. The inspections are not safety inspections. They relate only to the insurability of the premises and operations and the premiums to be charged. "We" may give the "Insured" reports on the conditions found and may also recommend changes. While "our" recommendations may help reduce losses, "we" do not undertake to perform the duty of any person or organization to provide for the health or safety of the "Insured's" employees or the public. "We" do not warrant that the premises or operations of the "Insured" are safe or healthful or that they comply with laws, regulations, codes or standards.

## 10. **LEGAL ACTION AGAINST US**

No legal action shall be brought against "us" unless the "Insured" has fully complied with all terms of this policy. In addition, no legal action shall be brought against "us" until the amount of the "Insured's" obligation to pay has been fully determined. The "Insured's" obligation to pay must be finally determined either by judgment against the "Insured" after actual trial or by written agreement between "us", the "Insured" and the claimant.

## 11. **MAINTENANCE OF UNDERLYING INSURANCE(S)**

During the Policy Period, the "Insured" agrees:

- (a) to keep the policies listed in the Schedule of Underlying Insurance in full force and effect;
- (b) that any renewals or replacements of the policies listed in the Schedule of Underlying Insurance will not be more restrictive in coverage nor shall there be any reduction in underlying limits;
- (c) that the limits of insurance of the policies listed in the Schedule of Underlying Insurance shall not change except for any reduction or exhaustion of aggregate limits by payment of "Claims" for "Occurrences" covered by this Policy; and,
- (d) that the terms and endorsements of the policies listed in the Schedule of Underlying Insurance will not materially change during the Policy Period.

If the "Insured" fails to comply with any of these requirements, "we" will only be liable to the same extent that "we" would have been, had the "Insured" fully complied with these requirements.

**12. NOTICE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

Written notice must be given to "us" as soon as practicable by or on behalf of the "Insured" whenever the "Insured" has information:

- (a) of any "Occurrence" or an offense which may result in a claim; or,
- (b) of any claim(s) or suit in which "we" are named or which are brought against any "Insured".

To the extent possible, written notice should include:

- (i) How, when and where the "Occurrence" or offense took place including specifics of any claim or suit and the date received;
- (ii) The names and addresses of any injured persons and witnesses; and
- (iii) The nature and location of any injury or damage arising out of the "Occurrence" or offense.

"You" and any other involved "Insured" must:

- (a) Immediately send "us" copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
- (b) Authorize "us" to obtain records and other information;
- (c) Cooperate with "us" in the investigation or settlement of the claim or defense against the suit; and
- (d) Assist "us", upon "our" request, in the enforcement of any right against any person or organization which may be liable to the "Insured" because of injury or damage to which this insurance may also apply.

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

**13. OIL POLLUTION ACT DISCLAIMER**

This Policy of insurance is not evidence of financial responsibility under the Oil Pollution Act 1990 or any similar national, federal, state or local laws. Any showing or offering of this Policy by the "Insured" as evidence of insurance shall not indicate that the "we" have consented to act as guarantor or to be sued directly in any jurisdiction whatsoever for the purposes of the Oil Pollution Act 1990. "We" do not consent to be guarantors or to be sued directly.

**14. OTHER INSURANCE**

If other insurance applies to a "Claim" also covered by this Policy, this Policy will only apply excess of the other insurance regardless of whether the other insurance is valid or collectable. However, this provision will not apply if the other insurance is specifically written to be excess of this Policy.

**15. PAYMENT OF LOSS**

It is a condition of this policy that the insurance afforded under this policy shall apply only after the underlying insurance has been exhausted by payment of its limits of liability. Upon final determination by settlement, award or verdict of the liability of the "Insured", "we" will promptly pay "you" as "you" shall pay, or be required to pay, the amounts of any losses falling within the terms or limits of this insurance

**16. PREVENTION OF FURTHER OCCURRENCES**

As soon as the "Insured" becomes aware of an "Occurrence", the "Insured" shall promptly, and at its own expense, take all reasonable steps to prevent further "Bodily Injury", "Personal Injury", "Property Damage" and/or "Advertising Injury" resulting from the same "Occurrence" (or conditions which may give rise to a similar "Occurrence").

