

Previous Policy Number

S 1987838

Policy Number

S 1987838

COMMERCIAL LIABILITY COVERAGE DECLARATION

Policy Effective Date: JULY 1, 2021	Coverage Effective Date: JULY 1, 2021
Business of Named Insured: PUBLIC SCHOOL SYSTEM	

Insurance is provided only for those coverages for which a specific limit is shown in the following coverage schedule.

Coverage Limits

COMMERCIAL GENERAL LIABILITY

General Aggregate Limit (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations -- Aggregate Limit	\$2,000,000
Personal and Advertising -- Injury Limit	\$1,000,000
Each Occurrence Limit	\$1,000,000
Damage To Premises Rented To You Limit -- Any One Premises	\$1,000,000
Medical Expense Limit -- Any One Person	\$20,000

Commercial Liability Premium (s)

Classification	Class Code	Premium Basis	Rates		Advanced Premium		
			Premises - Operations	Products - Completed Operations	Premises - Operations	Products - Completed Operations	
SCHOOLS GENERAL LIABILITY EXTENSION COVERAGE							
TERRORISM							
EMPLOYEE BENEFITS LIABILITY	92100		FLAT	CHARGE		----	
Managers/Operator of Premises	20735		135.000				
LOCATION #001 BUILDING #001 -----							
AUTOMOBILE REPAIR OR SERVICE SHOPS (T-514)	10073	IF ANY (S)	1.065	.287			
GRANDSTANDS BLEACHERS NOT FOR PROFIT (T-514)	44194	7 (T24)	245.335	INCL.		INCL.	
SCHOOLS FACULTY LIABILITY FOR CORPORAL (T-514)	47469	231 (T35)	5.531	INCL.		INCL.	
SCHOOLS PUBLIC HIGH (T-514)	47473	1,010 (T36)	5.546	INCL.		INCL.	
LOCATION #003 BUILDING #001 -----							
DAY CARE CENTERS NOT FOR PROFIT ONLY (T-514)	41716	70 (T17)	6.849	INCL.		INCL.	
CONTINUED ON SCHEDULE: CG-7045							
Minimum Premium			\$.00	Total Premium		\$.00	

Premium and Rate Legend

Location of all premises you own, rent, or control:

Refer to "Schedule of Locations"

(T13) Land	- rate per acre
(T24) Grandstands	- rate per grandstand
(T17) Day Care	- rate per person
(T36) Schools	- rate per pupil

CONTINUED ON SCHEDULE: CG-7045

This Schedule lists all your premises, operations and other exposures, as they exist as of the coverage effective date.

Forms and Endorsements: Refer to "Commercial Policy Forms and Endorsement Schedule"	Total Advance Premium (This premium may be subject to adjustment.)
--	---

CG-7035 (06/90)

INSURED'S COPY

Coverage Effective Date
JULY 1, 2021

Policy Number
S 1987838

COMMERCIAL LIABILITY SCHEDULE

Commercial Liability Premium (s)						
Classification	Class Code	Premium Basis	Rates		Advanced Premium	
			Premises - Operations	Products - Completed Operations	Premises - Operations	Products - Completed Operations
SCHOOLS PUBLIC ELEMENTARY, KINDERGARTEN (T-514)	47471	2,096 (T36)	4.243	INCL.		
LOCATION #010 BUILDING #001 -----						
VACANT LAND OTHER THAN NOT FOR PROFIT (T-514)	49451	1 (T13)	.603	INCL.		
LOCATION #011 BUILDING #001 -----						
CEMETERIES OTHER THAN NOT FOR PROFIT (T-514)	41603	1 (T13)	23.114	INCL.		
LOCATION #012 BUILDING #001 -----						
LAND OCCUPIED BY PERSONS OTHER THAN THE (T-514)	45539	5 (T13)	.904	INCL.		
LOCATION #013 BUILDING #001 -----						
WAREHOUSES OCCUPIED BY MULTIPLE INTEREST (T-514)	68702	150 (A)	4.616	INCL.		

Coverage Effective Date

JULY 1, 2021

Policy Number

S 1987838

COMMERCIAL LIABILITY SCHEDULE

Premium and Rate Legend

(A) Area	- rate per 1000 square feet
(S) Gross Sales	- rate per \$1,000 of sales
(T35) Schools	- rate per faculty member

EMPLOYEE BENEFITS LIABILITY COVERAGE

POLICY NUMBER: S 1987838

COMMERCIAL GENERAL LIABILITY
CG 04 35 12 07

THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Coverage	Limit Of Insurance	Each Employee Deductible	Premium
Employee Benefits Programs	\$1,000,000 each employee		
	\$2,000,000 aggregate	\$ 1,000	

Retroactive Date: 07-01-2004

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

A. The following is added to **Section I — Coverages:**

COVERAGE — EMPLOYEE BENEFITS LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, 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 to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph **D.** (Section **III** — Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

b. This insurance applies to damages only if:

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
- (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph **c.** below, during the policy period or an Extended Reporting Period we provide under Paragraph **F.** of this endorsement.

c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:

- (1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or
- (2) When we make settlement in accordance with Paragraph **a.** above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

- d. All “claims” for damages made by an “employee” because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such “employee’s” dependents and beneficiaries, will be deemed to have been made at the time the first of those “claims” is made against any insured.

2. Exclusions

This insurance does not apply to:

a. Dishonest, Fraudulent, Criminal Or Malicious Act

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. Bodily Injury, Property Damage, Or Personal And Advertising Injury

“Bodily injury”, “property damage” or “personal and advertising injury”.

c. Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

d. Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the “employee benefit program”.

e. Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any “claim” based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person’s decision to participate or not to participate in any plan included in the “employee benefit program”.

f. Workers’ Compensation And Similar Laws

Any “claim” arising out of your failure to comply with the mandatory provisions of any workers’ compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. Available Benefits

Any “claim” for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. Employment-Related Practices

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement:

- 1. All references to Supplementary Payments — Coverages **A** and **B** are replaced by Supplementary Payments — Coverages **A**, **B** and **Employee Benefits Liability**.
- 2. Paragraphs **1.b.** and **2.** of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs **2.** and **3.** of **Section II — Who Is An Insured** are replaced by the following:

- 2. Each of the following is also an insured:
 - a. Each of your “employees” who is or was authorized to administer your “employee benefit program”.
 - b. Any persons, organizations or “employees” having proper temporary authorization to administer your “employee benefit program” if you die, but only until your legal representative is appointed.
 - c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Endorsement.

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

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
- b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.

D. For the purposes of the coverage provided by this endorsement, Section **III — Limits Of Insurance** is replaced by the following:

1. Limits Of Insurance

a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:

- (1) Insureds;
- (2) "Claims" made or "suits" brought;
- (3) Persons or organizations making "claims" or bringing "suits";
- (4) Acts, errors or omissions; or
- (5) Benefits included in your "employee benefit program".

b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".

c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (1) An act, error or omission; or
- (2) A series of related acts, errors or omissions

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, 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.

2. Deductible

a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.

b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.

c. The terms of this insurance, including those with respect to:

- (1) Our right and duty to defend any "suits" seeking those damages; and
- (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"

apply irrespective of the application of the deductible amount.

d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

E. For the purposes of the coverage provided by this endorsement, Conditions **2.** and **4.** of **Section IV — Commercial General Liability Conditions** are replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"

a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

- (1) What the act, error or omission was and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

b. If a "claim" is made or "suit" is brought against any insured, you must:

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

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

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

a. Primary Insurance

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

b. Excess Insurance

(1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:

(a) No Retroactive Date is shown in the Schedule of this insurance; or

(b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.

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

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

c. Method Of Sharing

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

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

- F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

EXTENDED REPORTING PERIOD

1. You will have the right to purchase an Extended Reporting Period, as described below, if:
 - a. This endorsement is canceled or not renewed; or
 - b. We renew or replace this endorsement with insurance that:
 - (1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or
 - (2) Does not apply to an act, error or omission on a claims-made basis.
2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.
3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and

- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.

Paragraph **D.1.b.** of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph **D.1.c.**

- G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the **Definitions** Section:

1. "Administration" means:
 - a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
 - b. Handling records in connection with the "employee benefit program"; or
 - c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.

4. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
 - a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;
 - c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
 - d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
 - e. Any other similar benefits designated in the Schedule or added thereto by endorsement.
- H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the **Definitions** Section are replaced by the following:
 5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
 18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
 - a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

ADDITIONAL INSURED — MANAGERS OR LESSORS OF PREMISES

POLICY NUMBER: S 1987838

COMMERCIAL GENERAL LIABILITY
CG 20 11 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designation Of Premises (Part Leased To You):

1470 S MAIN STREET, BLDG. NO. 6B, MORTON, IL

Name Of Person(s) Or Organization(s) (Additional Insured):

STANCO RESOURCE GROUP INC

1470 SOUTH MAIN STREET

MORTON, IL 61550

Additional Premium: INCLUDED

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

A. Section II — Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and

2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III — Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

EXCLUSION — SERVICES FURNISHED BY HEALTH CARE PROVIDERS

POLICY NUMBER: s 1987838

COMMERCIAL GENERAL LIABILITY
CG 22 44 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Operations:

ALL OPERATIONS OF, OR ON BEHALF OF THE NAMED INSURED

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 operation shown in the Schedule, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The rendering of or failure to render:
 - a. Medical, surgical, dental, X-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;
 - b. Any health or therapeutic service, treatment, advice or instruction; or
 - c. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming;

2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
3. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

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", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph 1., 2. or 3.

DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT

POLICY NUMBER: S 1987838

COMMERCIAL GENERAL LIABILITY
CG 25 04 05 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Location(s):

SUBJECT TO THE TERMS AND CONDITIONS OF THIS POLICY, EACH
DESIGNATED LOCATION LISTED ON THE SCHEDULE OF LOCATIONS
SHOWN ON THE DECLARATION PAGE FOR THIS POLICY.

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

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I — Coverage A, and for all medical expenses caused by accidents under Section I — Coverage C, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
 2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
 3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
- 4.** The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I — Coverage A, and for all medical expenses caused by accidents under Section I — Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
 2. Such payments shall not reduce any Designated Location General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

- D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

“Location” means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

- E. The provisions of **SECTION III — Limits Of Insurance** not otherwise modified by this endorsement shall continue to apply as stipulated.

PRODUCT RECALL EXPENSE COVERAGE ENDORSEMENT

POLICY NUMBER: S 1987838

COMMERCIAL GENERAL LIABILITY
CG 79 35 07 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

SUB-LIMITS OF INSURANCE:

"Product Recall Expense"

Per Occurrence: \$25,000

Annual Aggregate: \$50,000

"Additional Covered Expenses"

The "Additional Covered Expenses" Per Occurrence and Annual Aggregate Limit is equal to 50% of the above "Product Recall Expense" Limit.

DEDUCTIBLE: N/A

COVERAGE IN THIS ENDORSEMENT DOES NOT APPLY TO THESE PRODUCTS:

THIS ENDORSEMENT ONLY PROVIDES REIMBURSEMENT TO YOU FOR EXPENSES INCURRED BECAUSE OF A COVERED "PRODUCT RECALL". THIS ENDORSEMENT DOES NOT PROVIDE ANY LIABILITY COVERAGE OR COVERAGE FOR THE COST OR EXPENSE OF DEFENDING ANY CLAIM OR SUIT.

A. The following is added to SECTION I — COVERAGES:

SECTION I — LIMITED PRODUCT RECALL EXPENSE COVERAGE

1. Insuring Agreement

- a. We will reimburse you for "Product Recall Expense" and "Additional Covered Expenses" incurred by you because of a "product recall" to which this insurance applies.

The amount of such reimbursement is limited as described in **SECTION III — LIMITS OF INSURANCE**. No other obligation or liability to pay sums or perform acts or services is covered.

- b. This insurance applies to a "product recall" only if the "product recall" is initiated in the "coverage territory" during the policy period because:

- (1) You determine that the "product recall" is necessary; or
- (2) An authorized government entity has ordered you to conduct a "product recall".

- c. We will reimburse you for "Product Recall Expense" and "Additional Covered Expenses" only if:
 - (1) These expenses are incurred within one year of the date the "product recall" was initiated;
 - (2) These expenses are reported to us within one year of the date the expenses were incurred; and
 - (3) The product that is the subject of the "product recall" is not listed in the **"COVERAGE IN THIS ENDORSEMENT DOES NOT APPLY TO THESE PRODUCTS"** entry in the **SCHEDULE** above.
- d. The initiation of a "product recall" will be deemed to have been made only at the earliest of the following times:
 - (1) When you first announced, in any manner, to the general public, your vendors or to your employees (other than those employees directly involved in making the determination) your decision to conduct or participate in a "product recall". This applies regardless of whether the determination to conduct a "product recall" is made by you or is requested by a third party; or
 - (2) When you first received, either orally or in writing, notification of an order from an authorized government entity to conduct a "product recall".
- e. "Product Recall Expense" or "Additional Covered Expenses" incurred to recall "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product recall".

2. Exclusions

This insurance does not apply to "Product Recall Expense" or "Additional Covered Expenses" arising out of:

- a. Any "product recall" initiated due to the failure of "your product" to accomplish its intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure has caused or is reasonably expected to cause "bodily injury" or "property damage" to tangible property other than "your product".
- b. Any "product recall" initiated due to copy-right, patent, trade secret, trade dress, trade name or trademark infringements, or any other intellectual property laws.
- c. Any "product recall" initiated due to transformation of a chemical nature, deterioration or decomposition of "your product". This exclusion does not apply if it is caused by:
 - (1) An error in manufacturing, design, or processing;
 - (2) Transportation of "your product"; or
 - (3) "Product tampering".
- d. Any "product recall" initiated due to expiration of the designated shelf life of "your product".
- e. A "product recall", initiated because of a "defect" in "your product" known to exist by the Named Insured or the Named Insured's "executive officers", prior to the date when this Coverage Part was first issued to you or prior to the time "your product" leaves your control or possession.
- f. A recall of any specific products for which "bodily injury" or "property damage" is excluded under **Coverage A — Bodily Injury And Property Damage Liability** by endorsement.
- g. A recall when "your product" or a component contained within "your product" has been:
 - (1) Banned from the market by an authorized government entity prior to the policy period; or
 - (2) Distributed or sold by you subsequent to any governmental ban.
- h. The defense of a claim or "suit" against you for liability arising out of a "product recall".
- i. Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.
- j. Any loss, cost or expense due to any:
 - (1) Request, demand, order, statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(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".

- k. Liability assumed by you in any contract or agreement.
- l. Damages or expenses arising out of the violation of any government regulation.
- m. Any unauthorized change in "your product" after it leaves your possession or control. This exclusion does not apply to a covered "product recall" due to "product tampering."
- n. Redistribution or replacement of "your product" which has been recalled by like products or substitutes.
- o. Caprice or whim of the insured.
- p. Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found.
- q. Willful, dishonest, fraudulent, criminal or malicious acts.

B. For the purposes of this endorsement, **SECTION III — LIMITS OF INSURANCE** is replaced by the following:

SECTION III — LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the **SCHEDULE** are Sub-Limits and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Product recalls" initiated; or
 - c. Number of "your products" withdrawn.
- 2. If there are no amounts shown in the **SCHEDULE**, these Sub-Limits will apply:
 - a. "Product Recall Expense":

Per Occurrence	\$25,000
Annual Aggregate	\$25,000
 - b. "Additional Covered Expense": The Per Occurrence and Annual Aggregate is 50% of the "Product Recall Expense" Per Occurrence and Annual Aggregate limit.
- 3. The most we will pay for "Product Recall Expense" during any policy period is the Annual Aggregate Sub-Limit shown on this endorsement's **SCHEDULE**.

