ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/15/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Preferred Insurance Services, Inc.
4100 Monument Corner Dr., Suite 400
Fairfax VA 22030

CONTACT NAME: Certificate Department
PHONE (A/C, No, Ext): 703-667-5940 **FAX (A/C, No):** 703-991-4838
E-MAIL ADDRESS: certs@preferins.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Penn National Mutual Casualty Insurance Co	14990
INSURER B : Evanston Insurance Company	35378
INSURER C : Continental Casualty Company	20443
INSURER D : Builders Mutual Insurance Company - Main Carrier E	10844
INSURER E :	
INSURER F :	

INSURED WILLPRO-01
Williams Professional Painting, Inc.
110 S. Floyd Street
Alexandria VA 22304

COVERAGES **CERTIFICATE NUMBER:** 388424906 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			CL9 0729589	5/30/2026	5/30/2027	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 500,000
							MED EXP (Any one person)	$ 10,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY X PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY			AU90729589	5/30/2026	5/30/2027	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB X OCCUR			UL90729589	5/30/2026	5/30/2027	EACH OCCURRENCE	$ 5,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 5,000,000
	DED X RETENTION $ 10,000							$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			WCP1104586-01	5/30/2026	5/30/2027	X PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N	N / A					E.L. EACH ACCIDENT	$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000
B	Contractors Pollution Liability			MKLV7ENV107313	5/30/2026	5/30/2027	Each Condition	$1,000,000
A	Leased/Rented Equipment			CL9 0729589	5/30/2026	5/30/2027	$500 Deductible	$500,000
C	Cyber			6052148086	5/30/2026	5/30/2027	$5,000 Deductible	$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

EVIDENCE OF INSURANCE

This certificate shows coverages currently in force for the above named insured and is for internal use only. If a certificate holder needs to be added, you can provide us your information by visiting our website at https://www.preferins.com/certificate-insurance/; email to: certs@preferins.com; or fax to 703-991-4838. Phone: 703-667-5940.

CERTIFICATE HOLDER

PROOF OF INSURANCE

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Ryan Hogan

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THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

AUTOMATIC ADDITIONAL INSUREDS -- OWNERS, CONTRACTORS AND SUBCONTRACTORS (ONGOING OPERATIONS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following provision is added to **SECTION II - WHO IS AN INSURED**

1. Any person(s) or organization(s) (referred to below as additional insured) you are required in a written contract or agreement to name as an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

(1) Your acts or omissions; or

(2) The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location or project described in the contract or agreement.

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 will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to insurance afforded to these additional insureds, the following additional exclusions apply:

1. 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, including:
   a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings, designs and specifications; and

   b. Supervisory, inspection, architectural or engineering activities.

2. This insurance does not apply to "bodily injury" or "property damage" occurring after:

   a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional

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insured(s) at the location of the covered operations has been completed; or

b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

C. The limits of insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever are less. These limits of insurance are inclusive of and not in addition to the limits of insurance shown in the Declarations.

D. With respect to the coverage provided by this endorsement, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **4. Other Insurance**, Subparagraph **a. Primary Insurance**, is replaced by the following:

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, except;

(1) If a written contract or agreement that requires any person(s) or organization(s) to be an additional insured also requires this insurance to be primary and noncontributory, then this insurance is primary over any other insurance in which the additional insured is a Named Insured. We will not seek contribution from any other liability policy in which the additional insured is a Named Insured.

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THIS ENDORSEMENT CHANGES THE POLICY, PLEASE READ IT CAREFULLY

AUTOMATIC ADDITIONAL INSUREDS -- OWNERS, CONTRACTORS AND SUBCONTRACTORS (COMPLETED OPERATIONS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following provision is added to **SECTION II - WHO IS AN INSURED**

1. Any person(s) or organization(s) (referred to below as "additional insured') you are required in a written contract or agreement to specifically name as an additional insured for the "products-completed operations hazard". A general obligation to name a person or organization as an additional insured on any policy of insurance (including those providing coverage for the "products-completed operations hazard") will be deemed to extend only to your ongoing operations for that person or organization. An additional insured for the products-completed operation hazard is only an additional insured with respect to liability for "bodily injury" or "property damage": (1) caused, in whole or in part, by "your work" at the location or project designated and described in the contract or agreement; (2) performed for that additional insured; and (3) included in the "products-completed operations hazard."

   A person's or organization's status as an additional insured under this endorsement ends when the obligation to provide additional insured status for the "products-completed operations hazard" in the written contract or agreement ends; or if no specific date or time period is included in the written contract or agreement, coverage will be extended for one year from the date "your work" is deemed complete under the definition of "products-completed operations hazard."

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 insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

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

C The limits of insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever are less. These limits of insurance are inclusive of and not

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in addition to the limits of insurance shown in the Declarations.

D. With respect to the coverage provided by this endorsement, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **4. Other Insurance**, Subparagraph **a. Primary Insurance**, is deleted and replaced by the following:

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, except;

(1) If a written contract or agreement that requires any person(s) or organization(s) to be an additional insured also requires this insurance to be primary and noncontributory, then this insurance is primary over any other insurance in which the additional insured is a Named Insured. We will not seek contribution from any other liability policy in which the additional insured is a Named Insured.

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EVANSTON INSURANCE COMPANY

CONTRACTOR'S POLLUTION LIABILITY COVERAGE FORM

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ENVIRONMENTAL

EVANSTON INSURANCE COMPANY

CONTRACTOR'S POLLUTION LIABILITY COVERAGE FORM

INSURING AGREEMENT A.4. PROVIDES CLAIMS-MADE AND REPORTED COVERAGE FOR SUDDEN AND ACCIDENTAL DISCHARGE, RELEASE, OR ESCAPE OF POLLUTANTS AND REQUIRES THAT A CLAIM UNDER SUCH COVERAGE BE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO US IN WRITING DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD WE PROVIDE UNDER SECTION VI – EXTENDED REPORTING PERIODS.

VARIOUS PROVISIONS IN THIS POLICY MAY RESTRICT OR EXCLUDE COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE THE INSURED'S RIGHTS AND 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 word "insured" means any person or organization qualifying as such under Section **III** – Who Is An Insured. 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 **VII** – Definitions.

SECTION I – COVERAGES

A. Insuring Agreements

The following Insuring Agreements apply only if that Insuring Agreement is shown as purchased in the Declarations, and the "pollution condition" that causes a "loss" takes place in the "coverage territory". The amount we will pay is limited as described in Section **IV** – Limits Of Insurance And Self-Insured Retention Or Deductible.