**17. PRIOR INSURANCE**

If a loss covered by this Policy is also covered in whole or in part under any other excess policy issued to the "Insured" prior to the effective date of this Policy, the Limits of Liability as stated in Item 4 of the Declarations will be reduced by any amounts due to the "Insured" under such prior insurance.

**18. SEPARATION OF "INSURED"**

Except with respect to the Limits of Liability and any rights or duties specifically assigned to the first named "Insured" designated in Item 1 of the Declarations, this insurance applies:

- (a) as if each named "Insured" were the only named "Insured"; and,
- (b) separately to each "Insured" against whom "Claim" is made or suit brought.

**19. SUBROGATION**

Where an amount is paid by "us" under this Policy, the "Insured's" rights of recovery against any other person or entity in respect of such amount shall be exclusively subrogated to "us". At "our" request the "Insured" will assist, co-operate and lend its name to the exercise of "our" rights of subrogation. The "Insured" shall do nothing to prejudice such rights.

All recoveries shall be applied as follows:

- (a) any interests, including the "Insured", that have paid an amount in excess of "our" payment under this Policy will be reimbursed first;
- (b) "we" then will be reimbursed up to the amount "we" have paid; and,
- (c) lastly, any interests, including the "Insured" over which other insurance is excess, are entitled to claim the residue.

Expenses incurred in the exercise of rights of recovery shall be apportioned between the interests, including the "Insured", in the ratio of their respective recoveries as finally settled.

**20. TRANSFER OF RIGHTS AND DUTIES**

The rights and duties of the "Insured" under this Policy may not be transferred without prior written consent by "us".

If the "Insured" dies or is legally declared bankrupt, rights and duties will be transferred to its legal representative but only while acting within the scope of duties as its legal representative. However, notice of cancellation sent to the first named "Insured" designated in Item 1 of the Declarations and mailed to the address shown in Item 1

of the Declarations of this Policy will be sufficient notice to effect cancellation of this Policy.

## 21. **WAIVER OR CHANGE**

Notice to any agent or knowledge possessed by any agent or any other person shall not affect a waiver of or change in any part of this Policy. This Policy can only be changed by a written endorsement that becomes a part of this Policy and is signed by or on behalf of "us".

## III. **EXCLUSIONS**

This Policy does not apply to any actual or alleged liability:

1. for any "Claim" not covered by the policies listed in the Schedule of Underlying Insurance. This exclusion will not apply to the extent that such "Claim" would have been covered except for the reduction or exhaustion of an aggregate limit by payment of "Claim(s)" for "Occurrence(s)" which are also covered by this Policy.
2. arising out of breach of contract;
3.
  - (a) arising out of "Occupational Disease";
  - (b) arising under any workers' compensation, unemployment compensation or disability laws, statutes, or regulations including the Longshore and Harbor Workers Compensation Act (LHWCA);
  - (c) for "Bodily Injury" including death to a master or member of the crew of any vessel or to any employee of an insured as respects liability imposed on an "Insured" by the Jones Act, the Death on the High Seas Act (DOHSA), general maritime law or any of their amendments or judicial interpretations, whether incurred directly by an insured or through an insured's assumption of the liability of others, unless underlying insurance coverage is provided by the Protection and Indemnity coverage or Watercraft Liability coverage listed on the attached Schedule of Underlying Insurance; and then coverage under this Policy shall only operate as excess of such coverage;
  - (d) for "Employers Liability" where the "Occurrence" takes place, and jurisdiction is ruled to be, in any state(s) where the "Insured" is a non-participant in or non-subscriber to regular programs established by that state's workers' compensation, unemployment compensation or disability laws, statutes, or regulations; provided however, that this exclusion does not apply to liability of a "Third Party" assumed by the "Insured" under an "Insured Contract";
  - (e) which any "Insured" may have to its own employee arising out of the actions or omissions of another of its own employees;
  - (f) to any "Leased Employee";
4. arising out of "Aviation Products";
5. for "Discrimination", "Sexual Harassment" and/or "Inappropriate Employment Conduct";
6. for "Property Damage" to property:
  - (a) owned, leased, rented or occupied by the "Insured";
  - (b) personal property in the care, custody or control of the "Insured" unless coverage is listed in the