4. The most we will pay for "Additional Covered Expenses" during any policy period is 50% of the "Product Recall Expense" Annual Aggregate Sub-Limit on this endorsement's **SCHEDULE**.

5. Deductible Provision

a. Deductible

We will only pay for the amount of "Product Recall Expense" and "Additional Covered Expenses" which are in excess of the deductible amount, if any, shown in the Schedule of this endorsement. The deductible applies separately to each "product recall". The Limits of Insurance will not be reduced by the amount of this deductible.

We may, or will if required by law, pay all or any part of any deductible amount, if applicable, to effect settlement of any claim or "suit". Upon notice of our payment of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

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

C. For the purposes of this endorsement, the Duties In The Event Of Occurrence, Claim Or Suit Condition under **SECTION IV — CONDITIONS** is replaced by the following:

2. Duties In The Event Of A "Defect" Or A "Product Recall"

- a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened "defect" in "your product", or any governmental investigation, that may result in a "product recall". To the extent possible, notice should include:
 - (1) How, when and where the "defect" was discovered;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature, location and circumstances of any injury or damage arising out of use or consumption of "your product".

- b. If a "product recall" is initiated, you must:
 - (1) Immediately record the specifics of the "product recall" and the date it was initiated; and
 - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "product recall" as soon as practicable.
- c. You must promptly take all reasonable steps to mitigate the expenses associated with a "product recall". Any financial gain or salvage recovery you receive or may be entitled to receive from mitigating the expenses will be deducted from the amount of reimbursement that you will receive for "Product Recall Expense" and "Additional Covered Expenses".
- d. You and any others involved insured must:
 - (1) Immediately send us copies of pertinent correspondence received in connection with the "product recall";
 - (2) Authorize us to obtain records and other information; and
 - (3) Cooperate with us in our investigation of the "product recall".

D. For the purposes of this endorsement, the following condition is added to **SECTION IV — CONDITIONS:**

Concealment Or Fraud

We will not provide coverage under **SECTION I** of this endorsement to you, or any other insured, who at any time:

- 1. Engaged in fraudulent conduct; or
- 2. Intentionally concealed or misrepresented a material fact concerning a "product recall" or "Product Recall Expenses" or "Additional Covered Expenses" incurred by you under **SECTION I** of this endorsement.

E. The following definitions are added to **SECTION V — DEFINITIONS:**

- 1. "Additional Covered Expenses" includes reimbursement to the named insured for "customer consequential loss of profit expense", "cost to replace", "good faith advertising".

- 2. "Customer consequential loss of profit expense" means the loss of financial gain incurred by your direct customers as a consequence of the "product recall" of "your product" or the "product recall" of their product because their product incorporated "your product."
- 3. "Cost to replace" means the cost to produce or acquire a like replacement product, including the cost to return "your product" to the purchaser, not to exceed the cost of goods sold. This also includes the cost of unsold finished stock but only if your product cannot be repaired, reconditioned, decontaminated or made marketable.
- 4. "Good faith advertising" means those advertising costs you pay for the specific purpose of regaining customer approval or faith in "your product."
- 5. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.
- 6. "Product tampering" is an act of intentional alteration of "your product" which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

When "product tampering" is known, suspected or threatened, a "product recall" will be limited to those batches of "your product" which are known or suspected to have been tampered with.

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

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

- 7. "Product recall" means the recall or withdrawal:
 - a. From the market; or
 - b. From use by any other person or organization; of "your products", or products which contain "your products", because of known or suspected defects in "your product", or known or suspected "product tampering", which has caused or is reasonably expected to cause "bodily injury" or physical injury to tangible property other than "your product".

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

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

8. "Product Recall Expense" means those reasonable expenses, listed below, paid on a reimbursement basis and directly related to a "product recall":

- a. Costs of advertising;
- b. Costs of stationery, envelopes, production of announcements and postage or facsimiles;
- c. Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations;

- d. Costs of hiring independent contractors and other temporary employees;
- e. Costs of transportation, shipping or packaging;
- f. Costs of warehouse or storage space; or
- g. Costs of proper disposal of "your products", or products that contain "your products", that can not be reused, not exceeding your purchase price or your cost to produce the products.
- h. Inspection and testing of "your products" to determine whether or not they may be subject to a "product recall".

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

COMMERCIAL GENERAL LIABILITY
CG 00 01 04 13

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

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

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

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

SECTION I — COVERAGES

COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

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

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments — Coverages **A** and **B**.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of **Section II — Who Is An Insured** and no "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 a listed 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.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of **Section II — Who Is An Insured** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of **Section II — Who Is An Insured** or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

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

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

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

b. Contractual Liability

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

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

c. Liquor Liability

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

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

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

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

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

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

(iii) "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; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

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

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

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

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

- (2) Any loss, cost or expense arising out of any:
- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

- (5) "Bodily injury" or "property damage" arising out of:

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

h. Mobile Equipment

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

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

i. 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.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

n. Recall Of Products, Work Or Impaired Property

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

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

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

o. Personal And Advertising Injury

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

p. Electronic Data

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

However, this exclusion does not apply to liability for damages because of "bodily injury".

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

q. 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 Transactions 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.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III — Limits Of Insurance.**

COVERAGE B — PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

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

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments — Coverages **A** and **B**.

- b.** This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

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

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" 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.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

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

e. Contractual Liability

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

f. Breach Of Contract

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

g. Quality Or Performance Of Goods — Failure To Conform To Statements

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

h. Wrong Description Of Prices

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

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

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

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

j. Insureds In Media And Internet Type Businesses

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

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

k. Electronic Chatrooms Or Bulletin Boards

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

l. Unauthorized Use Of Another's Name Or Product

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

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

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

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

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

"Personal and advertising injury" 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 Transactions 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.

COVERAGE C — MEDICAL PAYMENTS

1. Insuring Agreement

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

2. Exclusions

We will not pay expenses for “bodily injury”:

- a. **Any Insured**
To any insured, except “volunteer workers”.
- b. **Hired Person**
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers’ Compensation And Similar Laws

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

e. Athletics Activities

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

f. Products-Completed Operations Hazard

Included within the “products-completed operations hazard”.

g. Coverage A Exclusions

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS — COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any “suit” against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the “suit”. However, these payments do not include attorneys’ fees or attorneys’ expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. **The indemnitee:**

- (1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2) of Section I — Coverage A — Bodily Injury And Property Damage Liability**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II — WHO IS AN INSURED

- 1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a.** Your “volunteer workers” only while performing duties related to the conduct of your business, or your “employees”, other than either your “executive officers” (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these “employees” or “volunteer workers” are insureds for:

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

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

(2) “Property damage” to property:

- (a)** Owned, occupied or used by;
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your “employees”, “volunteer workers”, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b.** Any person (other than your “employee” or “volunteer worker”), or any organization while acting as your real estate manager.

- c.** Any person or organization having proper temporary custody of your property if you die, but only:

- (1)** With respect to liability arising out of the maintenance or use of that property; and
- (2)** Until your legal representative has been appointed.

- d.** Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

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

- a.** Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b.** Coverage **A** does not apply to “bodily injury” or “property damage” that occurred before you acquired or formed the organization; and
- c.** Coverage **B** does not apply to “personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

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

SECTION III — LIMITS OF INSURANCE

- 1.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a.** Insureds;
- b.** Claims made or “suits” brought; or
- c.** Persons or organizations making claims or bringing “suits”.

- 2.** The General Aggregate Limit is the most we will pay for the sum of:

- a.** Medical expenses under Coverage **C**;
- b.** Damages under Coverage **A**, except damages because of “bodily injury” or “property damage” included in the “products-completed operations hazard”; and
- c.** Damages under Coverage **B**.

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

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

SECTION IV — COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.
 You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

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

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

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

b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of **Section I — Coverage A — Bodily Injury And Property Damage Liability.**
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

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

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

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

c. Method Of Sharing

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

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

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;

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

7. Separation Of Insureds

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

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

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

SECTION V — DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
 - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
 - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a.** A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b.** A sidetrack agreement;
- c.** Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** An elevator maintenance agreement;
- f.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

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

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

11. "Loading or unloading" means the handling of property:

- a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b.** While it is in or on an aircraft, watercraft or "auto"; or
 - c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;
- but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

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

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

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

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

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

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

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

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

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

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
22. "Your work":
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

ILLINOIS CHANGES — CANCELLATION AND NONRENEWAL

COMMERCIAL GENERAL LIABILITY
CG 02 00 01 18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART

- A. Cancellation** (Common Policy Conditions) is replaced by the following:

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. If we cancel:
 - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
 - b. For 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.
3. 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 to 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.
4. Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.
5. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
6. 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.

- B.** The following is added and supersedes any provision to the contrary:

Nonrenewal

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.

EXCLUSION — ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY — WITH LIMITED BODILY INJURY EXCEPTION

COMMERCIAL GENERAL LIABILITY
CG 21 06 05 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of **Section I — Coverage A — Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

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

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

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

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

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

“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 Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

This insurance does not apply to:

“Personal and advertising 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 “personal and advertising injury” to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

EXCLUSION — FUNERAL SERVICES

COMMERCIAL GENERAL LIABILITY
CG 21 56 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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 errors or omissions in the handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

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”, or the offense which caused the “personal and advertising injury”, involved errors or omissions in the handling, embalming, disposal, burial, cremation or disinterment of dead bodies.

FUNGI OR BACTERIA EXCLUSION

COMMERCIAL GENERAL LIABILITY
CG 21 67 12 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

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

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

COMMERCIAL GENERAL LIABILITY
CG 21 70 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- “Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

EXCLUSION — MEDICAL PAYMENTS TO CHILDREN DAY CARE CENTERS

COMMERCIAL GENERAL LIABILITY
CG 22 40 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following exclusion is added to paragraph 2., Exclusions of Coverage C — MEDICAL PAYMENTS (Section I — Coverages):

We will not pay expenses for “bodily injury” to any child enrolled in a day care center.

CORPORAL PUNISHMENT

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion a. of paragraph 2., Exclusions of COVERAGE A — BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I — Coverages) is replaced by the following:

This insurance does not apply to:

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

This exclusion does not apply to "bodily injury" resulting from:

- (1) The use of reasonable force to protect persons or property; or
- (2) Corporal punishment to your student administered by or at the direction of any insured.

OPERATION OF CUSTOMERS AUTOS ON PARTICULAR PREMISES

COMMERCIAL GENERAL LIABILITY
CG 22 68 09 97

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion g. of Paragraph 2., Exclusions of Coverage A — Bodily Injury And Property Damage Liability (Section I — Coverages) does not apply to any “customer’s auto” while on or next to those premises you own, rent or control that are used for any of the following businesses:

1. Auto Repair or Service Shops;
2. Car Washes;
3. Gasoline Stations;
4. Tire Dealers;
5. Automobile Quick Lubrication Services.

B. The following definition is added to the Definitions Section:

“Customer’s auto” means an “auto” on those premises for the purpose of receiving the services normally provided in connection with those businesses but does not include an “auto” owned by or rented or loaned to any insured.

ElitePac®
General Liability Extension Endorsement

COMMERCIAL GENERAL LIABILITY
CG 73 00 01 19

SUMMARY OF COVERAGES (including index)

This is a summary of the various additional coverages and coverage modifications provided by this endorsement. No coverage is provided by this summary. Refer to the actual endorsement (Pages 3-through-9) for changes affecting your insurance protection.

DESCRIPTION	PAGE FOUND
Additional Insureds - Primary and Non-Contributory Provision	Page 8
Blanket Additional Insureds - As Required By Contract	Page 5
<ul style="list-style-type: none">• Owners, Lessees or Contractors (includes Architects, Engineers or Surveyors)• Lessors of Leased Equipment• Managers or Lessors of Premises• Mortgagees, Assignees and Receivers• Any Other person or organization other than a joint venture• Grantors of Permits	
Broad Form Vendors Coverage	Page 7
Damage To Premises Rented To You (Including Fire, Lightning or Explosion)	Page 3
Electronic Data Liability (\$100,000)	Page 4
Employee Definition Amended	Page 9
Employees As Insureds Modified	Page 5
Employer's Liability Exclusion Amended (Not applicable in New York)	Page 3
Incidental Malpractice Exclusion modified	Page 7
Knowledge of Occurrence, Claim, Suit or Loss	Page 7
Liberalization Clause	Page 8
Mental Anguish Amendment (Not applicable to New York)	Page 9
Newly Formed or Acquired Organizations	Page 5
Non-Owned Aircraft	Page 3
Non-Owned Watercraft (under 60 feet)	Page 3
Not-for-profit Members - as additional insureds	Page 5
Personal And Advertising Injury - Discrimination Amendment (Not applicable in New York)	Page 8
Products Amendment (Medical Payments)	Page 4
Supplementary Payments Amended - Bail Bonds (\$5,000) and Loss of Earnings (\$1,000)	Page 4
Two or More Coverage Parts or Policies Issued By Us	Page 8
Unintentional Failure to Disclose Hazards	Page 8
Waiver of Transfer of Rights of Recovery (subrogation)	Page 8
When Two or More Coverage Parts of this Policy Apply to a Loss	Page 3

THIS PAGE IS INTENTIONALLY LEFT BLANK.

ElitePac®
General Liability Extension Endorsement

COMMERCIAL GENERAL LIABILITY
CG 73 00 01 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The **SECTIONS** of the Commercial General Liability Coverage Form identified in this endorsement will be amended as shown below. However, if **(a) two or more Coverage Parts of this policy, or (b) two or more forms or endorsements within the same Coverage Part apply to a loss**, coverage provision(s) with the broadest language will apply, unless specifically stated otherwise within the particular amendment covering that loss.

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

COVERAGES - Amendments

SECTION I - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

EXCLUSIONS

Employer's Liability Amendment

(This provision is not applicable in the State of New York).

The following is added to Exclusion **e. Employer's Liability** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**:

This exclusion also does not apply to any "temporary worker".

Non-Owned Aircraft, Auto or Watercraft

A. Paragraph **(2)** of Exclusion **g. Aircraft, Auto Or Watercraft** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is deleted in its entirety and replaced with the following:

(2) A watercraft you do not own that is:

- (a)** Less than 26 feet long and not being used to carry persons or property for a charge; or
- (b)** At least 26 feet, but less than 60 feet long, and not being used to carry persons or property for a charge. Any person is an insured who uses or is responsible for the use of such watercraft with your expressed or implied consent. However, if the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess, and subject to Condition **4. Other Insurance, b. Excess Insurance** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**.

B. The following is added to Exclusion **g. Aircraft, Auto Or Watercraft** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**:

This exclusion does not apply to:

- (6)** Any aircraft, not owned or operated by any insured, which is hired, chartered or loaned with a paid crew. However, if the insured has any other valid and collectible insurance for "bodily injury" or "property damage" that would be covered under this provision, or on any other basis, this coverage is then excess, and subject to Condition **4. Other Insurance, b. Excess Insurance** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**.

Damage To Premises Rented to You

A. The last paragraph of Paragraph **2. Exclusions** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE** is deleted in its entirety and replaced with the following:

Exclusions **c. through n.** do not apply to damage by fire, lightning or explosion to premises rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in **SECTION III - LIMITS OF INSURANCE**.

B. Paragraph 6. under **SECTION III - LIMITS OF INSURANCE** is deleted in its entirety and replaced with the following:

6. Subject to Paragraph 5. above, the most we will pay under **COVERAGE A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage caused by fire, lightning or explosion, while rented to you or temporarily occupied by you with permission of the owner, for all such damage caused by fire, lightning or explosion proximately caused by the same event, whether such damage results from fire, lightning or explosion or any combination of the three, is the amount shown in the Declarations for the Damage To Premises Rented To You Limit.