1. Contractor's Pollution Liability

We will pay on behalf of the insured those sums in excess of the applicable Self-Insured Retention or Deductible shown in the Declarations that the insured becomes legally obligated to pay for "loss" as a result of a "claim" for "bodily injury", "property damage", or "cleanup costs" caused by a "pollution condition" to which this insurance applies, provided:

a. The "pollution condition" arises out of "your work" at a jobsite; and

b. The:

(1) "Bodily injury";

(2) "Property damage"; or

(3) Physical damage to land, conveyances, structures on land or water, the atmosphere, any watercourse, or body of water, including surface water or groundwater, giving rise to "cleanup costs" or "emergency response costs";

occurs during the Policy Period.

With respect only to "bodily injury", "property damage", or "cleanup costs" caused by legionella pneumophila, there must be a direct relation to a documented case of a legionella pneumophila outbreak for coverage to apply.

2. Transportation Pollution Liability

We will pay on behalf of the insured those sums in excess of the applicable Self-Insured Retention or Deductible shown in the Declarations that the insured becomes legally obligated to pay for "loss" as a result of a "claim" for "bodily injury", "property damage", or "cleanup costs" caused by a "transportation pollution condition" to which this insurance applies, provided:

a. The "transportation pollution condition" arises out of "transported cargo" that is transported, delivered, or shipped by you in a "covered conveyance", or by a "carrier" on your behalf; and

b. The:

(1) "Bodily injury";

(2) "Property damage"; or

(3) Physical damage to land, conveyances, structures on land or water, the atmosphere, any watercourse, or body of water, including surface water or groundwater, giving rise to "cleanup costs" or "emergency response costs";

occurs during the Policy Period.

This coverage may not be utilized to evidence financial responsibility of any insured under any applicable federal, state, provincial, or local law.

3. Non-Owned Disposal Site Liability

We will pay on behalf of the insured "loss" in excess of the applicable Self-Insured Retention or Deductible shown in the Declarations that the insured becomes legally obligated to pay as a result of a "claim" for "bodily injury", "property damage", or "cleanup costs" caused by a "pollution condition" at, on or under, or migrating from a covered "non-owned disposal site", provided the "pollution condition":

a. Arises from waste or material generated by "your work", resulting from transportation, or originating from a "covered location"; and

b. The:

(1) "Bodily injury";

(2) "Property damage"; or

(3) Physical damage to land, conveyances, structures on land or water, the atmosphere, any watercourse, or body of water, including surface water or groundwater, giving rise to "cleanup costs" or "emergency response costs";

occurs during the Policy Period.

4. Sudden And Accidental Discharge, Release, Or Escape Of Pollutants Liability

We will pay on behalf of the insured "loss" in excess of the applicable Self-Insured Retention Or Deductible shown in the Declarations:

a. For "cleanup costs" as a result of a sudden and accidental "pollution condition" originating at, on or under, or migrating from, a "covered location"; or

b. That the insured becomes legally obligated to pay as a result of a "claim" for "bodily injury", "property damage", or "cleanup costs";

provided the sudden and accidental "pollution condition":

(1) First commences during the Policy Period;

(2) Is the result of an unforeseen, unplanned, or unexpected event or circumstance;

(3) Is first discovered by any insured no later than seven days after it commences, unless a different period is shown in the Schedule Of Covered Locations;

(4) Is reported to us in writing no later than 21 days following its discovery by any insured, unless a different period is shown in the Schedule Of Covered Locations; and

(5) The "claim" is first made during the Policy Period or the Extended Reporting Period, as provided under Section **VI** – Extended Reporting Periods.

5. Crisis Management Costs

We will indemnify you for "crisis management costs" you incur as a direct result of a "crisis management event", provided that the "crisis management event":

a. Arises directly from a "pollution condition" that has resulted or is reasonably likely to result in a "loss" covered under this Policy;

b. Commences during the Policy Period;

c. First becomes known to a "responsible insured" during the Policy Period; and

d. Is reported to us in writing as soon as practicable, but in any event during the Policy Period or within 30 days after the end of the Policy Period.

We will pay those "crisis management costs" you incur even if coverage hereunder is still to be confirmed by us, but we will stop paying such "crisis management costs" as soon as it becomes evident, to either you or us, that this insurance does not apply, in which case all "crisis management costs" paid by us will be reimbursed by you to us. "Crisis management costs" are not subject to the Self-Insured Retention or Deductible.

6. Emergency Response Costs

We will indemnify you for "emergency response costs" you incur in excess of the applicable Self-Insured Retention or Deductible shown in the Declarations, provided that the "pollution condition":

a. Has resulted or is reasonably likely to result in a "loss" covered under this Policy;

b. Commences during the Policy Period;

c. First becomes known to a "responsible insured" during the Policy Period; and

d. Is reported to us in writing as soon as practicable, but in any event during the Policy Period or within 30 days after the expiration of the Policy Period.

We will pay those "emergency response costs" you incur even if coverage hereunder is still to be confirmed by us, but we will cease paying such "emergency response costs" as soon as it becomes evident, to either you or us, that this insurance does not apply.

B. Claims And Defense

1. With respect only to Insuring Agreements **A.1.** through **A.3.** above, coverage applies only if, prior to the Policy Period, no "responsible insured" knew that the "bodily injury", "property damage", or "cleanup costs" had occurred, in whole or in part. If any "responsible insured" knew, prior to the Policy Period, that the "bodily injury", "property damage", or "cleanup costs" occurred, then any continuation, change, or resumption of such "bodily injury", "property damage", or "cleanup costs" during or after the Policy Period will be deemed to have been known prior to the Policy Period.

"Bodily injury", "property damage", or "cleanup costs" which occur during the Policy Period and was not, prior to the Policy Period, known by any "responsible insured" to have occurred, includes any continuation, change, or resumption of the "bodily injury", "property damage", or "cleanup costs" after the end of the Policy Period.

"Bodily injury", "property damage", or "cleanup costs" will be deemed to have been known to have occurred at the earliest time when any "responsible insured":

a. Reports all or any part of the "bodily injury", "property damage", or "cleanup costs" to us or any other insurer;

b. Receives a written or verbal demand or "claim" for damages because of the "bodily injury", "property damage", or "cleanup costs"; or

c. Becomes aware by any other means that the "bodily injury", "property damage", or "cleanup costs" have occurred or have begun to occur.

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. We:

a. Will have the right to investigate any "claim" to which this insurance applies;

b. Will have the right and duty to defend the insured against any "suit" seeking damages to which this insurance applies; and

c. May, at our discretion, investigate any "pollution condition" and settle any "claim" that may result.

However:

(1) We will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply;

(2) The amount we will pay for "loss" is limited as described in Section **IV** – Limits Of Insurance And Self-Insured Retention Or Deductible; and

(3) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

3. All "claims" for damages arising out of the same, related, or continuous "pollution condition" will be considered a single "claim" and will be deemed to have been first made and reported or incurred at the time of the first "claim" is made against any insured.