Schedule of Underlying Insurance, and then coverage under this Policy shall only operate as excess of such coverage;

7. arising from the failure of an "Insured's Products", or work completed by or for an "Insured", to perform the function or serve the purpose intended or warranted by the "Insured", if such failure is due to a mistake or deficiency in any design, formula, plan, specification, advertising material or printed instruction prepared or developed by any "Insured";
8. for the withdrawal, recall, return, inspection, repair, replacement, or loss of use of the "Insured's Products" or work completed by or for the "Insured" or for any property of which such "Insured's Products" or work form a part;
9. arising out of the following activities of the "Insured" unless coverage is provided in the underlying insurance, and then coverage hereunder shall only operate as excess of such coverage:
  - (a) from operation, ownership or use of any "Automobile";
  - (b) activities of any employee of the "Insured" with respect to "Bodily Injury" to or death of another employee of the same employer injured in the course of such employment;
  - (c) assumed under contract;
  - (d) arising out of the "Insured's" operations, if the "Occurrence" occurs after such operations have been completed or abandoned and occurs away from premises owned, rented or controlled by the "Insured" provided that operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement; provided further the following shall not be deemed to be operations within the meaning of this paragraph:
    - (i) pick-up or delivery, except from or onto a railroad car;
    - (ii) the maintenance of vehicles owned or used by or in behalf of the "Insured";
    - (iii) the existence of tools, uninstalled equipment and abandoned or unused materials.
10. for any fines, penalties, punitive damages, exemplary damages or any additional damages resulting from the multiplication of compensatory damages;
11. for "Personal Injury" or "Advertising Injury" arising out of:
  - (a) failure to perform under any contract;
  - (b) infringement of trademark, patent, service mark or trade name, other than copyright, titles or slogans;
  - (c) incorrect description or mistake in advertised price of goods, products or services sold, offered for sale or advertised;
  - (d) unfair competition;



12. for any act, negligence, error or omission, malpractice or mistake arising out of "Professional Services", committed or alleged to have been committed by or on behalf of the "Insured" in the conduct of any of the "Insured's" business activities;
13. for "Bodily Injury", "Personal Injury", "Property Damage" and/or "Advertising Injury" directly or indirectly caused by or arising out of: asbestos; tobacco; coal dust; chromium copper arsenate; Exterior Insulation and Finish System (EIFS); polychlorinated biphenyls; silica; benzene; lead; Methy I Tertiary Butyl Ether/Ethyl; talc; dioxin; pesticides or herbicides; electromagnetic fields; pharmaceutical or medical drugs/products/substances/devices; or any substance containing such material or any derivative thereof;
14. for "Bodily Injury", "Personal Injury", "Property Damage" and/or "Advertising Injury" in the nature of:- hearing loss or damage; human immuno deficiency virus or acquired immune deficiency syndrome; cumulative trauma disorder; repetitive motion or strain injury; or carpal tunnel syndrome;
15. for the "Insured's" failure to supply or from fluctuations in supply of any oil, gas, electricity, chemicals, products, materials or services;
16. for any liability or expense arising out of or contributed to in any way by the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or existence of "Pollutants" at any time into or upon land, atmosphere, or any watercourse or body of water.

Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
  - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way respond to, or assess the effects of "pollutants".
17. arising out of the handling, processing, treatment, storage, disposal, or dumping of any waste materials or substances, or arising out of such waste materials or substances during transportation;
  18. arising directly or indirectly out of any one or more of the following:
    - (a) war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, revolution, rebellion, military or usurped power, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power,
    - (b) confiscation or expropriation or nationalization or requisition or deliberate destruction of, or deliberate damage to property;
    - (c) capture, seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat;
    - (d) any act of terrorism or of any person{s} acting maliciously or from a political motive;
  19. arising out of any obligation of the "Insured" under a no-fault, uninsured motorist or underinsured motorist law;
  20. (a) arising out of an "Insured's" capacity, duty or responsibility as an officer, director or trustee of a corporation by reason of any breach of fiduciary duty or improper conduct or conflict of interest in the performance of an "Insured's" duties, responsibilities or accountability as an officer, director or trustee, including, without limitation, any actual or alleged misstatement, misleading



statement, gain of personal profit or advantage to which the "Insured" was or is not entitled legally, any dishonest act, or bad faith conduct, in the "Insured's" capacity as officer, director or trustee, or with respect to the capital, assets or securities of the corporation, or any action taken beyond the scope of the "Insured's" authority as an officer, director or trustee;

- (b) arising out of any violation of any national, federal, state or local law regulating, controlling and governing stock, bonds or securities of any type or nature, including, without limitation, liability under The Securities Act of 1933, The Securities Exchange Act of 1934, The Trust Indenture Act of 1939, The Public Utility Holding Company Act of 1935, The Investment Company Act 1940, The Investment Advisers Act of 1940, and the so called "Blue Sky" Laws of the various states or other jurisdiction;
  - (c) of any officer, director or trustee arising out of a shareholder's derivative action;
  - (d) which would be payable under the terms of a directors and officers liability insurance policy, as if any "Insured" had obtained such coverage in an amount sufficient to pay the full amount being claimed against any "Insured" and any defense thereof, whether or not any "Insured" has obtained such coverage;
21. (a) arising out of any violation of any national, federal, state or local law regulating, controlling or governing antitrust or the prohibition of monopolies, activities in restraint of trade, unfair methods of competition or deceptive acts and practices or conspiracies in trade and commerce including, without limitation, the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act, and the Hart-Scott-Rodino Antitrust Improvements Act and the Racketeer Influenced And Corrupt Organizations Act;
- (b) for any "Claim" for damages made by or on behalf of the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the Resolution Trust Company, any other depository insurance corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board or any other national, federal, state or local bank regulatory agency, in its capacity as regulator, receiver, conservator, liquidator, shareholder, successor in interest or assignee of the "Insured", whether such liability for damages is brought in the name of such agency or by or on behalf of such agency in the name of any other person;
  - (c) arising out of or contributed to by the dishonesty, infidelity or fraud of any "Insured".
22. for "Bodily Injury", "Personal Injury", "Property Damage" and/or "Advertising Injury" of any nature whatsoever, concurrently or nonconcurrently caused by, arising out of, resulting from, contributed to, aggravated by, or in any way related to, directly or indirectly, in whole or in part, any fungi (including but not limited to mold, mildew, yeast or mycotoxin), spore, bacteria or virus.
23. under the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Nothing contained in the above Exclusions shall extend this policy to cover any liability which would not have been covered had these Exclusions not been incorporated herein.

#### **IV. DEFINITIONS**

##### **1. ADVERTISEMENT**

The word "Advertisement", wherever used in this Policy, means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- (a) notices that are published include material placed on the Internet or on similar electronic means

of communication; and

- (b) regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

## 2. **ADVERTISING INJURY and PERSONAL INJURY**

The words "Advertising Injury" and "Personal Injury", wherever used in this Policy, means injury, including consequential "bodily injury" arising out of one or more of the following offenses:

- (a) false arrest, detention, or imprisonment;
- (b) malicious prosecution;
- (c) the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- (d) oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- (e) oral or written publication, in any manner, of material that violates a person's right of privacy;
- (f) the use of another's advertising idea in "your" "advertisement"; or
- (g) infringing upon another's copyright, trade dress or slogan in your "advertisement".