C. Paragraph a. of Definition 9. "Insured contract" under **SECTION V - DEFINITIONS** is deleted in its entirety and replaced with the following:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning or explosion to premises while rented to you or temporarily occupied by you with the permission of the owner is not an "insured contract";

Electronic Data Liability

A. Exclusion p. **Access or Disclosure Of Confidential Or Personal Information And Data-related Liability** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** is deleted in its entirety and replaced by the following:

p. **Access or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data" that does not result from physical injury to tangible property.

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

B. The following paragraph is added to **SECTION III - LIMITS OF INSURANCE**:

Subject to 5. above, the most we will pay under **COVERAGE A** for "property damage" because of all loss of "electronic data" arising out of any one "occurrence" is a sub-limit of \$100,000.

SECTION I - COVERAGE C MEDICAL PAYMENTS EXCLUSIONS

Any Insured Amendment

Exclusion a. **Any Insured** under **COVERAGE C MEDICAL PAYMENTS, 2. Exclusions** is deleted in its entirety and replaced with the following:

a. **Any Insured**

To any insured.

This exclusion does not apply to:

- (1) "Not-for-profit members";
- (2) "Golfing facility" members who are not paid a fee, salary, or other compensation; or
- (3) "Volunteer workers".

This exclusion exception does not apply if **COVERAGE C MEDICAL PAYMENTS** is excluded by another endorsement to this Coverage Part.

Product Amendment

Exclusion f. **Products-Completed Operations Hazard** under **COVERAGE C MEDICAL PAYMENTS, 2. Exclusions** is deleted in its entirety and replaced with the following:

f. **Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

This exclusion does not apply to "your products" sold for use or consumption on your premises, while such products are still on your premises.

This exclusion exception, does not apply if **COVERAGE C MEDICAL PAYMENTS** is excluded by another endorsement to this Coverage Part.

SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

Expenses For Bail Bonds And Loss Of Earnings

A. Subparagraph 1.b. under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B** is deleted in its entirety and replaced with the following:

b. Up to \$5,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

B. Subparagraph 1.d. under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B** is deleted in its entirety and replaced with the following:

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

SECTION II - WHO IS AN INSURED - Amendments

Not-for-Profit Organization Members

The following paragraph is added to **SECTION II - WHO IS AN INSURED**:

If you are an organization other than a partnership, joint venture, or a limited liability company, and you are a not-for-profit organization, the following are included as additional insureds:

1. Your officials;
2. Your trustees;
3. Your members;
4. Your board members;
5. Your commission members;
6. Your agency members;
7. Your insurance managers;
8. Your elective or appointed officers; and
9. Your "not-for-profit members".

However only with respect to their liability for your activities or activities they perform on your behalf.

Employees As Insureds Modified

- A. Subparagraph 2.a.(1)(a) under **SECTION II - WHO IS AN INSURED** does not apply to "bodily injury" to a "temporary worker" caused by a co-"employee" who is not a "temporary worker".
- B. Subparagraph 2.a.(2) under **SECTION II - WHO IS AN INSURED** does not apply to "property damage" to the property of a "temporary worker" or "volunteer worker" caused by a co-"employee" who is not a "temporary worker" or "volunteer worker".
- C. Subparagraph 2.a.(1)(d) under **SECTION II - WHO IS AN INSURED** does not apply to "bodily injury" caused by cardio-pulmonary resuscitation or first aid services administered by a co-"employee".

With respect to this provision only, Subparagraph (1) of Exclusion 2. e. **Employer's Liability** under **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply.

Newly Formed Or Acquired Organizations

- A. Subparagraph 3.a. under **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced with the following:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier. However, **COVERAGE A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization.

- B. The following paragraph is added to **SECTION II - WHO IS AN INSURED**, Paragraph 3:

If you are engaged in the business of construction of dwellings three stories or less in height, or other buildings three stories or less in height and less than 25,000 square feet in area, you will also be an insured with respect to "your work" only, for the period of time described above, for your liability arising out of the conduct of any partnership or joint venture of which you are or were a member, even if that partnership or joint venture is not shown as a Named Insured. However, this provision only applies if you maintain or maintained an interest of at least fifty percent in that partnership or joint venture for the period of that partnership or joint venture.

This provision does not apply to any partnership or joint venture that has been dissolved or otherwise ceased to function for more than thirty-six months.

With respect to the insurance provided by this provision, **Newly Formed or Acquired Organizations**, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY**, Paragraph 4. **Other Insurance**, Subparagraph b. **Excess Insurance**:

The insurance provided by this provision, **Newly Formed or Acquired Organizations**, is excess over any other insurance available to the insured, whether primary, excess, contingent or on any other basis.

(All other provisions of this section remain unchanged)

Blanket Additional Insureds - As Required By Contract

Subject to the **Primary and Non-Contributory** provision set forth in this endorsement, **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured:

- A. **Owners, Lessees or Contractors/Architects, Engineers and Surveyors**

1. Any person or organization for whom you are performing operations when you and such person or organization have agreed in a written contract, written agreement or written permit that such person or organization be added as an additional insured on your commercial general liability policy; and

2. Any other person or organization, including any architects, engineers or surveyors not engaged by you, whom you are required to add as an additional insured under your policy in the contract or agreement in Paragraph 1. above:

Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts of omissions of those acting on your behalf;

in the performance of your ongoing operations performed for the additional insured in Paragraph 1., above.

However, this insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services by or for you, including:

- a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
- b. Supervisory, inspection, architectural or engineering activities.

Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

A person or organization's status as an additional insured under this endorsement ends when your operations for the person or organization described in Paragraph 1. above are completed.

B. Other Additional Insureds

Any of the following persons or organizations with whom you have agreed in a written contract, written agreement or written permit that such persons or organizations be added as an additional insured on your commercial general liability policy:

1. Lessors of Leased Equipment

Any person or organization from whom you lease equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

2. Managers or Lessors of Premises

Any person or organization from whom you lease premises, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

This insurance does not apply to any "occurrence" which takes place after you cease to be a tenant of that premises.

3. Mortgagees, Assignees or Receivers

Any person or organization with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance or use of your premises.

This insurance does not apply to any "occurrence" which takes place after the mortgage is satisfied, or the assignment or receivership ends.

4. Any Person or Organization Other Than A Joint Venture

Any person or organization (other than a joint venture of which you are a member), but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts of omissions of those acting on your behalf in the performance of your ongoing operations or in connection with property owned by you.

5. State or Governmental Agency or Political Subdivision - Permits or Authorizations

Any state or governmental agency or subdivision or political subdivision, but only with respect to:

- a. Operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization; or
- b. The following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies:

- (1) The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures;
- (2) The construction, erection or removal of elevators; or
- (3) The ownership, maintenance or use of any elevators covered by this insurance.

This insurance does not apply to:

- (a) "Bodily injury" or "property damage" arising out of operations performed for the federal government, state or municipality; or
- (b) "Bodily injury" or "property damage" included within the "products-completed operations hazard".

With respect to Paragraphs 2. through 4., this insurance does not apply to structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

The provisions of this coverage extension do not apply unless the written contract or written agreement has been signed by the Named Insured or written permit issued prior to the "bodily injury" or "property damage" or "personal and advertising injury".

Broad Form Vendors Coverage

Subject to the **Primary and Non-Contributory** provision set forth in this endorsement, **SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person or organization (referred to below as vendor) for whom you have agreed in a written contract or written agreement to provide coverage as an additional insured under your policy. Such person or organization is an additional insured only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business. However, the insurance afforded the vendor does not apply to:

- a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement; however this exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- b. Any express warranty unauthorized by you;

- c. Any physical or chemical change in the product made intentionally by the vendor;
- d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product; or
- f. Products which, after distribution or sale by you, have been labeled or re-labeled or used as a container, part of ingredient of any other thing or substance by or for the vendor; however this insurance does not apply to any insured person or organization, from who you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

The provisions of this coverage extension do not apply unless the written contract or written agreement has been signed by the Named Insured prior to the "bodily injury" or "property damage".

Incidental Malpractice

Subparagraph 2.a.(1)(d) under **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced with the following:

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

This does not apply to nurses, emergency medical technicians or paramedics if you are not in the business or occupation of providing any such professional services.

This also does not apply to "bodily injury" caused by cardio-pulmonary resuscitation or first aid services administered by a co-"employee".

This provision does not apply if you are a Social Service or Senior Living risk.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS - Amendments

Knowledge Of Occurrence, Claim, Suit Or Loss

The following is added to Paragraph 2. **Duties in the Event of Occurrence, Offense, Claim or Suit** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The requirements under this paragraph do not apply until after the "occurrence" or offense is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;

3. An "executive officer" or insurance manager, if you are a corporation;
4. Your members, managers or insurance manager, if you are a limited liability company; or
5. Your elected or appointed officials, officers, members, trustees, board members, commission members, agency members, or your administrator or your insurance manager if you are an organization other than a partnership, joint venture, or limited liability company.

Primary and Non-Contributory Provision

The following is added to Paragraph **4. Other Insurance, b. Excess Insurance** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is primary to and we will not seek contribution from any other insurance available to an additional insured under this policy provided that:

- (1) The additional insured is a Named Insured under such other insurance; and
- (2) You have agreed in a written contract, written agreement or written permit that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

Unintentional Failure To Disclose Hazards

The following is added to Paragraph **6. Representations** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

However, if you should unintentionally fail to disclose any existing hazards in your representations to us at the inception date of the policy, or during the policy period in connection with any additional hazards, we shall not deny coverage under this Coverage Part based upon such failure to disclose hazards.

Waiver Of Transfer Of Rights Of Recovery

The following is added to Paragraph **8. Transfer of Rights Of Recovery Against Others To Us** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

We will waive any right of recovery we may have against a person or organization because of payments we make for "bodily injury" or "property damage" arising out of your ongoing operations or "your work" done under a written contract or written agreement and included in the "products-completed operations hazard", if:

1. You have agreed to waive any right of recovery against that person or organization in a written contract or written agreement;
2. Such person or organization is an additional insured on your policy; or

3. You have assumed the liability of that person or organization in that same contract, and it is an "insured contract".

The section above only applies to that person or organization identified above, and only if the "bodily injury" or "property damage" occurs subsequent to the execution of the written contract or written agreement.

Liberalization

The following condition is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If we revise this Coverage Part to provide more coverage without additional premium charge, subject to our filed company rules, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

Two or More Coverage Parts or Policies Issued By Us

(This provision is not Applicable in the state of New York or Wisconsin).

The following condition is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

It is our intention that the various coverage parts or policies issued to you by us, or any company affiliated with us, do not provide any duplication or overlap of coverage. We have exercised diligence to draft our coverage parts and policies to reflect this intention. However, if the facts and circumstances that will respond to any claim or "suit" give rise to actual or claimed duplication or overlap of coverage between the various coverage parts or policies issued to you by us or any company affiliated with us, the limit of insurance under all such coverage parts or policies combined shall not exceed the highest applicable limit under this coverage, or any one of the other coverage forms or policies.

This condition does not apply to any Excess or Umbrella policy issued by us specifically to apply as excess insurance over this coverage part or policy to which this coverage part is attached.

SECTION V - DEFINITIONS

Discrimination

(This provision does not apply in New York).

- A. The following is added to Definition **14. "Personal and advertising injury"**:

"Personal and advertising injury" also means "discrimination" that results in injury to the feelings or reputation of a natural person, however only if such "discrimination" or humiliation is:

1. Not done by or at the direction of:
 - a. The insured; or

b. Anyone considered an insured under **SECTION II - WHO IS AN INSURED;**

2. Not done intentionally to cause harm to another person.
3. Not directly or indirectly related to the employment, prospective employment or termination of employment of any person or persons by any insured.
4. Not arising out of any "advertisement" by the insured.

B. The following definition is added to SECTION V - DEFINITIONS:

"Discrimination" means:

- a. Any act or conduct that would be considered discrimination under any applicable federal, state, or local statute, ordinance or law;
- b. Any act or conduct that results in disparate treatment of, or has disparate impact on, a person, because of that person's race, religion, gender, sexual orientation, age, disability or physical impairment; or
- c. Any act or conduct characterized or interpreted as discrimination by a person based on that person's race, religion, gender, sexual orientation, age, disability or physical impairment.

It does not include acts or conduct characterized or interpreted as sexual intimidation or sexual harassment, or intimidation or harassment based on a person's gender.

Electronic Data

The following definition is added to **SECTION V - DEFINITIONS:**

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cell, data processing devices or any other media which are used with electronically controlled equipment. For the purpose of the Electronic Data Liability coverage provided by this endorsement, Definition 17. "Property damage" is deleted in its entirety and replaced by the following:

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

- b. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate "electronic data", resulting from physical injury to tangible property. All such loss of "electronic data" shall be deemed to occur at the time of the "occurrence" that caused it.

For the purpose of the Electronic Data Liability coverage provided by this endorsement, "electronic data" is not tangible property.

Employee Amendment

Definition 5. "Employee" under **SECTION V - DEFINITIONS** is deleted in its entirety and replaced by the following:

5. "Employee" includes a "leased worker", or a "temporary worker". If you are a School, "Employee" also includes a student teacher.

Golfing Facility

The following definition is added to **SECTION V - DEFINITIONS:**

"Golfing facility" means a golf course, golf club, driving range, or miniature golf course.

Mental Anguish Amendment

(This provision does not apply in New York).

Definition 3. "Bodily injury" under **SECTION V - DEFINITIONS** is deleted in its entirety and replaced with the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time. This includes mental anguish resulting from any bodily injury, sickness or disease sustained by a person. (In New York, mental anguish has been determined to be "bodily injury").

Not-for-profit Member

The following definition is added to **SECTION V - DEFINITIONS:**

"Not-for-profit member" means a person who is a member of a not-for-profit organization, including clubs and churches, who receives no financial or other compensation.

Schools ElitePac®

General Liability Extension Endorsement

COMMERCIAL GENERAL LIABILITY
CG 73 08 07 19

SUMMARY OF COVERAGES (including index)

This is a summary of the various additional coverages and coverage modifications provided by this endorsement. No coverage is provided by this summary. Refer to the actual endorsement (Pages 3-through-5) for changes affecting your insurance protection.

DESCRIPTION	PAGE FOUND
Additional Insured - Safety Patrols	Page 5
Employer's Liability Amendment (Not applicable in New York)	Page 3
Fellow Employee Provision	Page 4
Functional Additional Insureds	Page 4
Golf Amendments	
Golf and Tennis Pros As Additional Insureds	Page 5
Limited Property Damage - Golf Ball Damage	Page 3
Waiver of Transfer of Rights of Recovery - Golfing Facility	Page 5
Incidental Broadcasting and Publishing	Page 4
Incidental Medical Malpractice Exclusion modified	Page 5
Personal And Advertising Injury	
Civil Rights - Definition Amended	Page 5
Civil Rights - Exclusion Added	Page 4
Religious Acts	Page 5
Religious Communications	Page 6
Pollution Exclusion - Exception for Classroom Instruction Activities	Page 3
Supplementary Payments Amended	
Limited Legal Expense for Innocent Insureds (\$25,000) (Not applicable in New York)	Page 4
Temporary Liquor Law Liability	Page 3
When Two or More Coverage Parts of this Policy Apply to a Loss	Page 3

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Schools ElitePac® General Liability Extension Endorsement

COMMERCIAL GENERAL LIABILITY
CG 73 08 07 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies the insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The **SECTIONS** of the Commercial General Liability Coverage Form identified in this endorsement will be amended as shown below. However, **if (a) two or more Coverage Parts of this policy, or (b) two or more forms or endorsements within the same Coverage Part apply to a loss**, only the broadest coverage of this policy will apply, unless specifically stated otherwise within the particular amendment covering that loss.