Any "claim" for damages to the same person, including damages claimed by any person or organization for care, loss of services, or death resulting at any time, will be deemed to have been made at the time the first of those "claims" is made against any insured.

C. Supplementary Payments

1. Loss Of Earnings And Expense Reimbursement

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. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim", including actual loss of earnings up to $500 a day because of time off from work.

c. 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.

d. 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.

e. 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 shown in the Declarations.

2. Suit Against Indemnitee

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 only 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 "pollution condition" 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".

As 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.

We may, at our option, appoint one counsel to defend all of the insureds and indemnitees of the insureds who are or may be involved with respect to such "suit".

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 or terms of the agreement set forth above are no longer met.

These payments will not reduce the Limits Of Insurance shown in the Declarations.

SECTION II – EXCLUSIONS

A. With respect to all Insuring Agreements and Supplementary Payments, this insurance does not apply to:

1. Contractual Liability

"Loss" the insured is legally obligated to pay as damages that result from the assumption of liability in a contract or agreement. However, this exclusion does not apply to liability for damages:

a. That the insured would have in the absence of the contract or agreement; or

b. Assumed in a contract or agreement that is an "insured contract", provided the "loss" occurs subsequent to the execution of the contract or agreement.

2. Criminal Fines Or Criminal Penalties

Any criminal fines or criminal penalties.

3. Damage To Property

"Property damage" to any real property owned, leased, or operated by you.

However, this exclusion does not apply:

a. If the real property is operated or occupied by you for the purpose of performing "your work";

b. To "cleanup costs" covered under Insuring Agreement **A.4.** Sudden And Accidental Discharge, Release, Or Escape Of Pollutants Liability; or

c. To "emergency response costs" covered under Insuring Agreement **A.6.** Emergency Response Costs.

4. Damage To Your Product Or Your Work

"Property damage" to "your product" or "your work" or any part of "your product" or "your work".

However, this exclusion does not apply:

a. If the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor; or

b. To the "completed operations" of "your work".

5. Employer's Liability

"Bodily injury" to:

a. An "employee" of the insured arising out of and in the course of:

(1) Employment by the insured; or

(2) Performing duties related to the conduct of the insured's business; or

b. The spouse, "domestic partner", child, parent, brother, or sister of that "employee" as a consequence of such "bodily injury".

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.

However, this exclusion does not apply to liability assumed by you under an "insured contract".

6. Expected Or Intended Injury

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

7. Impaired Property

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

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

b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

However, 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.

8. Insured Versus Insured

Any "claim" made by or on behalf of an insured against any other insured.

However, this exclusion does not apply to "claims" against you made by any additional insured seeking coverage or indemnification pursuant to a written contract or agreement.

9. Intentional Acts

"Loss" arising out of intentional, willful, or deliberate:

a. Injury to persons or property;

b. Failure to comply with any federal, state, local, or provincial laws including, but not limited to, statutes, rules, ordinances, guidance documents, regulations, and all amendments thereto, including state voluntary cleanup or risk-based corrective action guidance, governing the liability or responsibilities of an insured; or

c. Failure to comply with any permit, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental or public agency or body.

However, this exclusion does not apply to:

(1) An insured who did not commit, participate in, or have knowledge of any of the acts described above;

(2) Any failure to comply based upon your good faith reliance on written advice of qualified outside counsel received in advance of such non-compliance; or

(3) Any failure to comply based upon your reasonable efforts to mitigate a "pollution condition" that necessitates immediate action.

10. Known Pollutants Or Pollution Conditions

"Loss" caused by, arising out of, or in any way involving a "pollutant" or "pollution condition" at a "covered location", or resulting from "your work", including any subsequent continuation or resumption of or changes in such "pollutant" or "pollution condition", that existed prior to the Policy Period and was known to any "responsible insured" at any time before the Policy Period.

However, this exclusion does not apply if:

a. The "pollutant" or "pollution condition" known to a "responsible insured" prior to the effective date of the Policy Period did not result in costs, charges, or expenses being incurred to investigate, remove, dispose of, abate, contain, treat, or neutralize contaminated soil, surface water, groundwater, air, or other media;

b. The known "pollutant" or "pollution condition" is disclosed to us prior to the Policy Period and shown in the Schedule Of Known Pollutants Or Pollution Conditions;

c. The known "pollutant" or "pollution condition" was not subject to cleanup or remediation required by "environmental law"; or

d. A No Further Action determination or equivalent decision has been documented in writing in accordance with "environmental law" with respect to the "pollutant" or "pollution condition".

11. Nuclear Energy Liability

Any "claim" based upon or arising out of any nuclear or radioactive materials or by-products:

a. Where any insured under this Policy has been indemnified by the United States Department of Energy or any other government authority; or

b. For which the Price-Anderson Act provides protection for the insured.

12. Other Enterprises

"Loss" arising out of any business enterprise owned, operated, or managed by the insured or its parent company or any affiliate, successor, or assignee of such company not named in the Declarations.

13. Professional Services

"Loss" arising out of any alleged or actual act, error, or omission in the rendering of or failure to render "professional services" by you or any contractor or subcontractor working on your behalf.

This exclusion applies even if the "claim" against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that insured, if the "pollution condition" which caused the "loss" involved the rendering of or failure to render "professional services".

However, this exclusion does not apply to a "claim":

a. In which you committed an actual or alleged act, error, or omission relating to improper or inadequate supervision, direction, or control of any contractors or subcontractors for which you are legally liable when such contractors or subcontractors are performing operations on your behalf at a job site; or

b. Alleging liability for construction means, methods, techniques, sequences, or procedures utilized as part of "your work".

14. Property Damage To Cargo

"Property damage" to "transported cargo".

15. Property Damage To Conveyances

"Property damage" to any "auto", railcar, train, watercraft, or aircraft operated by or on behalf of any insured resulting from a "pollution condition" caused by "transported cargo".

However, this exclusion does not apply to any "claim" brought by any "carrier" for "property damage" arising out of the insured's negligence.

16. Vehicles

"Loss" arising out of the ownership, maintenance, use, operation, or entrustment to others of any aircraft, "unmanned aircraft", "auto", or watercraft. Use includes "loading or unloading".

However, this exclusion does not apply to:

a. "Loading or unloading" within the boundaries of a "covered location" or a location where "your work" is performed; and

b. Coverage provided under Insuring Agreements **A.2.** Transportation Pollution Liability , **A.3.** Non-Owned Disposal Site Liability, or **A.4.** Sudden And Accidental Discharge, Release, Or Escape Of Pollutants Liability, if shown as purchased in the Declarations.

17. War

"Loss", however caused, arising, directly or indirectly, out of:

a. War, including undeclared or civil war;

b. Warlike action by a military force, including action taken in the hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

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

18. Workers' Compensation And Similar Laws

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

19. Your Product

"Loss" arising out of "your product" after any insured has relinquished possession of it.