## 3. **AIRCRAFT LIABILITY**

The words "Aircraft Liability", wherever used in this Policy, shall mean liability arising out of the maintenance, operation or use of an aircraft or helicopter which is designed to fly in the air or atmosphere.

## 4. **AUTOMOBILE**

The words "Automobile," wherever used in this Policy, shall mean a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment, but the word "Automobile" shall not include the contents of such vehicle, trailer or semi-trailer.

## 5. **AUTOMOBILE LIABILITY**

The words "Automobile Liability," wherever used in this Policy, shall mean liability arising out of the maintenance, operation or use of any "Automobile".

## 6. **AVIATION PRODUCTS**

The words "Aviation Products", wherever used in this Policy, shall mean any of the "Insured's Products" consisting of or being part of an aircraft, helicopter, rocket, missile, satellite or other craft designed to fly in the air, atmosphere or space.

## 7. **BODILY INJURY**

The words "Bodily Injury", wherever used in this Policy, shall mean bodily injury, sickness, disability, or disease. "Bodily Injury" shall also mean mental injury, mental anguish, humiliation, shock or death if directly resulting from bodily injury, sickness, disability or disease.

## 8. **CLAIM**

The word "Claim", wherever used in this Policy, shall mean that part of each written demand received by the "Insured" for damages, including the service of suit or institution of arbitration proceedings.

## 9. COMPLETED OPERATIONS LIABILITY

The words "Completed Operations Liability", wherever used in this Policy, shall mean liability for "Bodily Injury" and/or "Property Damage" arising out of the "Insured's" operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the "Bodily Injury" and/ or "Property Damage" happens after such Operations have been completed or abandoned and happens away from the premises owned, rented, leased, or occupied by the "Insured".

Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:

- (a) when all operations to be performed by or on behalf of the "Insured" under the contract have been completed; or,
- (b) when all operations to be performed by or on behalf of the "Insured" at the site of the operations have been completed; or,
- (c) when that portion of the work out of which the "Bodily Injury" and/or "Property Damage" arises has been put to its intended use by any person or entity other than another contractor or sub-contractor engaged in performing operations for a principal as part of the same project.

Operations which may need service, maintenance, correction, repair or replacement, but which are otherwise complete, shall be deemed as completed.

"Completed Operations Liability" does not include liability for "Bodily Injury" and/or "Property Damage" arising out of:

- (a) operations in connection with the transportation of property, unless the "Bodily Injury" and/or "Property Damage" arises out of a condition in or on an "Automobile" created by the loading or unloading thereof, or,
- (b) the existence of tools, uninstalled equipment or abandoned or unused materials.

## 10. COVERED AUTOMOBILE

The words "Covered Automobile", wherever used in this Policy, means only those "automobiles" to which underlying insurance applies.

## 11. DEFENSE EXPENSES

The words "Defense Expenses", wherever used in this Policy, shall mean reasonable attorney fees and necessary litigation expenses, investigation, adjustment, appraisal, defense and appeal costs and expenses and pre and post judgment interest, paid or incurred by or on behalf of the "Insured".

The salaries, expenses or administrative costs of the "Insured" or its employees or any insurer shall not be included within the meaning of "Defense Expenses".

## 12. DISCRIMINATION

The word "Discrimination", wherever used in this Policy, shall mean termination of the employment relationship, a demotion, a failure or refusal to hire or promote, denial of an employment benefit or the taking of any adverse or differential employment action because of race, color, religion, age, sex, disability, pregnancy, sexual

orientation, national origin, or any other basis prohibited by any national, federal, state or local law.

**13. EMPLOYERS' LIABILITY**

The words "Employer's Liability", wherever used in this Policy, shall mean any liability of an "Insured" to its employee arising out of the employment of that employee.