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

COVERAGES - Amendments

SECTION I - COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

COVERAGE EXTENSION

Limited Property Damage - Golf Ball Damage

If you operate a "golfing facility", Paragraph **1. Insuring Agreement** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is amended to include the following:

"Property damage" to any property not owned by you, caused by golf balls originating from your premises, regardless of your legal liability for the damage. The most we will pay under this extension is a sub-limit of \$2,500 per "occurrence". No deductible applies to loss under this extension.

EXCLUSIONS

Employer's Liability Amendment

(This provision is not applicable in the State of New York).

The following is added to Exclusion **e. Employer's Liability** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**:

This exclusion also does not apply to any "temporary worker" or "volunteer worker".

Pollution - Exception For Classroom Instruction Activities

A. The following is added to Subparagraph **(1)(a)** of Exclusion **f. Pollution** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**:

However, this exclusion does not apply to "bodily injury" or "property damage" that is caused, in whole or in part, by activities usual to classroom instruction on premises you own or rent.

B. When **Total Pollution Exclusion** endorsement, **CG 21 55** or **CG 21 65** is made a part of this policy, Paragraph **A.** above does not apply and the following is added to Paragraph **(1)** of Exclusion **f. Pollution** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions** as amended by either endorsement **CG 21 55** or **CG 21 65**:

However, this exclusion does not apply to "bodily injury" or "property damage" that is caused, in whole or in part, by activities usual to classroom instruction on premises you own or rent.

The most we will pay under this exclusion exception, **Pollution - Exception For Classroom Instruction Activities**, is a sub-limit of \$50,000.

Temporary Liquor Liability

The following is added to Exclusion **c. Liquor Liability** under **COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions**:

This exclusion does not apply to "bodily injury" or "property damage" arising out of the selling, serving, or furnishing of alcoholic beverages at any specific function or activity which is held for 10 consecutive days or less for which you:

1. Are not required by state or local law/regulation to secure or maintain an alcoholic beverage permit or license; or
2. Are required by state or local law/regulation to secure or maintain only a temporary (valid for 10 days or less) alcoholic beverage permit or license.

SECTION I - COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

EXCLUSIONS

Incidental Broadcasting and Publishing

Exclusion j. **Insureds In Media And Internet Type Businesses** under **COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions** is deleted in its entirety.

Civil Rights

The following exclusion is added to **COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions**:

This insurance does not apply to "personal and advertising injury" arising out of the violation of any municipal, state or federal Civil Rights law, regulation or ordinance, whether actual or alleged:

- (a) If caused, in whole or in part by, any dishonest, fraudulent, criminal or malicious act committed by or with the knowledge of an insured; or
- (b) If the insured has waived any immunity to which they would otherwise have been entitled under the law, however this exclusion does not apply if the company gave prior written approval of such waiver of immunity to any insured.

SECTION I - SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

Limited Legal Expense for Innocent Insureds

(This provision does not apply in the state of New York).

The following is added under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**:

- 3. We will reimburse you, at your request, for reasonable and necessary defense costs that you incur, excluding any fines or penalties, in the defense of an "employee" who is directly involved in a criminal proceeding, but only if:
 - a. The acts out of which such criminal charges arise are alleged to have:
 - (1) Arose out of and in the course of your employment of the "employee"; and
 - (2) Taken place during the policy period and in the "coverage territory"; and
 - b. All the criminal charges are either dismissed with prejudice or your "employee" is found not guilty of all criminal charges by a court of law.

The most we will reimburse you for under this provision, **Limited Legal Expense for Innocent Insureds**, is a sub-limit of \$25,000, subject to an aggregate limit of \$25,000 for all reimbursements that we make during the policy period on behalf of all "employees", regardless of the

number of "employees", claims or "suits" brought or persons or organizations making claims or bringing "suits".

SECTION II - WHO IS AN INSURED - Amendments

Functional Additional Insureds

A. SECTION II - WHO IS AN INSURED is amended to include as additional insureds:

- 1. Your officials;
- 2. Your trustees;
- 3. Your members;
- 4. Your commission members;
- 5. Your agency members;
- 6. Your school board and its members;
- 7. Your elective or appointed officers;
- 8. Your insurance managers;

However, each only with respect to their liability for your activities or activities they perform on your behalf.

B. For any insured that is a school, school system or school board, SECTION II - WHO IS AN INSURED is amended to include the following as additional insureds:

- 1. Any full time consultants acting as School Administrators and/or School Superintendents;
- 2. Any organization affiliated with and supporting the school such as Parent Teacher Associations, Alumni Associations or Booster Clubs; and
- 3. The officers and members of such organizations.

However, each only with respect to their liability for your authorized activities or activities they perform on behalf of and authorized by the school.

With respect to the insurance provided by this Paragraph **B.**, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY, Paragraph 4. Other Insurance, Subparagraph b. Excess Insurance**:

The insurance provided by this Paragraph **B.** is excess over any other insurance available to the insured, whether primary, excess, contingent or on any other basis.

Fellow Employee Provision

Subparagraphs **2.a.(1)(a), (b)** and **(c)** under **SECTION II - WHO IS AN INSURED** do not apply to "bodily injury".

With respect to this provision only, Subparagraph (1) of Exclusion **2.e. Employer's Liability** under **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply.

Incidental Medical Malpractice Modified

Subparagraph **2.a.(1)(d)** under **SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced with the following:

- (d) Arising out of his or her providing or failing to provide professional health care services. This does not apply to school nurses, school psychologists, psychometric counselors, occupational or physical therapists, hearing and speech therapists, athletic trainers, emergency medical technicians or paramedics if the named insured is not in the business or occupation of providing any such professional services.

Additional Insured - Safety Patrols

SECTION II - WHO IS AN INSURED is amended to include as additional insureds:

Any of your students who are members of a safety patrol organized or operated by you, but only for "bodily injury" or "property damage" that occurs while performing duties related to the conduct of such safety patrol. The parent or legal guardian of such student is also an additional insured, but only with respect to his or her liability as a parent or legal guardian because of "bodily injury" or "property damage" arising out of the operation of such safety patrol.

With respect to the insurance provided by this provision, **Additional Insured - Safety Patrols**, the following is added to **SECTION IV - COMMERCIAL GENERAL LIABILITY**, Paragraph 4. **Other Insurance**, Subparagraph **b. Excess Insurance**:

The insurance provided by this provision, **Additional Insured - Safety Patrols**, is excess over any other insurance available to the insured, whether primary, excess, contingent or on any other basis.

Golf or Tennis Pros As Additional Insureds

The following is added to **SECTION II - WHO IS AN INSURED**:

If you operate a "golfing facility", any golf or tennis pros are additional insureds. Golf or tennis pros means any person, other than your "employees", whose primary responsibilities include golf or tennis instruction or operation of a golf or tennis pro shop, however only with respect to their liability for your activities, or activities they perform on your behalf, or their liability for the maintenance, use or operation of golf or tennis pro shop premises you lease to them.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS - Amendments

Waiver of Transfer of Rights of Recovery - Golfing Facility

The following is added to Paragraph 8. **Transfer of Rights Of Recovery Against Others To Us** under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If you operate a "golfing facility", we will waive any right of recovery we may have against any of your members or their guests because of payments we make for "bodily injury" or "property damage" arising out of their actions at your premises to which this Coverage Part applies. However, this provision does not apply to "bodily injury" or "property damage" that is expected or intended by your member or their guest.

SECTION V - DEFINITIONS

Civil Rights

The following is added to Definition 14. "Personal and Advertising Injury" under **SECTION V - DEFINITIONS**:

- (h) Violation of any municipal, state or federal Civil Rights law, regulation or ordinance, whether actual or alleged, by any school; excluding any fines levied in connection with such violations.

Religious Act(s) and Communication(s)

If you are a faith-based school or operate a religious institution, the following changes apply to **SECTION V - DEFINITIONS**:

- A. The following is added to Definition 14. "Personal and advertising injury":

"Personal and advertising injury" also means injury to the feelings or reputation of a natural person resulting from "religious act(s)" or "religious communication(s)", however only if such "religious act(s)" or "religious communication(s)" was:

1. Not done by or at the direction of any insured intentionally to cause harm to another person;
2. Not directly or indirectly related to the employment, prospective employment or termination of employment of any person or persons by any insured; or
3. Not arising out of any "advertisement" by any insured.

- B. The following definitions are added:

"Religious Act(s)" means an action in support or furtherance of, or in adherence to, the religious or spiritual beliefs of your organization. It does not include "religious communication(s)", "personal religious counseling", or "wrongful act(s)".

Each, every and all “interrelated” “religious act(s)” together with each, every and all claims or “suits” based on and arising out of the “interrelated” “religious act(s)” shall be considered to be a single “religious act” falling within the policy period in which the first of such “religious act(s)” or “interrelated” “religious act(s)” occurs.

“Religious communication(s)” means a spoken or written religious or spiritual message, prayer, sermon, inspiration or insight by any insured intended for delivery to more than two individuals. It does not include “personal religious counseling”, “religious act(s)” or “wrongful act(s)”.

“Interrelated” means acts that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes.

“Personal religious counseling” means counseling activities provided by you or by others for whom you are legally liable to ten or fewer persons. It does not include “religious act(s)”, “religious communication(s)” or “wrongful act(s)”.

“Wrongful act(s)” means:

- a. Any actual or alleged act, error or omission by your appointed or elected officers, directors, trustees or members of your board of governors or similar governing body, in the discharge of their official duties for you; or
- b. Any actual or alleged act, error or omission, by any insured in carrying out their official duties as directed by any of the individual(s) identified in Paragraph **a.** above.

“Wrongful act(s)” does not include “religious act(s)”, “religious communication(s)”, or “personal religious counseling”.

COLLEGES OR SCHOOLS (LIMITED FORM)

COMMERCIAL GENERAL LIABILITY
CG 74 00 07 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

With respect to the operation of any college or school by you or on your behalf, the following provisions apply:

- A.** With respect to the transportation of students, Exclusion **g.** of Paragraph **2. Exclusions of Section I -Coverage A -Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- g.** "Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any aircraft, "auto" or watercraft that is owned, operated or hired by any insured. For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned, operated or hired by any insured.

- B.** The following exclusions are added to **Section I -Coverage A -Bodily Injury And Property Damage Liability** and **Section I -Coverage B -Personal And Advertising Injury Liability**:

- 1.** If the college or school owns or operates a public clinic or hospital, with respect to such public clinic or hospital, this insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" caused by:

- a.** The rendering of or failure to render:

- (1)** Medical, surgical, dental, X-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;

- (2)** Any health or therapeutic service, treatment, advice or instruction; or

- (3)** Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

- b.** The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or

- c.** The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

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", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph **a.**, **b.** or **c.**

- 2.** This insurance does not apply to "bodily injury" to any person while practicing for or participating in any sports or athletic contest or exhibition if there is no direct management, organization or supervision of such sports or athletic contest or exhibition by any insured.

- C.** The following exclusion is added to **Section I -Coverage C -Medical Payments**:

We will not pay expenses for "bodily injury" to your student.

- D.** **Section II -Who Is An Insured** is amended to include as an insured any of the following but only with respect to their duties in connection with the positions described below:

- 1.** Any of your trustees or members of your Board of Governors if you are a private charitable or educational institution;
- 2.** Any of your board members or commissioners if you are a public board or commission; or
- 3.** Any student teachers teaching as part of their educational requirements.

GENERAL AGGREGATE LIMIT PER PROJECT

COMMERCIAL GENERAL LIABILITY
CG 79 97 11 16

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The General Aggregate Limit under **SECTION III — Limits Of Insurance** applies separately to each of your projects away from premises owned by or rented to you.

ABUSE OR MOLESTATION LIABILITY COVERAGE EXCLUSION

COMMERCIAL GENERAL LIABILITY
CG 80 29 06 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. The following exclusion is added to **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY 2. Exclusions:**

"Bodily injury" or "property damage" arising from or related to:

- (1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

- (2) The insured's:

- (a) Hiring;
- (b) Training;
- (c) Investigation;
- (d) Supervision;
- (e) Reporting to the proper authorities, or failure to so report; or
- (f) Retention;

of any "employee", volunteer, student-in-training or any other person or persons who commit or allegedly commit acts of physical or mental abuse of a sexual nature, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

- (3) The insured's:

- (a) Design;
- (b) Control;
- (c) Maintenance;
- (d) Supervision;
- (e) Inspection; or
- (f) Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

- (4) The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

- (5) The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, by any "employee", volunteer, student-in-training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured;

B. The following exclusion is added to **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY 2. Exclusions:**

"Personal and advertising injury" arising from or related to:

- (1) Each, every and all actual, threatened or alleged acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct; or

- (2) The insured's:

- (a) Hiring;
- (b) Training;
- (c) Investigation;
- (d) Supervision;
- (e) Reporting to the proper authorities, or failure to so report; or
- (f) Retention;

of any "employee", volunteer, student-in-training or any other person or persons who commit or allegedly commit acts of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct, and for whom the insured is or ever was legally responsible; or

(3) The insured's:

- (a)** Design;
- (b)** Control;
- (c)** Maintenance;
- (d)** Supervision;
- (e)** Inspection; or
- (f)** Investigation of prospective tenants

of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any act of physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or

- (4)** The insured's failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct; or
- (5)** The insured's liability for physical or mental abuse, sexual abuse, sexual molestation or sexual misconduct, including physical or mental abuse arising from or related to such conduct by any "employee", volunteer, student-in-training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured;

All other terms and conditions of the coverage form remain unchanged.

Policy Number
S 1987838

Policy Effective Date: JULY 1, 2021	Coverage Effective Date: JULY 1, 2021
Business of Named Insured: PUBLIC SCHOOL SYSTEM	
Insurance is provided only for those coverages which are shown in the following coverage schedule.	

Coverage Form	Coverage	Limit	Deductible
	INSIDE THE PREMISES-ROBBERY/SAFE BURG OTHER PROP	\$25,000	\$500
	INSIDE THE PREMISES-THEFT OF MONEY AND SECURITIES	SEE CR3512	\$500
	OUTSIDE THE PREMISES	\$25,001	\$500

(This premium may be)
(subject to adjustemnt.)

INCREASE LIMIT OF INSURANCE FOR SPECIFIED PERIODS

POLICY NUMBER: S 1987838

COMMERCIAL CRIME
CR 35 24 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

Insuring Agreement

- ☒ Inside the Premises — Theft of Money and Securities
- ☐ Inside the Premises — Robbery or Safe Burglary of Other Property
- ☐ Outside the Premises
- ☐ Inside the Premises — Theft of Other Property
- ☐ Inside the Premises — Robbery or Burglary of Other Property
- ☐ Inside the Premises — Robbery or Safe Burglary of Money and Securities

A. Schedule*

Address Of Premises

350 N ILLINOIS AVE
MORTON, IL 61550

Designated Period (12:01 A.M. for each date)

From:	To:	Insuring Agreement
07/15/2021	08/15/2021	

Limit Of Insurance
\$90,000

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

B. Provisions

1. The Limit of Insurance is increased for the designated period shown in the Schedule. However, the amount by which the Limit is increased

applies only to loss discovered by you before the end by you before the end of the period of time provided in the Extended Period to Discover Loss Condition, after the designated period shown in the Schedule.

INCREASE LIMIT OF INSURANCE FOR SPECIFIED PERIODS

POLICY NUMBER: S 1987838

COMMERCIAL CRIME
CR 35 24 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

Insuring Agreement

- ☐ Inside the Premises — Theft of Money and Securities
- ☐ Inside the Premises — Robbery or Safe Burglary of Other Property
- ☒ Outside the Premises
- ☐ Inside the Premises — Theft of Other Property
- ☐ Inside the Premises — Robbery or Burglary of Other Property
- ☐ Inside the Premises — Robbery or Safe Burglary of Money and Securities

A. Schedule*

Address Of Premises

350 N ILLINOIS AVE
MORTON, IL 61550

Designated Period (12:01 A.M. for each date)

From:	To:	Insuring Agreement
07/15/2021	08/15/2021	

Limit Of Insurance
\$90,000

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

B. Provisions

1. The Limit of Insurance is increased for the designated period shown in the Schedule. However, the amount by which the Limit is increased

applies only to loss discovered by you before the end by you before the end of the period of time provided in the Extended Period to Discover Loss Condition, after the designated period shown in the Schedule.