However, this exclusion does not apply to any "loss" arising out of any waste generated by "your work" that is relinquished to others to recycle or for beneficial reuse.

B. With respect only to Insuring Agreement **A.4.** Sudden And Accidental Discharge, Release, Or Escape of Pollutants Liability Insuring Agreement, this insurance does not apply to:

1. Asbestos And Lead

"Loss" in any way involving asbestos, asbestos containing materials, lead, or lead containing materials, including, but not limited to, lead-based paint in, on, at, within, or applied to any building, utility, structure, or building material.

However, this exclusion does not apply to:

a. "Claims" for "bodily injury" or "property damage";

b. "Cleanup costs" for the remediation of any soil, groundwater body, surface water body, or sediment; or

c. "Cleanup costs" solely incurred for the remediation of asbestos, asbestos containing materials, or lead-based paint that has been inadvertently displaced by an accident that:

(1) Does not result from demolition, renovation, or abatement;

(2) Is demonstrable by the insured as commencing during the Policy Period; and

(3) Is reported to us within 45 days of its commencement.

However, there will be no coverage for any costs incurred to:

(a) Remove, abate, repair, dispose of, or otherwise address any asbestos, asbestos containing materials, or lead-based paint that has not been displaced by such accident; or

(b) Remove or dispose of any building, construction, or demolition debris.

2. Capital Expenditures

Any capital expenditure at a "covered location".

3. **Material Change In Use**

   "Loss" in any way involving a change in the use or operations at a "covered location" that materially increases the likelihood or severity of a "pollution condition" or "claim" as compared with use or operations as disclosed to us on the application and all supporting documentation.

4. **Underground Storage Tanks**

   "Loss" in any way involving any "underground storage tank" or associated underground piping at a "covered location", whether operational, closed, or removed.

5. **Wells**

   "Loss" in any way involving the discharge, escape, migration, release, or seepage of oil, gas, drilling fluid, or any other fluid, from any oil, gas, mineral, or geothermal well.

SECTION III – WHO IS AN INSURED

Each of the following is an insured under all Insuring Agreements and Supplementary Payments:

A. If you are designated in the Declarations as:

   1. An individual, you, and your spouse or "domestic partner", but only with respect to the conduct of a business of which you are the sole owner.

   2. A partnership or joint venture, your members, your partners, and their spouses or "domestic partners", but only with respect to the conduct of your business.

   3. A limited liability company, your members but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

   4. An organization other than a partnership, joint venture, or limited liability company, your "executive officers" and directors, 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.

B. Any subsidiary company of yours, other than a partnership, joint venture, or limited liability company, and any company over which you have active control or majority ownership interest, or exercise management or financial control is a Named Insured with respect to the conduct of your business, provided:

   1. You report all such entities to us within 90 days after you have acquired the organization; and

   2. There is no other similar primary insurance available to that organization, unless such entity has been specifically endorsed onto this Policy.

   However:

   a. Coverage is afforded only until the 90th day after you acquire the subsidiary or the end of the Policy Period, whichever is earlier; and

   b. Coverage does not apply to "loss" that first commences before you acquired the subsidiary.

C. 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 work".

D. In the event of your bankruptcy, your trustees, and in the event of your death or incapacity, your legal representatives or executors, but only with respect to such trustee's, representative's, or executor's vicarious liability resulting from "your work".

E. Any organization, other than a partnership, joint venture, or limited liability company, you newly form during the Policy Period and over which you maintain ownership or majority interest, will qualify as an insured, if:

   1. You have contractually agreed to provide insurance for such organization;

   2. There is no other similar primary insurance available to that organization, unless such entity has been specifically endorsed onto this Policy; and

   3. You report to us within 90 days after such formation that you formed the organization.

   However:

a. Coverage is afforded only until the 90th day after you form the organization or the end of the Policy Period, whichever is earlier; and

b. Coverage does not apply to "loss" that first commences before you formed the organization.

F. Any:

1. Person or organization for whom you have performed or are performing "your work" and with whom you have agreed to provide additional insured status in a written contract or agreement, provided the written contract or agreement was executed prior to the:

   a Commencement of "your work"; and

   b. Date the "pollution condition" first commenced.

2. Other person or organization you are required to add as an additional insured under the written contract or agreement described in Paragraph **1.** above.

Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage", or "cleanup costs" resulting from a "pollution condition" caused in whole or in part by "your work".

However, any insurance afforded to such insured:

a. Only applies to the extent permitted by law;

b. Will not be broader than that which you are required by the written contract or agreement to provide for such insured; and

c. Is limited to the lesser of the Limits Of Insurance shown in the Declarations or the amount required by the written contract or agreement.

This Paragraph **F.** does not apply to any person or organization specifically named as an additional insured in an endorsement attached to this Policy.

SECTION IV – LIMITS OF INSURANCE AND SELF-INSURED RETENTION OR DEDUCTIBLE

A. 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 insureds, "claims" made, or persons or organizations making "claims".

2. Subject to the Combined General Aggregate Limit shown in the Declarations, the Coverage Form Aggregate Limit shown in the Declarations is the most we will pay for all "loss" arising out of all "pollution conditions" under all Insuring Agreements.

3. Subject to the Coverage Form Aggregate Limit shown in the Declarations:

   a. The Each Contractor's Pollution Condition Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.1.** Contractor's Pollution Liability for all "loss" arising out of any one "pollution condition".

   b. The Each Transportation Pollution Condition Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.2.** Transportation Pollution Liability for all "loss" arising out of any one "transportation pollution condition".

   c. The Each Non-Owned Disposal Site Pollution Condition Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.3.** Non-Owned Disposal Site Liability for all "loss" arising out of any one "pollution condition" at a "non-owned disposal site".

   d. The Each Sudden And Accidental Discharge, Release, Or Escape Of Pollutants Condition Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.4.** Sudden And Accidental Discharge, Release, Or Escape Of Pollutants Liability for all "loss" arising out of any one "pollution condition".

   e. The Each Crisis Management Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.5.** Crisis Management Costs for the sum of all "crisis management costs" arising out of any one "pollution condition".

f. The Each Emergency Response Limit shown in the Declarations is the most we will pay under Insuring Agreement **A.6.** Emergency Response Costs for the sum of all "emergency response costs" arising out of any one "pollution condition".

The limits of insurance of this Policy apply separately to each Policy Period, unless the Policy Period is extended after issuance for an additional period. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the limits of insurance.

B. Self-Insured Retention

The following applies only if Self-Insured Retention is selected in the Declarations:

1. You agree to assume the Self-Insured Retention shown in the Declarations. Our obligation to pay "loss" under this insurance and the applicable Limit Of Insurance shown in the Declarations will apply in excess of the applicable Self-Insured Retention. The Self-Insured Retention applies separately to each "pollution condition".