**14. INAPPROPRIATE EMPLOYMENT CONDUCT**

The words, "Inappropriate Employment Conduct", wherever used in this Policy, shall mean:

- (a) actual or constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful or in breach of an implied employment contract or breach of the covenant of good faith or fair dealing in the employment contract;
- (b) allegations of wrongful demotion, or wrongful discipline;
- (c) allegations of misrepresentation or defamation made by an employee, a former employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
- (d) allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an employee, a former employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
- (e) allegations of false imprisonment, detention or malicious prosecution made by an employee, a former employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote;
- (f) allegations of libel, slander, defamation of character or any invasion of right of privacy made by an employee, a former employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote; or,
- (g) other injury allegations made by an employee, a former employee or an applicant for employment which arise from an employment decision to hire, fire, promote or demote. "Inappropriate Employment Conduct" does not include damages determined to be owing under a written or express contract of employment or obligation to make payments, including but not limited to severance payments, in the event of the termination of employment.

"Inappropriate Employment Conduct" does not include damages determined to be owing under a written or express contract of employment or obligation to make payments, including but not limited to severance payments, in the event of the termination of employment.

"Inappropriate Employment Conduct" shall not include any allegations other than those set forth above.

**15. INSURED**

The word "Insured", wherever used in this Policy, shall mean only the following:

- (a) the named "Insured" set out in Item 1 of the Declarations;
- (b) the named "Insured's" subsidiary owned or controlled companies which have been designated in the Declarations;
- (c) any person or entity to whom the "Insured" is obliged by a written "Insured Contract" entered into before any relevant "Occurrence", to provide insurance such as is afforded by this Policy

but only with respect to:

- (i) liability arising out of operations conducted by the named "Insured" or on its behalf; or
- (ii) facilities owned or used by the named "Insured";
- (d) any person or organization, other than the named "Insured", included as an additional insured in the policies listed in Item 2 of the Declarations but not for broader coverage than is available to such person or organization under such underlying policies;
- (e) any officer, director, stockholder, partner or employee of the "Insured", but only in respect of an "Occurrence" covered hereunder while acting within their duties as an officer, director, stockholder, partner or employee of the "Insured";
- (f) such additional percentage of any joint venture, operation or partnership where the "Insured" is required by written contract to provide insurance for any other partner in the joint venture and which have been designated in the Declarations;
- (g) any person or entity that would otherwise fall into (b) or (d) above but for which the first named "Insured" first seeks coverage after the inception date and during the Policy Period, will automatically be covered hereon provided satisfactory advice and full information is received by "us" from the first named "Insured" of such additional person or entity within forty-five (45) days after the date such coverage is required. "We" reserve the right to charge additional premium and/or impose specific terms upon any person or entity covered under this paragraph.

#### 16. **INSURED CONTRACT**

The words "Insured Contract", wherever used in this Policy, shall mean any written contract or agreement entered into by the "Insured" and pertaining to business under which the "Insured" assumes the tort liability of another party to pay for "Bodily Injury", "Property Damage", "Personal Injury" or "Advertising Injury" to a "Third Party" or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

#### 17. **INSURED'S PRODUCTS**

The words "Insured's Products", wherever used in this Policy, shall mean goods or products manufactured, sold, handled or distributed by the "Insured" or by others trading under the name of the "Insured", including any packaging thereof.

#### 18. **LEASED EMPLOYEE**

The words "Leased Employee", wherever used in this Policy, shall mean a person leased to the "Insured" by a leasing firm under a written contract between the "Insured" and the leasing firm to perform duties related to the conduct of the "Insured's" business.

#### 19. **OCCUPATIONAL DISEASE**

The words "Occupational Disease", wherever used in this Policy, shall mean any injury, including death, sickness, disease or disability, defined as occupational disease in any workers compensation or disability benefits laws, statutes or regulations of any jurisdiction in which the "Occurrence" falls or the Occupational Disease arises.