GOVERNMENT CRIME COVERAGE FORM (LOSS SUSTAINED FORM)

CRIME AND FIDELITY
CR 00 25 05 06

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is or 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 special meaning. Refer to Section F. Definitions.

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition E.1.j. or E.1.k., which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.f.:

1. Employee Theft — Per Loss Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Employee Theft — Per Employee Coverage

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by each "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

3. 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 are:

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

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

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

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

- b. If you are sued for refusing to pay any instrument covered in Paragraph 3.a., 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. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

4. Inside The Premises — Theft Of Money And Securities

- a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

(1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or

(2) Resulting directly from disappearance or destruction.

- b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

- c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

5. Inside The Premises — Robbery Or Safe Burglary Of Other Property

- a. We will pay for loss of or damage to "other property":
 - (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
 - (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".
- b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.
- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

6. Outside The Premises

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

7. Computer Fraud

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 the "premises" or "banking premises":

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

8. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

9. 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.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

- 1. This insurance does not cover:

a. Acts Committed By You

Loss resulting from "theft" or any other dishonest act committed by you, whether acting alone or in collusion with other persons.

b. Acts Of Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this insurance and you or any of your officials, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Of Officials, Employees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your officials, "employees" or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement **A.1.** or **A.2.**

d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

e. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

f. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) 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.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

g. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement **A.3.**

h. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

i. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of 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.

j. War And Similar Action

Loss or damage resulting from:

- (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.

2. Insuring Agreements A.1. and A.2. do not cover:

a. Bonded Employees

Loss caused by any "employee" required by law to be individually bonded.

b. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

c. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

d. Treasurers Or Tax Collectors

Loss caused by any treasurer or tax collector by whatever name known.

3. Insuring Agreements A.4., A.5. and A.6. do not cover:

a. Accounting Or Arithmetical Errors Or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. Money Operated Devices

Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":

- (a) On the basis of unauthorized instructions;
 - (b) As a result of a threat to do bodily harm to any person;
 - (c) As a result of a threat to do damage to any property;
 - (d) As a result of a threat to introduce a denial of service attack into your computer system;
 - (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
 - (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
 - (g) As a result of a threat to disseminate, divulge or utilize:
 - (i) Your confidential information; or
 - (ii) Weaknesses in the source code within your computer system.
- (2) But, this Exclusion does not apply under Insuring Agreement A.6. to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:
- (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement A.7. does not cover:

a. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

b. Funds Transfer Fraud

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

c. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

5. Insuring Agreement A.8. does not cover:

COMPUTER FRAUD

Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. Conditions

The following Conditions apply in addition to the Common Policy Conditions:

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation Or Fraud

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

- (1) This insurance;
- (2) The property covered under this insurance;
- (3) Your interest in the property covered under this insurance; or
- (4) A claim under this insurance.

c. Cooperation

You must cooperate with us in all matters pertaining to this insurance as stated in its terms and conditions.

d. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement A.1., A.2. or A.3.) involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days.
- (5) Cooperate with us in the investigation and settlement of any claim.

e. Employee Benefit Plans

- (1) The employee benefit plans shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.** or **A.2.**
- (2) Any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (3) The Deductible Amount applicable to Insuring Agreement **A.1.** or **A.2.** does not apply to loss sustained by any Plan.

f. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this insurance, which is "discovered" by you no later than 1 year from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

g. Joint Insured

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured or official of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.

- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you no later than 1 year from the date of that cancellation.

However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.
- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an employee benefit plan, shall fully release us on account of such loss.

h. Legal Action Against Us

You may not bring any legal action against us involving loss:

- (1) Unless you have complied with all the terms of this insurance;
- (2) Until 90 days after you have filed proof of loss with us; and
- (3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

i. Liberalization

If we adopt any revision that would broaden the coverage under this insurance without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this insurance.

j. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Insurance And Partly During Prior Insurance

If you “discover” loss during the Policy Period shown in the Declarations, resulting directly from an “occurrence” taking place:

- (a)** Partly during the Policy Period shown in the Declarations; and
- (b)** Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this insurance became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you “discover” loss during the Policy Period shown in the Declarations, resulting directly from an “occurrence” taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

- (a)** This insurance became effective at the time of cancellation of the prior insurance; and
- (b)** The loss would have been covered under this insurance had it been in effect at the time of the “occurrence”.

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

(3) In settling loss subject to this Condition:

- (a)** The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior insurance issued by us.
- (b)** We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this insurance. If no loss was sustained under this insurance, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this insurance, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

- (4)** The following examples demonstrate how we will settle losses subject to this Condition **E.1.j.:**

EXAMPLE NO. 1:

The insured sustained a covered loss of \$10,000 resulting directly from an “occurrence” taking place during the terms of Policy **A** and Policy **B**.

POLICY A

The current policy. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

POLICY B

Issued prior to Policy **A**. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

The amount of loss sustained under Policy **A** is \$2,500 and under Policy **B** is \$7,500.

The highest single Limit of Insurance applicable to this entire loss is \$50,000 written under Policy A. The Policy A Deductible Amount of \$5,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$2,500) is settled first. The amount we will pay is nil (\$0.00) because the amount of loss is less than the Deductible Amount (i.e., \$2,500 loss - \$5,000 deductible = \$0.00).
2. The remaining amount of loss sustained under Policy B (\$7,500) is settled next. The amount recoverable is \$5,000 after the remaining Deductible Amount from Policy A of \$2,500 is applied to the loss (i.e., \$7,500 loss - \$2,500 deductible = \$5,000).

The most we will pay for this loss is \$5,000.

EXAMPLE NO. 2:

The insured sustained a covered loss of \$250,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

POLICY A

The current policy. Written at a Limit of Insurance of \$125,000 and a Deductible Amount of \$10,000.

POLICY B

Issued prior to Policy A. Written at a Limit of Insurance of \$150,000 and a Deductible Amount of \$25,000.

The amount of loss sustained under Policy A is \$175,000 and under Policy B is \$75,000.

The highest single Limit of Insurance applicable to this entire loss is \$150,000 written under Policy B. The Policy A Deductible Amount of \$10,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$175,000) is settled first. The amount we will pay is the Policy A Limit of \$125,000 because \$175,000 loss - \$10,000 deductible = \$165,000 which is greater than the \$125,000 policy limit.
2. The remaining amount of loss sustained under Policy B (\$75,000) is settled next. The amount we will pay is \$25,000 (i.e., \$150,000 Policy B limit - \$125,000 paid under Policy A = \$25,000).

The most we will pay for this loss is \$150,000.

EXAMPLE NO. 3:

The insured sustained a covered loss of \$2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies A, B, C and D.

POLICY A

The current policy. Written at a Limit of Insurance of \$1,000,000 and a Deductible Amount of \$100,000.

POLICY B

Issued prior to Policy A. Written at a Limit of Insurance of \$750,000 and a Deductible Amount of \$75,000.

POLICY C

Issued prior to Policy B. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

POLICY D

Issued prior to Policy C. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

The amount of loss sustained under Policy A is \$350,000, under Policy B is \$250,000, under Policy C is \$600,000 and under Policy D is \$800,000.

The highest single Limit of Insurance applicable to this entire loss is \$1,000,000 written under Policy A. The Policy A Deductible Amount of \$100,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy **A** (\$350,000) is settled first. The amount we will pay is \$250,000 (i.e., \$350,000 loss - \$100,000 deductible = \$250,000).
2. The amount of loss sustained under Policy **B** (\$250,000) is settled next. The amount we will pay is \$250,000 (no deductible is applied).
3. The amount of loss sustained under Policy **C** (\$600,000) is settled next. The amount we will pay is \$500,000, the policy limit (no deductible is applied).
4. We will not make any further payment under Policy **D** as the maximum amount payable under the highest single Limit of Insurance applying to the loss of \$1,000,000 under Policy **A** has been satisfied.

The most we will pay for this loss is \$1,000,000.

k. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

- (1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the policy period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this insurance, provided:
 - (a) This insurance became effective at the time of cancellation of the prior insurance; and
 - (b) The loss would have been covered under this insurance had it been in effect at the time of the "occurrence".

(2) In settling loss subject to this Condition:

- (a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this insurance or was written under the prior cancelled insurance.
- (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the cancelled insurance.

(3) The insurance provided under this Condition is subject to the following:

- (a) If loss covered under this Condition is also partially covered under Condition **E.1.j.**, the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition **E.1.j.**
- (b) For loss covered under this Condition that is not subject to Paragraph **(3)(a)**, the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this insurance and is limited to the lesser of the amount recoverable under:
 - (i) This insurance as of its effective date; or
 - (ii) The prior cancelled insurance had it remained in effect.

l. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this insurance, our obligations are limited as follows:

(1) Primary Insurance

When this insurance is written as primary insurance, and:

(a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.

(b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:

(i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

(ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this insurance.

(2) Excess Insurance

(a) When this insurance is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this insurance.

(b) However, if loss covered under this insurance is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

m. Ownership Of Property; Interests Covered

The property covered under this insurance is limited to property:

(1) That you own or lease; or

(2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

n. Records

You must keep records of all property covered under this insurance so we can verify the amount of any loss.

o. Recoveries

(1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:

(a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;

(b) Second, to us in satisfaction of amounts paid in settlement of your claim;

(c) Third, to you in satisfaction of any Deductible Amount; and

(d) Fourth, to you in satisfaction of any loss not covered under this insurance.

(2) Recoveries do not include any recovery:

(a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(b) Of original "securities" after duplicates of them have been issued.

p. Territory

This insurance covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions) and Puerto Rico.

q. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

r. Valuation — Settlement

(1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

(a) Loss of “money” but only up to and including its face value.

(b) Loss of “securities” but only up to and including their value at the close of business on the day the loss was “discovered”. We may, at our option:

(i) Pay the market value of such “securities” or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those “securities”; or

(ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the “securities”. However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

i. Market value of the “securities” at the close of business on the day the loss was “discovered”; or

ii. The Limit of Insurance applicable to the “securities”.

(c) Loss of or damage to “other property” or loss from damage to the “premises” or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:

(i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;

(ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or

(iii) The Limit of Insurance applicable to the lost or damaged property.

With regard to Paragraphs **r.(1)(c)(i)** through **r.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:

i. Until the lost or damaged property is actually repaired or replaced; and

ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.

(2) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreements A.1. And A.2.

a. Indemnification

We will indemnify any of your officials who are required by law to give individual bonds for the faithful performance of their duties against loss through “theft” committed by “employees” who serve under them, subject to the applicable Limit of Insurance.

b. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

(1) As soon as:

(a) You; or

(b) Any of your officials or employees authorized to manage, govern or control your "employees" not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

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

c. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition **E.1.p.** for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.3.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.3.**

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.3.**

4. Conditions Applicable To Insuring Agreements A.5. And A.6.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.6.**, we will only pay for the amount of loss you cannot recover:

(1) Under your contract with the armored motor vehicle company; and

(2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.7.

a. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.7.**

F. Definitions

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means you, or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.
4. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this insurance has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this insurance.

5. "Employee":

a. "Employee" means:

(1) Any natural person:

- (a) 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";
- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

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

(b) To meet seasonal or short-term work load 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";

(3) 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 **a.(2)**;

(4) Any natural person who is:

(a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any employee benefit plan(s); and

(b) An official of yours while that person is engaged in handling "funds" or "other property" of any employee benefit plan;

(5) Any natural person who is a former official, "employee" or trustee retained as a consultant while performing services for you; or

(6) 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".

b. "Employee" does not mean any agent, independent contractor or representative of the same general character not specified in Paragraph **5.a**.

6. "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.

7. "Fraudulent instruction" means:
- An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - A written instruction (other than those described in Insuring Agreement **A.3.**) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
 - An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
8. "Funds" means "money" and "securities".
9. "Messenger" means you or any "employee" while having care and custody of property outside the "premises".
10. "Money" means:
- Currency, coins and bank notes in current use and having a face value; and
 - Travelers checks, register checks and money orders held for sale to the public.
11. "Occurrence" means:
- Under Insuring Agreement **A.1.:**
 - An individual act;
 - The combined total of all separate acts whether or not related; or
 - 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, except as provided under Condition **E.1.j.** or **E.1.k.**
 - Under Insuring Agreement **A.2.:**
 - An individual act;
 - The combined total of all separate acts whether or not related; or
 - 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, except as provided under Condition **E.1.j.** or **E.1.k.**
 - Under All Other Insuring Agreements:
 - An individual act or event;
 - The combined total of all separate acts or events whether or not related; or
 - 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, except as provided under Condition **E.1.j.** or **E.1.k.**
12. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.
13. "Premises" means the interior of that portion of any building you occupy in conducting your business.

14. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:

- a.** Caused or threatened to cause that person bodily harm; or
- b.** Committed an obviously unlawful act witnessed by that person.

15. "Safe burglary" means the unlawful taking of:

- a.** Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
- b.** A safe or vault from inside the "premises".

16. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:

- a.** Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

17. "Theft" means the unlawful taking of property to the deprivation of the Insured.

18. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":

- a.** By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
- b.** By means of written instructions (other than those described in Insuring Agreement **A.3.**) establishing the conditions under which such transfers are to be initiated by such financial institutions through an electronic funds transfer system.

19. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

ILLINOIS CHANGES

CRIME AND FIDELITY
CR 02 02 01 18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM
KIDNAP/RANSOM AND EXTORTION POLICY

A. The **Cancellation Common Policy Condition or the **Cancellation Of Policy** Condition is replaced by the following:**

- (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 written notice stating the reason for cancellation at your last mailing address known to us. 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:
 - (i) 30 days prior to the effective date of cancellation if the Policy has been in effect for 60 days or less.
 - (ii) 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 to 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) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- (6) 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.
- (7) Notification of cancellation will also be sent to your broker, if known, or agent of record, if known.

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

Nonrenewal

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.

- C. Under the Commercial Crime Coverage Form, Commercial Crime Policy, Government Crime Coverage Form, Government Crime Policy, Employee Theft And Forgery Policy and Government Employee Theft And Forgery Policy, the **Legal Action Against Us** Condition is replaced by the following:

Legal Action Against Us

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this insurance;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you "discover" the loss. But we will extend this two-year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

- D. Under the Kidnap/Ransom And Extortion Coverage Form and Kidnap/Ransom And Extortion Policy, the **Legal Action Against Us** Condition is replaced by the following:

Legal Action Against Us

You may not bring any legal action against us involving loss:

1. Unless you have complied with all the terms of this insurance;
2. Until 90 days after you have filed proof of loss with us; and
3. Unless brought within two years from the date you reported the loss to us. But we will extend this two-year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

Schools Crime ElitePac® Endorsement

CRIME AND FIDELITY
CR 79 30 01 16

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
GOVERNMENT CRIME COVERAGE FORM

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

The Crime Coverage Form made a part of this policy is amended as follows:

- A.** Coverage is provided only for the following Insuring Agreements:
- 1.** Inside The Premises - Theft of Money and Securities with a limit of \$25,000 or the limit shown in the Declarations.
 - 2.** Inside The Premises - Robbery Or Safe Burglary Of Other Property with a limit of \$25,000 or the limit shown in the Declarations.
 - 3.** Outside The Premises with a limit of \$25,000 or the limit shown in the Declarations.