2. Regardless of whether or not there is any other insurance, whether or not collectible, applicable to a "claim" or "pollution condition" within the Self-Insured Retention, you must make actual payment of the full Self-Insured Retention before the Limits Of Insurance will apply. Compliance with this clause is a condition precedent for coverage under this insurance. We will make no payments of any type in the event you fail to comply with this clause.

3. You must not incur costs other than adjusting expenses without our written consent in the event of any "claim" or "pollution condition" which appears likely to exceed the Self-Insured Retention.

4. We have the right in all cases to assume control of the investigation, defense, and settlement of any "claim" or "pollution condition" to which this insurance applies. When we exercise this right, the following apply:

a. You will remain responsible for the cost of all "loss" within the applicable Self-Insured Retention;

b. At our request, you will advance to us any portion of the applicable Self-Insured Retention that we deem reasonable to pay for any "claim" or "pollution condition";

c. If you have paid to us all or part of the applicable Self-Insured Retention and the total amount of "loss" that we pay for that "claim" or "pollution condition" is less than the applicable Self-Insured Retention, then we will reimburse you the amount you paid in excess of the amount we pay; and

d. We will have the sole and absolute right to settle the "claim" for any amount we deem reasonable, including any amount within the Self-Insured Retention. Although we agree to attempt to advise and consult with you prior to making any settlement, we will have no obligation to obtain your consent or the consent of any other insured, to any settlement we make that requires payment from you of any amount within the Self-Insured Retention. You and any other insured hereby waive any claim or defense against us resulting from our entering into any such settlement without your approval.

C. Deductible

The following applies only if Deductible is selected in the Declarations:

1. Our obligation to pay "loss" under this insurance and the applicable Limit Of Insurance shown in the Declarations applies only to the amount of damages in excess of the Deductible shown in the Declarations.

2. The Deductible applies separately to each "pollution condition", and may be applied to supplementary payments, settlements, or indemnification.

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

a. Our right and duty to defend the insured against any "claims" seeking those damages; and

b. Your duties in the event of a "pollution condition";

apply irrespective of the application of the Deductible.

4. We will have the right to settle the "claim" for any amount we deem reasonable in excess of the Deductible. We may either:

a. Pay any part or all of the Deductible to effect settlement of any "claim", and upon notification of the action taken, you must promptly reimburse us for that part of the Deductible that has been paid by us; or

b. Simultaneously upon receipt of notice of any "claim" or at any time thereafter, call upon you to pay or deposit with us all or any part of the Deductible, to be held and applied by us as herein provided.

5. In the event that you do not promptly comply with Paragraph **4.** above, any cost we incur in collection of the Deductible including, but not limited to, collection agency fees, attorneys' fees, and interest, will be added to and applied in addition to the Deductible without limitation to such costs.

6. If the insured refuses to settle, our duty to defend will cease. The insured must thereafter negotiate or defend such "claim" independently of us, and our liability will not exceed the amount less the Deductible for which the "claim" could have been settled.

7. If the same, related, or continuous "pollution condition" results in coverage under more than one Insuring Agreement under this Policy, then only the highest Deductible shown in the Declarations of all Insuring Agreements applicable to the "pollution condition" will apply.

D. Mediation

The Deductible or Self-Insured Retention shown in the Declarations will be waived, up to a maximum of 50%, subject to a maximum reduction of $25,000, if:

1. A "claim" has not entered into litigation;
2. You and we mutually agree to "mediation" as a means to settle a "claim"; and
3. Such "claim" is settled as a direct result of the "mediation" and within 30 days of the end of the "mediation".

When this occurs, we will waive any qualifying Deductible or Self-Insured Retention amount we pay prior to the "mediation".

E. Multiple Insureds, Claims, And Claimants

The inclusion herein of more than one insured in any "claim" or the making of "claims" by more than one person or organization will not operate to increase the Limits Of Insurance shown in the Declarations.

All "claims" for damages arising out of the same, related, or continuous "pollution condition" will be considered a single "claim" and will be deemed to have been first made at the time the first "claim" is made against any insured.

SECTION V – CONDITIONS

A. Assignment

Assignment of interest under this Policy will not bind us unless our consent, which will not be unreasonably withheld or delayed, has been endorsed on this Policy.

B. Bankruptcy

Bankruptcy or insolvency of the insured or the insured's estate will not relieve us of our obligations or increase our liability under this Policy.

C. Duties In The Event Of A Pollution Condition Or Claim

1. You must see to it that we are notified as soon as practicable in writing of a "pollution condition". To the extent possible, notice must contain:
   a. How, when, and where the "pollution condition" took place;
   b. The names and addresses of any claimants, injured persons, and witnesses;
   c. The nature and location of any injury or damage arising out of the "pollution condition";
   d. The date and details of "your work" that may have caused the "pollution condition";
   e. Copies of any contracts that have been entered into by any insured that are related to "your work" performed;
   f. Details explaining how the insured first became aware of the "pollution condition"; and
   g. The identity of all other insurers known by a "responsible insured" who may provide coverage for the "pollution condition".
2. If a "claim" is made against any insured:

a. You must notify us in writing as soon as possible the specifics of the "claim" and the date received; and

b. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summons, or legal papers received in connection with the "claim";

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement, or defense of the "claim";

(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; and

(5) Submit to examination under oath as often as reasonably required by us.

3. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, without our written consent. However, written consent is not required with respect to:

a. "Crisis management costs" that have been reported in accordance with Insuring Agreement **A.5.** Crisis Management Costs; or

b. "Emergency response costs" that have been reported and approved by us or our appointed representative by use of the emergency response hotline.

4. Notice to your insurance agent or broker does not constitute notice to us for purposes of the receipt of notice.

D. Independent Counsel

In the event the insured is entitled by applicable law to select independent counsel to defend a "claim" or "suit" at our expense, the attorneys' fees and all other expenses we must pay to that counsel are limited to the rates we actually pay to counsel we retain in the ordinary course of business in the defense of similar claims or suits in the community where the "claim" arose or the "suit" is being defended.

Additionally, we may exercise the right to require that such counsel have certain minimum qualifications with respect to their competence including at least five years of experience in defending "claims" or "suits" similar to the one pending against the insured and to require such counsel have errors and omissions insurance coverage with a limit at least equal to this Policy's applicable Each Insuring Agreement Limit.

With respect to any such counsel, the insured agrees that counsel will:

1. Respond timely and regularly to our request for information regarding the "claim" or "suit"; and

2. Provide regular status reports, budgets, case plans, and updates on significant developments.

Furthermore, the insured may at any time, by the insured's written consent, freely and fully waive these rights to select independent counsel.