20. **OCCURRENCE**

The word "Occurrence", wherever used in this Policy, shall mean an accident, including continuous or repeated exposure to substantially the same general harmful conditions which results in "Bodily Injury", "Personal Injury", "Property Damage", or "Advertising Injury", none of which was expected nor intended by any "Insured".

21. **POLLUTANTS**

The word "Pollutants", wherever used in this Policy, shall mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

22. **PRODUCT LIABILITY**

The words "Product Liability", wherever used in this Policy, shall mean liability for "Bodily Injury" and/or "Property Damage" arising out of the "Insured's Products" or reliance upon a representation or warranty made at any time with respect thereto, but only if the "Bodily Injury" and/or "Property Damage" happens after physical possession of the "Insured's Products" has been relinquished to others and happens away from premises owned, leased, rented or occupied by the "Insured".

23. **PROFESSIONAL SERVICES**

The words "Professional Services" wherever used in this Policy, shall mean the rendering or failure to render any professional service. This includes but is not limited to:

- (a) legal, accounting or advertising services;
- (b) preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (c) engineering services, including related supervisory or inspection services;
- (d) medical, surgical, dental, x-ray or nursing services treatment, advice or instruction; and
- (e) law enforcement or fire fighting services.

24. **PROPERTY DAMAGE**

The words "Property Damage", wherever used in this Policy, shall mean physical loss of, physical damage to or physical destruction of tangible property of a "Third Party", including loss of use of the tangible property so lost, damaged or destroyed.

25. **SEXUAL HARASSMENT**

The words "Sexual Harassment", wherever used in this Policy, shall mean unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature that: (1) explicitly or implicitly are made a condition of employment, (2) are used as basis for employment decisions, or (3) create a work environment that interferes with performance.

26. **THIRD PARTY**

The words "Third Party", wherever used in this Policy, shall mean any company, entity, or human being other than an "Insured" or other than a subsidiary, owned or controlled company or entity of an "Insured". Notwithstanding Definition 15(e) of this Policy, an employee of an "Insured" shall be treated as a "Third Party".

27. **ULTIMATE NET LOSS**

The words "Ultimate Net loss", wherever used in this Policy, shall mean the amount the "Insured" is obligated to pay, by judgment or settlement, as damages resulting from an "Occurrence" covered by this Policy, including the costs of service of suit, institution of arbitration proceedings and all "Defense Expenses" in respect of such "Occurrence".

28. **WATERCRAFT LIABILITY**

The words "Watercraft Liability", wherever used in this Policy, shall mean liability arising out of the maintenance, operation or use of any craft designed to float or travel on, in or under the water, including hovercraft.

This endorsement changes the  
MARINE EXCESS LIABILITY (BUMBERSHOOT) POLICY  
-- PLEASE READ THIS CAREFULLY --

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**AIMU**

## **U.S. ECONOMIC AND TRADE SANCTIONS CLAUSE**

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Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.



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**AIMU**

**EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE  
WITH U.S.A. ENDORSEMENT**

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE  
(U.S.A. ENDORSEMENT)**

This insurance is subject to the Extended Radioactive Contamination Exclusion Clause (March 1, 2003) provided that

if fire is an insured peril

and

where the subject matter insured or, in the case of a reinsurance, the subject matter insured by the original insurance, is within the U.S.A., its islands, onshore territories or possessions

and

a fire arises directly or indirectly from one or more of the causes detailed in Sub-Clauses 1.1, 1.2, and 1.4 of the Extended Radioactive Contamination Exclusion Clause March 1, 2003 any loss or damage arising directly from that fire shall, subject to the provisions of this insurance, be covered, EXCLUDING however any loss damage liability or expense caused by nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that fire.

**AIMU**

**CHEMICAL, BIOLOGICAL, BIO-CHEMICAL, AND ELECTROMAGNETIC  
EXCLUSION CLAUSE**

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**This clause shall be paramount and shall override anything contained in  
this insurance inconsistent therewith.**

In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to or arising from an actual or threatened act involving a chemical, biological, bio-chemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.