Previous Policy Number

S 1987838

Policy Number:

S 1987838

SCHOOL BOARD LEGAL LIABILITY INSURANCE COVERAGE DECLARATIONS

THIS POLICY PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ THE ENTIRE FORM CAREFULLY.

Educational Entity: MORTON COMMUNITY UNIT SCHOOL

Producer Name: JAMES UNLAND & COMPANY INC

Item 1. and Item 2.

Named Insured and Address

MORTON COMMUNITY UNIT SCHOOL
1050 S 4TH AVE
MORTON, IL 61550-2526

Item 3.

Policy Period:

From: 07-01-2021

To: 07-01-2022

12:01 A.M. Standard Time At
{your} Mailing Address Above.

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

Item 4.

Limits of Insurance:

Per {Claim} Limit: \$1,000,000

Aggregate Limit: \$1,000,000

Item 5.

Deductible: \$5,000

Per {Claim}

Item 6.

Retroactive Date: 07-01-2004

Item 7.

Premium:

Minimum Premium:

Item 8.

Endorsements Attached to this Coverage:

Refer to **{Commercial Policy Forms and Endorsement Schedule}**

COUNTERSIGNED BY: _____

(Authorized Representative)

DATE: _____

EDUCATORS LEGAL NON-MONETARY SUIT DEFENSE COSTS ENDORSEMENT

POLICY NUMBER: S 1987838

SCHOOL BOARD LEGAL LIABILITY
SC 18 00 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

The following modifies Paragraph 1. **COVERAGE A — EDUCATORS LEGAL LIABILITY** of **A. Insuring Agreement** in **SECTION I — COVERAGE:**

Subject to the following conditions, we will provide “defense costs” for any written demand against the insured seeking non-monetary relief, including injunctive relief, for a “wrongful act” which is otherwise covered by the Policy:

- a. The written demand is first made against the insured during the “Policy Period”, and received by us during the “Policy Period” or within sixty (60) days thereafter.
- b. The limit of our liability for such costs and fees shall not exceed a Sub-Limit of \$100,000 per “claim” and a Sub-Limit of \$100,000 in the Aggregate for the “Policy Period”.
- c. Payments under this Endorsement shall be in addition to the limit of liability as stated in the Declarations and **SECTION III — LIMITS OF INSURANCE.**
- d. For purposes of this endorsement, **SECTION V — DEDUCTIBLE** is deleted.

LOSS OF WAGES ENDORSEMENT

POLICY NUMBER: S 1987838

SCHOOL BOARD LEGAL LIABILITY
SC 35 05 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

SCHEDULE

SUB-LIMITS OF INSURANCE:

Per "Claim" \$1,000,000

Annual Aggregate \$1,000,000

- A. Subparagraph 2.f. of C. Exclusions, **COVERAGE B — EMPLOYMENT PRACTICES LIABILITY** in **SECTION I — COVERAGE** is deleted and replaced by the following:

f. For "claims" arising from collective bargaining agreements.

- B. For the purposes of this endorsement, **SECTION III — LIMITS OF INSURANCE** is replaced by the following:

SECTION III — LIMITS OF INSURANCE

1. The Limits of Insurance shown in the above **SCHEDULE** are Sub-Limits and the rules below fix the most we will pay for loss of back wages, future wages, overtime, employee benefits or similar "claims", even if designated as liquidated "damages", under federal, state, or local statutes, rules, ordinances or regulations. The most we will pay during any policy period is the Annual Aggregate Sub-Limit shown on this endorsement's **SCHEDULE**.

2. If there are no Sub-Limits shown in the **SCHEDULE**, the following Sub-Limits will apply:

Per "Claim" \$100,000

Annual Aggregate \$300,000

3. The Sub-Limits of Insurance shown in this endorsement are not in addition to the Limits of Insurance, and payments under this endorsement reduce the available Limits of Insurance under the School Board Legal Liability Coverage Part.

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

- C. Coverage provided in this endorsement is subject to the terms and conditions provided in **SECTION V — DEDUCTIBLE**.

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

SCHOOL BOARD LEGAL LIABILITY
SC 00 01 05 15

THIS POLICY PROVIDES COVERAGE ON A CLAIMS-MADE BASIS. PLEASE READ THE ENTIRE FORM CAREFULLY.

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

Throughout this 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.

The word "insured" means any person or organization qualifying as such under **SECTION II — WHO IS AN INSURED.**

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

SECTION I — COVERAGE

A. Insuring Agreement

1. COVERAGE A — EDUCATORS LEGAL LIABILITY

We will pay, on behalf of the insured, those sums which the insured becomes legally obligated to pay as "damages" by reason of a "wrongful act" that takes place in the "coverage territory" to which this insurance applies, but only as a result of a "claim" first made against the insured during the "policy period". This insurance does not apply to "wrongful act(s)" which occurred before the Retroactive Date, if any, shown in the Declarations or which occur after the "policy period". If no Retroactive Date is shown in the Declarations, this insurance applies to "wrongful act(s)" occurring prior to the expiration of the policy, subject to all other terms and conditions of this insurance.

2. COVERAGE B — EMPLOYMENT PRACTICES LIABILITY

We will pay, on behalf of the insured, those sums that the insured becomes legally obligated to pay as "damages":

- a. By reason of an "employment practices wrongful act" that takes place in the "coverage territory" to which this insurance applies, but only as a result of a "claim" first made against the insured during the "policy period". This insurance does not apply to "employment practices wrongful act(s)" which occurred before the Retroactive Date, if any, shown in the Declarations or which occur after the "policy period". If no Retroactive Date is shown in the Declarations, this insurance applies to "employment practices wrongful act(s)" occurring prior to the

expiration of the policy, subject to all other terms and conditions of this insurance.

- b. By reason of a "third party wrongful act" that takes place in the "coverage territory" to which this insurance applies, but only as a result of a "claim" first made against the insured during the "policy period". This insurance does not apply to "third party wrongful act(s)" which occurred before the Retroactive Date, if any, shown in the Declarations or which occur after the "policy period". If no Retroactive Date is shown in the Declarations, this insurance applies to "third party wrongful act(s)" occurring prior to the expiration of the policy, subject to all other terms and conditions of this insurance.

B. Defense Provision

1. We shall, in addition to the Limit of Liability, have the right and duty to appoint an attorney and defend any "claim" against the insured alleging a "wrongful act(s)", "employment practices wrongful act(s)", or "third party wrongful act(s)", to which this insurance applies, even if such "claim" is groundless, false or fraudulent and pay "defense costs" on behalf of the insured. We have the right, but not the duty, to appeal any judgment entered against the insured. We may, at our discretion, investigate and/or settle any "claim" or "suit." Our right and duty to defend concludes when we have used up the applicable Limit of Insurance in the payment of any judgment(s) and/or settlement(s).

2. With respect to **COVERAGE B — EMPLOYMENT PRACTICES LIABILITY**, we will not settle any “claim” or “suit” without the first Named Insured’s consent. If the first Named Insured refuses to consent to a settlement that is acceptable to the claimant and recommended by us, subject to the applicable Limit of Liability and Deductible set forth in the Declarations, we will only pay fifty percent (50%) of all further:

- a. “Damages”,
- b. “Defense costs”,
- c. Legal expenses,
- d. Costs, and
- e. Supplementary payments

incurred by an insured for such “claim” or “suit” after the date of such refusal of the consent to settle.

C. Exclusions

This insurance does not apply to any “damages”, “claims” or “suits”:

1. **COVERAGE A — EDUCATORS LEGAL LIABILITY**

- a. Directly or indirectly arising out of any dishonest, fraudulent, criminal or malicious act or omission by any insured.
- b. For willful violation of any federal, state, or local statute, ordinance, rule or regulation committed by or with the knowledge and consent of any insured.
- c. Directly or indirectly arising out of false arrest, false imprisonment, wrongful entry or eviction, assault, or battery, malicious prosecution, libel, slander, defamation, invasion of privacy, or abuse of process or invasion of the right of privacy.
- d. Directly or indirectly arising out of the failure, refusal, or inability of the insured to enter into, renew, award by bid, or perform any contract or agreement.
- e. For liability assumed in any contract or agreement. This exclusion does not apply to liability for “damages” that the insured would have in the absence of the contract or agreement.
- f. Exclusively seeking relief or redress in any form other than “damages”. This insurance provides no coverage for any costs, fees including attorney’s fees, or expenses which the insured shall become obligated to pay as a result of an adverse judgment for injunctive or declaratory relief.

- g. Directly or indirectly arising from “bodily injury”, mental anguish, emotional distress, “property damage”, or “advertising injury”.
- h. Directly or indirectly arising out of:
 - (1) Debt financing, including but not limited to bonds, notes, debentures and guarantees of debt;
 - (2) Taxes, including without limitation, the formulation of tax rates, tax assessments, the collection of taxes, the disbursement of tax refunds or application of any taxes, failure to anticipate tax revenue shortfalls, or any guarantee(s) on bond issues; or
 - (3) Investment activities by or under the direction of any insured, including the insured’s involvement in or vicarious liability for any ownership, management, investment, investment policy, oversight responsibility, or investment advice of any public or private investment fund, trust or pool, including the use of or failure to use derivative investment components.
- i. Directly or indirectly arising out of procurement of goods, services, including without limitation construction, architect or engineer contracts, or agreements.
- j. For back wages, future wages, overtime, employee benefits or similar “claims”, even if designated as liquidated “damages”, under federal, state, or local statutes, rules, ordinances or regulations, or “claims” arising from collective bargaining agreements.
- k. Directly or indirectly arising out of the operation or the principles of eminent domain, adverse possession, taking of property, dedication by adverse use, inverse condemnation or condemnation proceedings, by whatever name used in the relevant jurisdiction.
- l. For failure to integrate or desegregate the student enrollment or for causing or allowing the student enrollment to be operated or administered on a discriminatory basis because of race, sex, ethnic background, national origin, or any other category protected by statute or court order.

2. COVERAGE B — EMPLOYMENT PRACTICES LIABILITY

a. Directly or indirectly arising out of:

- (1) A written or oral contract of employment. However, this exclusion does not apply to any actual or alleged breach of an implied contract or agreement relating to employment, whether arising out of any personnel manual, policy statement or oral representation.
- (2) An agreement to make payments in the event of the termination of employment; or
- (3) An agreement to assume another's liability. However, this exclusion does not apply to the liability of an insured which would have attached even in the absence of such contract or agreement.

b. Directly or indirectly arising out of any dishonest, fraudulent, criminal or malicious act or omission by any insured. This exclusion does not apply to:

- (1) Any act which is the basis of a malicious prosecution "claim" against the insured; or
- (2) The insured's vicarious liability arising out of any negligent act, error, or omission of an "employee" of the insured committed with actual dishonest, fraudulent, criminal or malicious purpose or intent of the "employee".

c. For the willful violation of any federal, state, or local statute, ordinance, rule or regulation committed by or with the knowledge and consent of any insured, or the willful failure by the insured or with the insured's consent to comply with any law or any governmental or administrative order or regulation relating to "employment practices wrongful act(s)" or "third party wrongful act(s)".

Willful, as used in this Exclusion **c.** means acting with intentional or reckless disregard for such employment related laws, orders or regulations.

d. Directly or indirectly arising out of "claims" of false arrest, false imprisonment, invasion of privacy, wrongful eviction, assault, battery, or abuse of process by any insured.

e. Exclusively seeking relief or redress in any form other than "damages". This insurance provides no coverage for any costs, fees including attorney's fees, or expenses which the insured shall become obligated to pay as a result of an adverse judgment for injunctive or declaratory relief.

However, we will afford a defense to the insured to investigate and defend Equal Employment Opportunity Commission (EEOC) actions as well as functionally similar federal, state or local level administrative agencies against the insured prior to any "suit" being filed. The insured must promptly notify us and provide reasonable details of the circumstances surrounding each action submitted for consideration under this provision.

f. For back wages, future wages, overtime, employee benefits or similar "claims", even if designated as liquidated "damages", under federal, state, or local statutes, rules, ordinances or regulations, or "claims" arising from collective bargaining agreements.

g. Directly or indirectly arising from "bodily injury" or "property damage".

h. Directly or indirectly arising out of:

- (1) The use of another's advertising idea in your "advertisement"; or
- (2) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

i. For oral or written publication of material, if such material:

- (1) Was published by or at the direction of the insured with knowledge of the material's falsity; or
- (2) Was first published before the Retroactive Date, if any, shown in the Declarations.

j. Any costs of complying with physical modifications to your premises or any changes to your usual business operations as mandated by the Americans with Disabilities Act of 1990 including any amendment thereto, or any similar federal, state or local law.

k. Directly or indirectly arising out of lockout, strike, picket line, related worker replacements or other similar actions resulting from labor disputes or labor negotiations.

- i. Incurred after the date an insured is either ordered or has the option pursuant to judgment or other binding disposition to reinstate the "employee" but fails to do so. This exclusion also applies to "defense costs" and supplemental payments.

3. COVERAGE A — EDUCATORS LEGAL LIABILITY and COVERAGE B — EMPLOYMENT PRACTICES LIABILITY

- a. For the insured gaining any profit, advantage or remuneration to which the insured is not entitled.
- b. For which the insured is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a "claim" or "damages" under any policy or policies the term of which has expired prior to the inception date of this policy.

c. For:

- (1) Obligations under the Employee Retirement Income Security Act of 1974 (ERISA), including subsequent amendments or any similar federal, state or local law or regulation; or
- (2) Administration of any employee benefit plan or self-insurance fund.

- d. For the failure or omission by the insured to purchase or maintain adequate insurance of any kind, including failure to effect or maintain adequate policy limits.

- e. For any loss, cost, civil fine, penalty or expense incurred by any insured arising from any complaint or enforcement action brought by any federal, state or local governmental regulatory agency against the Named Insured or for which the Named Insured is liable.

- f. For liability directly or indirectly arising out of:

Any workers compensation, disability benefits or unemployment compensation law, Employees' Retirement Income Security Act of 1974, Public Law 93-406, The Fair Labor Standards Act, the National Labor Relations Act of 1938, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, or the Occupational Safety and Health Act or any similar state or other governmental law provided. However, this exclusion shall not apply to any "claim" or "damages" based upon, arising from, or in consequence of any actual or alleged retaliatory treatment of the

claimant by the insured on account of the claimant's exercise of rights pursuant to any such law.

- g. Arising directly or indirectly out of any of the following:

- (1) The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;
- (2) 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";
- (3) "Claim" by or on behalf of a governmental authority or others 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"; or
- (4) Insured's "wrongful act(s)" in complying with, enforcing or enacting any rule, ordinance, law or regulation having to do with the prevention, mitigation, monitoring, clean up, removal, containment, treatment, detoxification, neutralization, or assessment of the effects of "pollutants".

- h. Arising directly or indirectly out of, resulting from, caused or contributed to by electromagnetic radiation, provided that such "damages", "claims" or "suits" result from or are contributed to by the hazardous properties of electromagnetic radiation. This includes any costs for actual or threatened abatement, mitigation, or removal.
- i. Arising directly or indirectly out of, resulting from, caused or contributed by:

- (1) The use of, sale of, installation of, removal of, abatement of, distribution of, containment of, or exposure to asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;
- (2) The actual or threatened abatement, mitigation, removal or disposal of asbestos, asbestos products, asbestos-containing material, asbestos fibers, or asbestos dust;

- (3) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (i)(2) and (i)(3) above; or
- (4) Any obligation of the insured to indemnify or contribute with any party in connection with Subparagraphs (i)(1) through (i)(3) above.

However, we will reimburse you up to \$50,000 for any applicable "defense costs" incurred during the "policy period" including any Extended Reporting Period we provide, but we will have no obligation to pay any loss.