E. Legal Action Against Us

No person or organization has a right under this Policy to:

1. Join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

2. Sue us on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial, but we will not be liable for "losses" 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 the insured and the claimant or the claimant's legal representative.

F. Other Insurance

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

1. Primary Insurance

This insurance is primary except when Paragraph **2.** below applies. If this insurance is primary:

a. This insurance is not contributory with any other insurance available to any third-party liability policy if required by a written contract, signed by both parties, and executed prior to the commencement of operations or "your work".

b. Our obligations are not affected unless any of the other insurance is also primary. In that case, we will share with all such other insurance by the method described in Paragraph **3.** below.

2. Excess Insurance

a. This insurance is excess over:

(1) Any other insurance, whether primary, excess, contingent, or on any other basis if you are an insured on an insurance policy that applies to "your work" performed at a specific job site and that insurance policy applies to a specific job site;

(2) Any other valid and collectible insurance available to you covering liability for "losses" arising out of "your work", including that work for which you have been added as an additional insured by an endorsement, by definition in a contract or agreement, or by combination thereof;

(3) Any other valid and collectible insurance available to any person or entity performing functions for others on your behalf as defined in "your work" in this Policy;

(4) Any valid and collectible project-specific insurance policy, owner's protective insurance policy, owner-controlled insurance policy, contractor-controlled insurance policy, wrap-up policy, or similar insurance program under which an insured is covered; or

(5) Any other valid and collectible insurance, whether primary, excess, contingent, or on any other basis, covering a:

(a) "Transportation pollution condition", if Insuring Agreement **A.2.** Transportation Pollution Liability is shown as purchased in the Declarations;

(b) "Pollution condition" on a "non-owned disposal site", if Insuring Agreement **A.3.** Non-Owned Disposal Site Liability is shown as purchased in the Declarations; or

(c) "Pollution condition" resulting from "your work" if you are an insured on an insurance policy that applies to "your work" performed at a specific job site or if you are added as an additional insured on another insurance policy.

b. 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.

c. 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:

(1) The total amount that all such other insurance would pay for the damages in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

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 Policy.

3. 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. However, our contribution will not apply until our applicable Deductible or Self-Insured Retention is satisfied.

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.

G. Premium Audit

1. We will compute all premiums for this Policy in accordance with our rules, rates, rating plans, and minimum premium requirements.
2. Premium shown as Advance And Deposit Premium in the Declarations 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 shown in the Declarations. 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 more than the earned premium, we will return the excess to the first Named Insured.
3. 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.

H. Representations

By accepting this Policy, you agree:

1. The statements in the applications, other materials submitted to us, and Declarations are accurate and complete;
2. Those statements are based upon representations you made to us; and
3. We have issued this Policy in reliance upon your representations.

I. Separation Of Insureds

1. Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first Named Insured shown in the Declarations, this insurance applies:
   a. As if each Named Insured were the only Named Insured; and
   b. Separately to each insured against whom a "claim" is made.
2. Any misrepresentation, act, or omission that is in violation of a term, duty, or condition under this Policy by one insured will not, by itself, affect coverage for another insured under this Policy. However, this condition will not apply to an insured who is a parent, subsidiary, or affiliate of the insured which committed such misrepresentation, act, or omission.

J. 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 insurance, those rights are transferred to us. The insured must do nothing after "loss" to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

Any recovery obtained through transfer of rights, after expenses incurred in such transfer of rights are deducted by us, will be applied first to the insured to the extent of any payments in excess of the Limit Of Insurance, if any; then to us to the extent of our payment under this Policy; and then to the insured to the extent of your Deductible or Self-Insured Retention.

However, we will waive any right of recovery to the extent required by written contract, provided such contract was entered into with any person(s) or organization(s) prior to the discovery of the "pollution condition" giving rise to the "loss".

SECTION VI – EXTENDED REPORTING PERIODS

With respect only to the Sudden And Accidental Discharge, Release, Or Escape of Pollutants Liability Insuring Agreement:

A. We will provide one or more Extended Reporting Periods, as described below, if:

1. The coverage provided for Sudden And Accidental Discharge, Release, Or Escape Or Pollutants Liability is cancelled or not renewed; or
2. We renew or replace the coverage provided for Sudden And Accidental Discharge, Release, Or Escape Or Pollutants Liability with insurance that:
   a. Has a retroactive date later than the Retroactive Date shown in the Declarations; or
   b. Does not apply to "claims" that result from a "pollution condition" on a claims-made basis.

The quotation of a different premium, deductible, or limit of insurance for renewal does not constitute a cancellation or refusal to renew for the purpose of this provision.

B. The Extended Reporting Periods do not extend the Policy Period or change the scope of coverage provided. They apply only to "claims" that result from "pollution conditions" that occur before the end of the Policy Period, but not before the Retroactive Date, if any, shown in the Declarations, provided the "claim" is first made against the insured during the Policy Period and reported to us during the Policy Period or the Extended Reporting Period.

Once in effect, the Extended Reporting Period may not be cancelled.

C. The Extended Reporting Periods will not reinstate or increase the Limits Of Insurance shown in the Declarations.

D. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the Policy Period and lasts for 90 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".

E. An Optional Extended Reporting Period is available, subject to Paragraph **F.** below, but only by an endorsement for an additional premium of not more than 250% of the full Policy Premium. This Optional Extended Reporting Period starts when the Basic Extended Reporting Period, set forth in Paragraph **D.** above, ends and will be effective for up to 60 months.

You must give us a written request for the endorsement within 90 days after the end of the Policy Period. The Optional Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

This endorsement will set forth the terms, not inconsistent with this section, applicable to the Optional 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 Optional Extended Reporting Period starts.

F. We do not have to provide an Optional Extended Reporting Period if:

1. There is any failure to pay any outstanding premiums when due;

2. You fail to repay any Self-Insured Retention or Deductible amount we have paid;

3. You have purchased any other insurance to replace the insurance provided under this endorsement;

4. The application for this Policy, including any addenda thereto, contains any material misrepresentation of fact; or

5. This Policy is terminated for fraud or non-payment of premium.

SECTION VII – DEFINITIONS

A. "Auto" means a land motor vehicle, trailer, or semitrailer designed for travel on public roads, including any attached machinery or equipment.

B. "Bodily injury" means physical injury, sickness, disease, mental anguish, or emotional distress, sustained by any person, including medical monitoring or death resulting from any of these at any time.

C. "Cargo" means waste, products, or materials carried or delivered by a "covered conveyance".

D. "Carrier" means a person or an entity, other than any insured or any subsidiary or affiliate company of any insured, engaged by the insured to transport material by aircraft, "auto", or watercraft, but only if such person or entity is properly licensed to transport such material and in the business of transporting such material.