- j. Arising directly or indirectly out of, resulting from, caused by or contributed to by:
 - (1) The toxic or pathological properties of lead, lead compounds or lead contained in any materials;
 - (2) The actual or threatened abatement mitigation, removal or disposal of lead, lead compounds or materials containing lead;
 - (3) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (j)(1) or (j)(2) above; or
 - (4) Any obligation of the insured to indemnify or contribute with any party in connection with Subparagraphs (j)(1) through (j)(3) above.
- k. Arising directly or indirectly out of, resulting from, caused by or contributed to by:
 - (1) Any "fungus(es)" or "spore(s)";
 - (2) Any solid, liquid, vapor, or gas produced by or arising out of any "fungus(es)" or "spore(s)";
 - (3) Any material, product, building component, or building structure that contains, harbors, nurtures or acts as a medium for any "fungus(es)" or "spore(s)";
 - (4) Any intrusion, leakage, or accumulation of water or any other liquid that contains, harbors, nurtures or acts as a medium for "fungus(es)" or "spore(s)";
 - (5) The actual or threatened abatement, mitigation, removal or disposal of "fungus(es)" or "spore(s)" or any material, product, building component, or building structure that contains, harbors,

nurtures or acts as a medium for any "fungus(es)" or "spore(s)";

- (6) Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with Subparagraphs (k)(1) through (k)(5) above; or
- (7) Any obligation of the insured to indemnify or contribute with any party in connection with Subparagraphs (k)(1) through (k)(6) above.
- l. Arising directly or indirectly out of, resulting from, caused by or contributed to by:
 - (1) "Silica", "silica-related dust", exposure to "silica" or the use of "silica";
 - (2) Any "damages" or loss, cost or expense arising, in whole or in part, out of any:
 - (a) "Claim" or "suit" by or on behalf of any governmental authority or any other alleged responsible party because of; or
 - (b) Request, demand, order or statutory or regulatory requirement that any insured or any other person or entity should be, or should be responsible for;
 - (i) Assessing the presence, absence or amount or effects of "silica" or "silica-related dust";
 - (ii) Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, neutralizing, treating, detoxifying, remediating, neutralizing, abating, disposing of or mitigating "silica"; or
 - (iii) Responding to "silica" or "silica-related dust" in any way other than as described in (b)(i) and (b)(ii) above;
 - (c) Any supervision, instructions, recommendations, warnings or advice given or which should have been in connection with Subparagraphs (l)(2)(a) and (l)(2)(b) above; or
 - (d) Any obligation of the insured to indemnify or contribute with any party in connection with Subparagraphs (l)(2)(a) through (l)(2)(c) above.

m. Directly or indirectly arising out of:

- (1)** Each, every and all actual, threatened or alleged acts of “abusive conduct”; or
- (2)** The insured’s:
 - (a)** Hiring;
 - (b)** Training;
 - (c)** Investigation;
 - (d)** Supervision;
 - (e)** Reporting “abusive conduct” to the proper authorities, or failure to so report; or
 - (f)** Retention of any “employee”, volunteer, “leased worker”, “temporary worker”, student in training or any other person or persons who commit or allegedly commit acts of “abusive conduct” for whom the insured is or ever was legally responsible; or
- (3)** The insured’s:
 - (a)** Design;
 - (b)** Control;
 - (c)** Maintenance;
 - (d)** Supervision;
 - (e)** Inspection; or
 - (f)** Investigation of prospective tenants of your premises, premises in your control or premises you have leased to another where such activities actually or allegedly resulted in any “abusive conduct”; or
- (4)** The insured’s failure to provide professional services to or neglect of the therapeutic needs of a client, patient or other person arising from any “abusive conduct” arising from or related to such conduct; or
- (5)** The insured’s liability for “abusive conduct” arising from or related to such conduct by any “employee”, volunteer, “leased worker”, “temporary worker”, student-in-training or any other person or persons acting within the scope of their employment, appointment or authorization by the insured.

SECTION II — WHO IS AN INSURED.

A. Each of the following is an insured:

- 1.** You and your board of governors, board of education, school committee, board of trustees or commission.

- 2.** All persons who were, now are or shall be elected, appointed or employed directors and officers, commissioners or trustees, committee members, board of trustees, board of education, board of governors or similar governing body, and teachers or administrators for the Named Insured, for conduct while acting within the scope of their duties, for and on behalf of the Named Insured.
- 3.** Your “employees” for conduct while acting within the scope of their employment for and on behalf of the business of the Named Insured.
- 4.** Any person, including volunteers, providing services for you at your request and operating under your direction and control for conduct while acting within the scope of their duties, for or on behalf of the Named Insured.
- 5.** Any person providing services for you under mutual aid or similar agreements for conduct while acting within the scope of their duties, for and on behalf of the Named Insured.
- 6.** The estates, heirs, legal representatives or assigns of deceased persons who were insureds pursuant to **A.2.** through **A.4.** above.
- 7.** The legal representatives or assigns of the insureds pursuant to **A.2.** through **A.4.** above in the event of their incompetence, insolvency or bankruptcy.
- 8.** Student teachers while teaching as part of their educational requirements.
- 9.** Your students for their actions in a supervised internship program sponsored you.
- 10.** “Employees” or board members serving as directors on the boards of “outside organizations” at the direction of and as a part of their duties to you.
- 11.** The spouse or “domestic partner” of an insured under Paragraph **2.** above, but solely with respect to such person’s status as a spouse or “domestic partner” and not for any “wrongful acts” actually or allegedly committed by the spouse or “domestic partner”.

SECTION III — LIMITS OF INSURANCE

- A.** The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- 1.** Insureds;
 - 2.** “Claims” or “suits”; or
 - 3.** Persons or organizations making “claims” or bringing “suits.”

- B. The per "claim" Limit is the most we will pay for each "claim" covered by this policy. A "claim(s)" based on and arising out of the same or "interrelated" "wrongful act", "employment practices wrongful act" or "third party wrongful act" shall be considered to be a single "claim".
- C. The Annual Aggregate Limit is the most we will pay for all "claims" under this School Board Legal Liability Coverage Form.

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

SECTION IV — SUPPLEMENTARY PAYMENTS

We will pay, subject to the deductible, with respect to any "claim" or "suit" we defend:

- A. All expenses we incur.
- B. The cost of bonds to release attachments and appeal bonds required in any "suit" we defend, but only for bond amounts within the applicable Limit of Insurance. We are not obligated to furnish these bonds.
- C. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of a "claim" or "suit," including actual loss of earnings up to \$500 a day because of time off from work. Such expenses do not include salaries of the Named Insured.
- D. All costs taxed against the insured in the "suit" except for any award of attorney's fees.
- E. "Pre-judgment interest" awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any "pre-judgment interest" based on that period of time after the offer.
- F. All interest on that part of the judgment we pay that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

These payments will not reduce the Limits of Insurance.

SECTION V — DEDUCTIBLE

- A. Our obligation under **SECTION I** of this policy to pay "damages" on behalf of the insured applies only to the amount of "damages" in excess of any deductible amount stated in the Declarations.

- B. The deductible amount stated in the Declarations, if any, applies to all "damages" sustained by any person or organization as the result of each and every "claim".
- C. The deductible amount stated in the Declarations includes loss payments, adjustments, investigative, legal fees and costs, whether or not loss payment is involved.
- D. The terms of this insurance, including those with respect to **(1)** our right and duty to defend any "suits" seeking "damages", and **(2)** your duties in the event of potential or actual "claim" or "suit" apply irrespective of the application of the deductible amount.
- E. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

SECTION VI — CONDITIONS

A. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's successor will not relieve us of our obligations under this policy.

B. Duties In The Event Of A "Claim"

1. You and any other insured must notify us as soon as practicable of any "claim" against you or any insured which may be subject to the insurance afforded herewith.

Such notice shall include particulars sufficient to identify the insured and also reasonably obtainable information with respect to the time, place and circumstances of such "wrongful act", "employment practices wrongful act" or "third party wrongful act"; and the name and address of potential claimant(s) and/or witness(es).

2. In the event "suit" papers are served on you, such "suit" papers must be delivered to us immediately.
3. You and any other involved insured must:
 - a. Authorize us to obtain records and other information;
 - b. Cooperate with us in our investigation, settlement and/or defense;
 - c. Assist us, upon our request, in the enforcement of any right against any person or organization, which may be liable to the insured because of injury or damage to which this insurance may also apply.
4. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior, written consent.

C. Awareness Provision

If an insured becomes aware during this "policy period" of any facts or circumstances which may result in a "claim" being made against the insured by reason of a "wrongful act", "employment practices wrongful act" or "third party wrongful act" and if the insured sends to us during the "policy period" written notice of such facts and circumstances, including the details of the "wrongful act", "employment practices wrongful act" or "third party wrongful act" as well as the name of the person and/or entity who may make such claim, as well as when any such misconduct occurred, such potential "claim" will be treated as a "claim" first made against the insured during this "policy period", even if the "claim" is actually made against the insured after the expiration of this "policy period".

D. Legal Action Against Us

No person or organization has a right under this policy:

1. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
2. To sue us under this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; however we will not be liable for "damages" that are not payable under the terms of this policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

E. Other Insurance

1. The insurance afforded by this policy is primary insurance, except when stated to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the insured has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of our liability under this policy shall not be reduced by the existence of such other insurance.

When this insurance is excess, we will have no duty to defend any "claim" or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

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

- a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - b. The total of all deductible and self-insured amounts under all such other insurance.
2. When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess or contingent, we shall not be liable under this policy for a greater proportion of the loss than that stated in the applicable Method of Sharing provision below:

Method of Sharing

- a. If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this method each insurer contributes equal amounts until it has paid its applicable Limit of Insurance or none of the loss remains, whichever comes first.
 - b. If any of the other insurance does not permit contribution by equal shares, we will contribute by equal limits. Under this method, each insurer's share is based on the ratio of its applicable Limit of Insurance to the total applicable Limits of Insurance of all insurers.
3. The insurance provided by Subparagraph **b.** under **SECTION I — COVERAGE**, Paragraph **A. Insuring Agreement**, **2. EMPLOYMENT PRACTICES LIABILITY** is excess over any other valid and collectible insurance available to the insured, whether primary, excess, contingent or on any other basis.

F. Representations

By accepting this policy, you agree that:

1. The Application for insurance completed in solicitation of this policy is made a part of this policy as though set forth, and incorporated, in full herein;
2. The statements in the Application for insurance are current, accurate and complete;
3. Those statements are representations. All such statements and representations shall be deemed to be material to this risk and are the basis of this policy and are to be considered as incorporated into this policy.
4. We have issued this policy in reliance upon your representations.

G. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to the first Named Insured, our obligations apply severally to each insured against whom "claim" is made.

H. Transfer of Rights of Recovery Against Others To Us

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

I. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

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

J. Sole Agent

The first Named Insured is authorized to act on behalf of all insureds as respects the giving or receiving of notice of cancellation or nonrenewal, receiving premium refunds, requesting any Supplemental Extended Reporting Period and agreeing to any changes in this Coverage.

K. Changes

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

L. Two or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "claim," the aggregate maximum Limit of Insurance under all Coverage Forms of policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

M. Liberalization Clause

If we revise this Coverage Form, and it is approved by the Insurance Regulatory Authority in the states listed in the Declarations, to provide more coverage without an associated additional premium charge, subject to our filed company rules, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

N. Cooperation

The insured agrees to provide us with all information, assistance and cooperation which we reasonably request and agree that in the event of a "claim" the insured will do nothing that shall prejudice our position or our potential or actual rights of recovery.

SECTION VII — EXTENDED REPORTING PERIODS

A. We will provide an Extended Reporting Period, as described below, if:

1. This policy is cancelled or not renewed; or
2. We renew or replace this policy with insurance that:
 - a. Has a Retroactive Date later than the date shown in the Declarations of this policy; or
 - b. Does not apply on a claims-made basis.

B. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "policy period" and lasts for 60 days.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

C. A Supplemental Extended Reporting Period option of up to five years is available, but only by an endorsement and for an extra charge. This supplemental period starts sixty days after the end of the "policy period".

You must give us a written request for the endorsement within 60 days after the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

The additional premium for the Supplemental Extended Reporting Period shall be a percentage of the current term's annual premium. This premium will be based on the number of years the Supplemental Extended Reporting Period applies in accordance with the following chart:

Supplemental Extended Reporting Period (years)	% Of Current Term Premium For Coverage
1	75%
2	125%
3	150%
5	175%

This Supplemental Extended Reporting Period endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- D. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" as a result of "wrongful act(s)", "employment practices wrongful act(s)" or "third party wrongful act(s)" committed after the Retroactive Date, if any, shown in the Declarations and before the end of the "policy period".

"Claims" for such injury or damage which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period".

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

- E. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any "claim" to which this policy applies.

SECTION VIII — DEFINITIONS

- A. **"Abusive conduct"** means:

1. Each, every and all actual, threatened or alleged acts of physical or mental abuse of a sexual nature, sexual abuse, sexual molestation or sexual misconduct performed by one person or by two or more persons acting together, including physical or mental abuse arising from or related to such conduct. "Abusive conduct" also includes all acts related to "abusive conduct" to which this insurance applies.
2. Each, every and all actual, threatened or alleged acts of physical or mental abuse of a sexual nature, sexual abuse, sexual molestation or sexual misconduct committed, participated in, directed, instigated or knowingly permitted by

one person or by two or more persons acting together shall be considered to be one "abusive conduct" regardless of:

- a. The number of injured parties;
- b. The period of time or policy periods over which the acts took place; and
- c. The number of such actual, threatened, or alleged acts.

"Abusive conduct" consisting of or comprising more than one act of physical or mental abuse of a sexual nature, sexual abuse, sexual molestation or sexual misconduct shall be deemed to occur at the time the "abusive conduct" is reported to you or the insured.

- B. **"Advertising injury"** means injury arising out of one or more of the following offenses:

1. 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;
2. Oral or written publication, in any manner, of material that violates a person's right of privacy;
3. The use of another's advertising idea in your "advertisement"; or
4. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

- C. **"Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
2. 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.

- D. **"Bodily injury"** means physical injury to the body, sickness or disease sustained by a person as the result of physical injury to the body, including death resulting from any of these at any time.

- E. **"Claim"** means:

A written demand or "suit" against an insured alleging a "wrongful act", "employment practices wrongful act" or "third party wrongful act".

F. "Coverage territory" means:

1. The United States of America (including its territories and possessions), Canada and Puerto Rico; or
2. Anywhere in the world with respect to the activities of a person whose place of employment is in the territory described in Paragraph **E.1.** above, while he or she is away for a short time on your business, provided that the insured's responsibility to pay "damages" is determined in a "suit" on the merits (or any type of civil proceeding described under the definition of "claim") in and under the substantive law of the United States of America (including its territories and possessions) or Puerto Rico.

G. "Damages" means

1. Compensatory "damages" or "pre-judgment interest" awarded against the insured on that part of the judgment we pay;
2. Statutory attorney fees; and
3. Punitive or exemplary "damages", where permitted by law.

"Damages" do not include:

1. Civil, criminal, administrative or other fines or penalties;
2. Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than money; or
3. Judgments or awards because of acts deemed uninsurable by law.

H. "Defense Costs" means:

Reasonable and necessary fees, costs and expenses incurred by us, or incurred by the insured with our prior, written consent (including premiums for any appeal bond, attachment bond, or similar bond but without any obligation to apply for or furnish any such bond) resulting from the investigation, adjustment, defense, and appeal of a "claim" against any Insured; provided, however, "defense costs" do not include salaries of employees or officers.

I. "Domestic Partner" means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by you.

J. "Employee" means an individual whose labor or service is engaged by and directed by the insured or a member of the Named Insured. This includes part-time, seasonal and temporary employees as well as any individual employed in a supervisory or managerial position. However, "employee" does not include an independent contractor or any "employees" of

any independent contractor while acting within the scope of their employment, or any "leased worker" or any "temporary worker".