E. "Claim" means:

1. A written demand upon any insured for damages or "loss"; or

2. A "suit" or arbitration proceedings against any insured seeking damages or "loss".

F. "Cleanup costs" means reasonable and necessary expenses incurred in the investigation, evaluation, monitoring, testing, removal, containment, treatment, disposal, remediation, detoxification, or neutralization of "pollutants", or any reasonable and necessary expense incurred in response to any "pollution condition":

1. To the extent required by "environmental law";

2. Which have been actually incurred by the government or any political subdivision of the United States of America or any state thereof, or by third parties; or

3. To the extent recommended by an "environmental professional" in the absence of Paragraphs **1.** and **2.** above.

"Cleanup costs" includes "restoration costs" and those costs arising from the removal of "pollutants" illicitly abandoned by a third party at a "covered location".

G. "Completed operations" means "your work" that has been completed.

"Completed operations" does not include "your work" that has been abandoned or has not yet been completed. "Your work" will be deemed completed at the earliest of the following times:

1. When all work to be performed under the contract has been completed;

2. When all of the work to be done at the site has been completed if the contract calls for work at more than one site; or

3. 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.

"Your work" that may require further service, maintenance, correction, repair, or replacement, but is otherwise complete, will be deemed completed.

H. "Coverage territory" means the United States of America and its territories and possessions.

I. "Covered conveyance" means any conveyance operated by or on behalf of an insured.

"Covered conveyance" does not include pipelines.

J. "Covered location" means any real property owned, leased, or operated for use as an office, warehouse, or for equipment storage by you at the time of the "loss" and as of the first date of the Policy Period shown on the Declarations.

K. "Crisis management consultant" means a professional firm or consultant that provides crisis management services and has been approved in writing by us, the approval for which will not be unreasonable withheld.

L. "Crisis management costs" means those reasonable and necessary fees and expenses:

1. Incurred by you within 90 days after the "crisis management event" is discovered by you and is thereafter approved by us in writing; and

2. For services provided to you by a "crisis management consultant" for the sole purpose of assisting you with:

a. Managing the media in direct response to a "crisis management event" to which this insurance applies; or

b. Minimizing the economic harm to you caused by a "crisis management event" to which this insurance applies by consulting with you with respect to maintaining and restoring your company's public image or reputation.

You must take reasonable steps to minimize "crisis management costs".

M. "Crisis management event" means the public announcement by a third party that a "pollution condition" for which you are legally responsible has caused:

1. "Bodily injury" involving third parties; or

2. "Property damage", but only to the extent resulting in actual physical damage to real property owned by third parties;

provided that one of your "executive officers" has proffered, at our sole discretion, a good faith opinion that the public announcement or accusation has caused or is reasonably likely to cause economic harm to, or a material adverse effect on, your company's image or goodwill.

N. "Domestic partner" means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state, or local law.

O. "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.

P. "Emergency response costs" means reasonable and necessary costs incurred to mitigate a "pollution condition" constituting an emergency situation under applicable law whereby in the absence of such mitigation:

1. "Bodily injury" or "property damage" to third parties is imminent; or

2. "Cleanup costs" pursuant to "environmental law" are incurred.

Q. "Employee" includes temporary and leased staff working on your behalf and under your direct supervision, but only with respect to "your work".

R. "Environmental law" means any federal, state, provincial, municipal, or local laws, rules, regulation, or order including, but not limited to, statutes, rules, ordinances, guidance documents, regulations, and all amendments thereto, including state voluntary cleanup or risk-based corrective action guidance, and governmental, judicial, or administrative orders and directives that are applicable to a "pollution condition".

S. "Environmental professional" means an individual:

1. Approved by us;

2. Duly certified or licensed in a recognized field of environmental science as required by a state board or a professional association; and

3. Who meets certain minimum qualifications and maintains specified levels of errors and omissions insurance coverage acceptable to us.

We will consult with the first Named Insured in conjunction with the selection of the "environmental professional".

T. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws, or any other similar governing document.

U. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

1. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate, or dangerous; or

2. 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.

V. "Insured contract" means:

1. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality; or

2. 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", "property damage", or "cleanup costs" to a third person or organization, provided the "bodily injury", "property damage", or "cleanup costs" is caused, in whole or in part, by you or by those acting on your behalf. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **2.** does not include that part of any contract or agreement:

a. That indemnifies an architect, engineer, or surveyor for injury or damage arising out of:

(1) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; or

(2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

b. 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 **a.** above and supervisory, inspection, architectural, or engineering activities.

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

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, "auto", rolling stock, or watercraft;

2. While it is in or on an aircraft, "auto", rolling stock, or watercraft; or

3. While it is being moved from an aircraft, "auto", rolling stock, or watercraft 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, "auto", rolling stock, or watercraft.

X. "Loss" means:

1. A monetary judgment, award, or settlement, including punitive damages and exemplary damages where insurable by applicable law, for "bodily injury" or "property damage";

2. "Cleanup costs";

3. "Crisis management costs"; or

4. "Emergency response costs".

Y. "Low-level radioactive waste" means waste that contains radioactivity but is not transuranic waste, spent nuclear fuel, waste materials remaining after spent nuclear fuel is processed, uranium milling residues, waste with greater than specified quantities of elements heavier than uranium, and those wastes requiring permanent isolation by the United States Nuclear Regulatory Commission.

Z. "Mediation" means the voluntary process in which a neutral third party, who is a qualified professional mediator selected by the parties to the "claim" with our written agreement, intervenes between the parties to promote settlement of a "claim". "Mediation" does not include litigation, arbitration, or court-mandated proceedings.

AA. "Mixed waste" means waste containing both radioactive and hazardous components as defined by the Atomic Energy Act and the Resource Conservation and Recovery Act.

BB. "Mold" means any permanent or transient fungus, mold, mildew, or mycotoxin or any of the spores, scents, or by-products produced or released by fungus.

CC. "Natural resource damages" means physical injury to or destruction of, as well as the assessment of, such injury or destruction, including the resulting loss of value of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States of America, any state or local government, any Native American tribe, or, if such resources are subject to a trust restriction on alienation, any member of a Native American tribe.

DD. "Non-owned disposal site" means a location you use for the treatment, storage, or disposal of waste or material, provided the "non-owned disposal site" is:

1. Not managed, operated, owned, or leased by any insured or any subsidiary or affiliate of any insured;

2. Permitted or licensed by the applicable federal, state, local, or provincial authorities to accept such waste or material as of the date the waste or material is treated, stored, or disposed of at the "non-owned disposal site"; and

3. Not listed on a proposed or final Federal National Priorities List or any state or provincial equivalent National Priority List, Superfund, or Hazardous Waste List prior to the treatment, storage, or disposal of the waste or material at the "non-owned disposal site".