K. "Employment practices wrongful act" means any of the following actual or alleged practices

1. Which are directed against any of your "employees", "leased workers", "temporary workers", former "employees" or any applicant for employment by you; and
2. For which remedy is sought under any federal, state or local statutory or common civil employment law:
 - a. Wrongful refusal to employ a qualified applicant for employment;
 - b. Wrongful failure to promote, or wrongful deprivation of career opportunity;
 - c. Wrongful demotion, evaluation, reassignment or discipline;
 - d. Wrongful termination of employment, including retaliatory or constructive discharge;
 - e. Employment related misrepresentation; or
 - f. Oral or written publication of material that slanders, defames or libels, or violates or invades a right of privacy.

L. "Fungus(es)" includes, but is not limited to, any form or type of mold, mushroom or mildew.

M. "Interrelated" means common or related facts, circumstances, situations, events, transactions or causes.

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

O. "Outside organization" means any:

1. Nonprofit organization described in section 501(c)3 of the Internal Revenue Code of 1986 (as amended);
2. Other entity organized for a religious or charitable, educational purpose under any nonprofit organization act or statute.

P. "Pollutants" means 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.

Q. "Pre-judgment interest" means interest added to a settlement, verdict, award or judgment based on the amount of time prior to the settlement, verdict, award or judgment, whether or not made part of the settlement, verdict, award or judgment.

R. "Property damage" means:

1. Physical Injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; and
2. Loss of use to tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "wrongful act", "employment practices wrongful act" or "third party wrongful act".

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

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

- S. "Policy Period"** means the period of time as shown on the Declaration page hereto.
- T. "Silica"** means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
- U. "Silica-related dust"** means a mixture or combination of silica or other dust or particles.
- V. "Spore(s)"** include any reproductive body produced by or arising out of any "fungus(es)".

- W. "Suit"** means a civil proceeding seeking monetary "damages", and non-monetary or injunctive relief if brought in the same "suit", an arbitration proceeding, an Equal Employment Opportunity Commission (EEOC) or similar administrative proceeding, or any other alternative dispute resolution proceeding by which "damages" are sought against an insured in connection with a "wrongful act", "employment practices wrongful act" or "third party wrongful act".

X. "Wrongful act" means:

Any actual or alleged:

1. Error or omission, misstatements, misleading statements, neglect or breach of duty; or
2. Violation of civil rights protected under any state or federal civil rights law;
by you or which arises out of the discharge of duties for you, individually or collectively.

"Wrongful act" does not include an "employment practices wrongful act" or "third party wrongful act".

- Y. "Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- Z. "Third party wrongful act"** means actual or alleged discrimination, sexual harassment, or violation of any person's civil rights related to such discrimination or sexual harassment, but only if alleged by your customer, client, vendor, service provider or other business invitee. Your customer, client, vendor, service provider or other business invitee does not include students enrolled in any of your schools.

HARASSMENT EXCLUSION (INCLUDING BUT NOT LIMITED TO SEXUAL HARASSMENT)

SCHOOL BOARD LEGAL LIABILITY
SC 32 00 06 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE PART

The following is added to **C. Exclusions**, Subparagraph **1. COVERAGE A — EDUCATORS LEGAL LIABILITY** in **SECTION I — COVERAGE**:

- a.** Directly or indirectly arising out of alleged or actual "harassment" of students by other students; and/or
- b.** Directly or indirectly arising out of negligent hiring, supervision or training, claims or retaliatory action or inaction on the part of the insured arising out of alleged or actual "harassment" of students by other students.

For the purpose of this endorsement "harassment" is defined as any acts, words, gestures which annoy, alarm, and/or verbally abuse another person because of the individual's race, sex, religion, national origin or color.

PROFESSIONAL LIABILITY EXCLUSION

SCHOOL BOARD LEGAL LIABILITY
SC 35 06 06 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE PART

The following is added to **C. Exclusions**, subparagraph 1. **COVERAGE A — EDUCATORS LEGAL LIABILITY** in **SECTION I — COVERAGE**:

- a. Directly or indirectly arising out of the furnishing or failure to furnish professional services, including but not limited to services of an attorney, architect, engineer, accountant, dentist, psychiatrist, real estate or investment manager, nurse, nurse practitioner, physician, therapist, or optometrist.

LIMITED CIVIL LEGAL EXPENSE For Innocent Insureds

SCHOOL BOARD LEGAL LIABILITY
SC 35 08 07 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE PART

A. SECTION I — COVERAGE, C. Exclusions, 1.a. is deleted in its entirety and replaced as follows:

a. Directly or indirectly arising out of any dishonest, fraudulent, criminal or malicious act or omission by any insured, except that, subject to the Sub-Limits shown below and the other conditions of this endorsement, this exclusion shall not apply to those "civil legal expenses" payable or paid by an insured in connection with a "suit" alleging a dishonest, fraudulent, criminal or malicious act or omission by that insured in the discharge of that insured's duties for and on behalf of the educational entity listed in the Declarations and to which this insurance would otherwise apply until either:

- (1) In a civil proceeding, that insured, in any way, admits or is adjudicated to be culpably responsible for a dishonest, fraudulent, criminal or malicious act or omission, or
- (2) In a criminal or quasi-criminal proceeding, that insured, has been convicted or entered a guilty plea or nolo contendere plea to a criminal or quasi-criminal charge, establishing intent or any of the acts of commission or omission that may establish culpability of that insured for any dishonest, fraudulent, criminal or malicious act or omission.

Notwithstanding the foregoing, we will not pay for "civil legal expenses" in connection with any appeal from a judgment.

B. SECTION I — COVERAGE, C. Exclusions, 2.b. is deleted in its entirety and replaced as follows:

b. Directly or indirectly arising out of any dishonest, fraudulent, criminal or malicious act or omission by any insured, except that, subject to the Sub-Limits shown below and the other conditions of this endorsement, this exclusion shall not apply to those "civil legal expenses" payable or paid by an insured in connection with a "suit" alleging a dishonest, fraudulent, criminal or malicious act or omission by that insured in the discharge of that insured's duties for and on behalf of the educational entity listed in the Declarations and to which this insurance would otherwise apply until either:

- (1) In a civil proceeding, that insured, in any way, admits or is adjudicated to be culpably responsible for a dishonest, fraudulent, criminal or malicious act or omission, or
- (2) In a criminal or quasi-criminal proceeding, that insured, has been convicted or entered a guilty plea or nolo contendere plea to a criminal or quasi-criminal charge, establishing intent or any of the acts of commission or omission that may establish culpability of that insured for any dishonest, fraudulent, criminal or malicious act or omission.

Notwithstanding the foregoing, we will not pay for "civil legal expenses" in connection with any appeal from a judgment.

In addition, this exclusion does not apply to:

- (1) Any act which is the basis of a malicious prosecution "suit" against the insured; or
- (2) The insured's vicarious liability arising out of any negligent act, error, or omission of an "employee" of the insured committed with actual dishonest, fraudulent, criminal or malicious purpose or intent of the "employee".

C. For the purposes of this endorsement, the following is added to **Section III — Limits of Insurance:**

The limits of insurance applicable to the Limited Civil Legal Expense endorsement are Sub-Limits and only these Sub-Limits are available to pay amounts falling within the Limited Civil Legal Expense endorsement. These Sub-Limits and the rules below fix the most we will pay for any and all "civil legal expenses" during the policy period. Upon our payment of the Civil Legal Expense Policy Aggregate Limit or the Civil Legal Expense per insured limit, as the case may be, our obligation under the Limited Civil Legal Expense endorsement shall immediately terminate and we shall not be responsible for, nor do we assume the obligation to continue paying "civil legal expenses." The insured shall promptly reimburse us for any payments we make, or may be required to make pursuant to the Limited Civil Legal Expense endorsement, which exceed the limits of our obligation under the Limited Civil Legal Expense endorsement.

The Civil Legal Expense Policy Aggregate Limit shown below is the most we will pay under this Limited Civil Legal Expense endorsement for all "civil legal expenses" per policy period. The Civil Legal Expense Per Insured Limit shown below is the most we will pay under this Limited Civil Legal Expense endorsement for all "civil legal expenses" for any one insured.

**Civil Legal Expense
Policy Aggregate Limit: \$ 300,000**

**Civil Legal Expense
Per Insured Limit: \$ 50,000**

D. For the purposes of this endorsement, the following Conditions are added to **SECTION VI — CONDITIONS:**

Limited Civil Legal Expense Conditions

Our obligations pursuant to this Limited Civil Legal Expense endorsement are conditioned upon the insured agreeing in writing to:

1. Cooperate with us in the investigation of "civil legal expenses" we are asked to pay;
2. Notify any other insurer whose coverage may be available to the insured,
3. Cooperate with us with respect to coordinating other applicable insurance available to the insured,
4. Acknowledge that we will no longer be obligated to pay the insured's "civil legal expenses" after we have paid or tendered the applicable limit set forth above;
5. Retain and cooperate with defense counsel of the insured's choice to defend against the "suit;" and
6. Acknowledge that we do not have any obligation to make any payments that exceed our "civil legal expenses" limits of liability.

E. For the purposes of this endorsement, **SECTION V — DEDUCTIBLE is deleted.**

F. For the purposes of this endorsement, the following definition is added to **SECTION VII — DEFINITIONS:**

"Civil legal expenses" means attorney's fees and all related litigation costs and fees to defend "suits."

LAW ENFORCEMENT EXCLUSION

SCHOOL BOARD LEGAL LIABILITY
SC 35 09 06 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE PART

- I. The following is added to **C. Exclusions**, Subparagraph **1. COVERAGE A — EDUCATORS LEGAL LIABILITY** in **SECTION I — COVERAGE**:
 - a. Directly or indirectly arising out of the activities of any:
 - (1) Law enforcement agency,
 - (2) Of any law enforcement personnel,
 - (3) Private security guard service, or
 - (4) Security guard service.

EXCLUSION — PRIOR AND PENDING LITIGATION

SCHOOL BOARD LEGAL LIABILITY
SC 35 10 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

The following is added to **C. Exclusions**, Subparagraph **3. COVERAGE A. — EDUCATORS LEGAL LIABILITY** and **COVERAGE B — EMPLOYMENT PRACTICES LIABILITY** in **SECTION I — COVERAGE**:

Directly or indirectly arising out of:

- (a) any "claim" against any insured, whether resolved or pending, on the earlier of the effective date of this policy or the effective date of the first policy issued and continuously renewed by us to you providing School Board Legal Liability Coverage; and
- (b) any future "claim" arising out of or derived from the same essential facts or circumstances underlying or alleged in any such prior or pending "claim".

ILLINOIS CHANGES

SCHOOL BOARD LEGAL LIABILITY
SC 35 12 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

I. The following is added to Exclusion g. of Paragraph C. Exclusions, Subparagraph 3. COVERAGE A — EDUCATORS LEGAL LIABILITY and COVERAGE B — EMPLOYMENT PRACTICES LIABILITY:

This exclusion does not apply to “damages” arising out of heat, smoke or fumes from a “hostile fire” unless that “hostile fire” occurred or originated:

- (1) At 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; or
- (2) At 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 to test for monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of “pollutants”.

II. Exclusion h. of Paragraph C. Exclusions, Subparagraph 3. COVERAGE A — EDUCATORS LEGAL LIABILITY and COVERAGE B — EMPLOYMENT PRACTICES LIABILITY is deleted in its entirety.

III. The following is added to J. Sole Agent in SECTION VI — CONDITIONS:

We will mail notices of cancellation or nonrenewals to all Named Insureds. We must maintain proof of mailing.

IV. SECTION VII — EXTENDED REPORTING PERIODS is deleted in its entirety and replaced with the following:

SECTION VII — EXTENDED REPORTING PERIODS

A. We will provide an Extended Reporting Period, as described below, if:

1. This policy is terminated, cancelled or not renewed for any reason; including nonpayment of premium, and whether the policy is terminated at the company's or insured's request, or

2. We renew or replace this policy with insurance that:

- a. Has a Retroactive Date later than the date shown in the Declarations of this policy; or
- b. Does not apply on a claims-made basis.

B. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the “policy period” and lasts for 60 days.

The Basic Extended Reporting Period does not apply to “claims” that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such “claims”.

C. A Supplemental Extended Reporting Period option of up to five years is available, but only by an endorsement and for an extra charge. This supplemental period starts sixty days after the end of the “policy period”.

You must give us a written request for the endorsement within 60 days after the end of the “policy period”. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

The additional premium for the Supplemental Extended Reporting Period shall be a percentage of the current term's annual premium. This premium will be based on the number of years the Supplemental Extended Reporting Period applies in accordance with the following chart:

Supplemental Extended Reporting Period (years)	% Of Current Term Premium For Coverage
1	75%
2	125%
3	150%
5	175%

There are no other credits or discounts that will be added or removed when determining the final Supplemental Extended Reporting Period.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- D.** Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" as a result "wrongful act(s)" or "employment practices wrongful act(s)" committed after the Retroactive Date, if any, shown in the Declarations and before the end of the "policy period".

"Claims" for such injury or damage which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period".

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

- E.** Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any "claim" to which this policy applies.

- V.** Subparagraph **F.** in **SECTION VIII — DEFINITIONS** is deleted in its entirety and replaced by the following:

F. "Damages" means

- 1.** Compensatory "damages" or "pre-judgment interest" awarded against the insured on that part of the judgment we pay; and
- 2.** Statutory attorney fees.

"Damages" do not include:

- 1.** Civil, criminal, administrative or other fines or penalties;
- 2.** Equitable relief, injunctive relief, declarative relief or any other relief or recovery other than money; or
- 3.** Judgments or awards because of acts deemed uninsurable by law.
- 4.** Punitive or exemplary "damages".

- VI.** The following Definition is added to **SECTION VIII — DEFINITIONS:**

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

EMPLOYMENT PRACTICES NON-MONETARY SUIT DEFENSE COSTS ENDORSEMENT

SCHOOL BOARD LEGAL LIABILITY
SC 35 13 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

The following modifies Paragraph **2. COVERAGE B — EMPLOYMENT PRACTICES LIABILITY** of **A. Insuring Agreement** in **SECTION I — COVERAGE**:

Subject to the following conditions, we will provide “defense costs” for any written demand against the insured seeking non-monetary relief including injunctive relief for an “employment practices wrongful act” which is otherwise covered by the Policy:

- a.** The written demand is first made against the insured during the “Policy Period”, and received by us during the “Policy Period” or within sixty (60) days thereof.
- b.** The limit of our liability for such costs and fees shall not exceed a Sub-Limit of \$1,000,000 per “claim” and \$1,000,000 Sub-Limit in the Aggregate for the “Policy Period”.
- c.** Payments under this Endorsement shall be in addition to the limit of liability as stated in the Declarations and **SECTION III — LIMITS OF INSURANCE**.
- d.** For purposes of this endorsement, **SECTION V — DEDUCTIBLE** is deleted.

ILLINOIS CHANGES — ABUSE OR MOLESTATION

SCHOOL BOARD LEGAL LIABILITY
SC 70 60 05 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

Subparagraph **m.(5)** of Paragraph **C. Exclusions, 3. COVERAGE A — EDUCATORS LEGAL LIABILITY** and **COVERAGE B — EMPLOYMENT PRACTICES LIABILITY** under **SECTION I — COVERAGES** is deleted in its entirety.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

SCHOOL BOARD LEGAL LIABILITY
SC 70 66 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

SCHOOL BOARD LEGAL LIABILITY COVERAGE FORM

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.
- “Certified act of terrorism” means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a “certified act of terrorism” include the following:
1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- B.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage that is otherwise excluded.