EE. "Pollutants" means any solid, liquid, gaseous, biological, or thermal irritant or contaminant including, but not limited to, smoke, vapor, soot, silt, sedimentation, fumes, acids, alkalis, chemicals, hazardous substances, petroleum hydrocarbons, waste materials, including medical, infectious, and pathological waste, electromagnetic fields, "low-level radioactive waste", and "mixed waste" materials, at levels in excess of those naturally occurring. Waste includes materials to be recycled, reconditioned, or reclaimed.

With respect to Insuring Agreements **A.1.** Contractor's Pollution Liability, **A.5** Crisis Management Costs, and **A.6.** Emergency Response Costs only, if shown as purchased in the Declarations, "pollutants" includes "mold" and legionella pneumophila.

FF. "Pollution condition" means:

1. The discharge, dispersal, seepage, migration, growth, release, or escape of "pollutants"; or

2. The illicit abandonment of "pollutants" by a third party without your consent at a job site or a "covered location".

With respect to Insuring Agreements **A.2.** Transportation Pollution Liability, **A.5.** Crisis Management Costs, and **A.6.** Emergency Response Costs only, if shown as purchased in the Declarations, "pollution condition" includes "transportation pollution condition".

GG. "Professional services" means those functions performed for others by you or on your behalf that are related to your practice as a consultant, engineer, architect, surveyor, laboratory, project manager, or construction manager including, but not limited to, engineering services or the preparation or approval of maps, drawings, opinions, reports, surveys, designs, or specifications.

HH. "Property damage" means:

1. Physical injury to tangible property, including all resulting loss of use or diminution in value of that property. All such loss of use or diminution in value will be deemed to occur at the time of the physical injury that caused it;

2. Loss of use or diminution in value of tangible property that is not physically injured. All such loss of use or diminution in value will be deemed to occur at the time of the "claim"; or

3. "Natural resource damages".

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

"Property damage" does not include "cleanup costs".

II. "Responsible insured" means:

1. Your "executive officer", director, member, or partner; or

2. Your manager or supervisor responsible for environmental health and safety or environmental affairs, control, or compliance.

JJ. "Restoration costs" means reasonable and necessary costs incurred by the insured with our consent, which will not be unreasonably withheld or delayed, to restore, repair, or replace real or personal property to substantially the same condition it was in prior to being damaged during work performed in the course of incurring "cleanup costs".

However, such "restoration costs":

1. Will not exceed the actual cash value of such property immediately prior to incurring "cleanup costs"; or

2. Will not include costs associated with improvements or betterments, ordinance, or law, except to the extent:

a. Such improvements or betterments of the damaged property entail the use of materials which are environmentally preferable to those materials which comprised the damaged property; and

b. Such environmentally preferable material must be certified as such by an applicable independent certifying body, where such certification is available, or, in the absence of such certification, based on our judgment at our sole discretion.

KK. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage", or "cleanup costs" to which this insurance applies are alleged.

"Suit" includes:

1. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

LL. "Temporary storage" means storage of materials in a locked and secure storage container with clearly posted warning signs for a period of up to 30 days at a premises you own or rent. "Temporary storage" does not include storage of materials at any site at which you are performing "your work".

MM. "Transportation pollution condition" means the emission, discharge, dispersal, release, or escape of "pollutants" from a "covered conveyance" which occurs beyond the boundaries of a "covered location" or a jobsite.

NN. "Transported cargo" means the insured's "cargo" after it is moved from the place where it is accepted by or on behalf of an insured for movement into or onto a "covered conveyance", until the "cargo" is moved from the "covered conveyance" to the place where it is finally delivered on behalf of the insured.

"Transported cargo" also includes the insured's "cargo" during "loading or unloading" to or from a "covered conveyance".

OO. "Underground storage tank" means any one or combination of tanks, including underground pipes connected thereto, that is used to contain an accumulation of regulated substances, and the volume, including the volume contained in

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY PENNPAC PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

I. Damage To Your Work

The following is added to **Section I – Coverages, Coverage A Bodily Injury and Property Damage Liability,** Paragraph **1. Insuring Agreement**:

f. Damages because of "property damage" include damages the insured becomes legally obligated to pay because of "property damage" to "your work" and shall be deemed to be caused by an "occurrence", but only if:

(1) The "property damage" is the result of work performed on your behalf by a subcontractor(s) that is not a Named Insured;

(2) The work performed by the subcontractor(s) is within the "products-completed operations hazard"; and

(3) The "property damage" is unexpected and unintended from the standpoint of the insured.

For the purposes of this coverage, the definition of "Occurrence" in SECTION V – DEFINITIONS is replaced with the following:

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. An accident shall include "property damage" to other than "your work" arising from "your work".

II. Limited Product Withdrawal Expense Coverage

A. The following is added to **Section I - Coverages**

LIMITED PRODUCT WITHDRAWAL EXPENSE COVERAGE

1. Insuring Agreement

a. We will reimburse you for "product withdrawal expenses" incurred by you because of a "product withdrawal" to which this insurance applies.

The most we will pay for "product withdrawal expenses" is $20,000 or the Limit Of Insurance shown in the Declarations or Schedule, whichever is higher.

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

(1) You determine that the "product withdrawal" is necessary; or

(2) An authorized government entity has ordered you to conduct a "product withdrawal".

c. We will reimburse "product withdrawal expenses" only if:

(1) The expenses are incurred within one year of the date the "product withdrawal" was initiated;

(2) The expenses are reported to us within one year of the date the expenses were incurred.

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d. The initiation of a "product withdrawal" 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 withdrawal". This applies regardless of whether the determination to conduct a "product withdrawal" 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 withdrawal".

e. "Product withdrawal expenses" incurred to withdraw "your products" which contain the same or substantially similar "defects" will be deemed to have arisen out of the same "product withdrawal".

2. **Exclusions**
This insurance does not apply to "product withdrawal expenses" arising out of:

a. **Breach Of Warranty And Failure To Conform To Intended Purpose**

Any "product withdrawal" initiated due to the failure of "your product" to accomplish their 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 physical damage to tangible property other than "your product".

b. **Infringement Of Copyright, Patent, Trade Secret, Trade Dress Or Trademark**

Any "product withdrawal" initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

c. **Deterioration, Decomposition Or Chemical Transformation**

Any "product withdrawal" 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. **Goodwill, Market Share, Revenue, Profit Or Redesign**

The costs of regaining goodwill, market share, revenue or "profit" or the costs of redesigning "your product".

e. **Expiration Of Shelf Life**

Any "product withdrawal" initiated due to expiration of the designated shelf life of "your product".

f. **Known Defect**

A "product withdrawal", 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.

g. **Otherwise Excluded Products**

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.

h. **Governmental Ban**

A recall when "your product" or a component contained within "your product" has been:

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(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.

i. Defense Of Claim

The defense of a claim or "suit" against you for liability arising out of a "product withdrawal".

j. Third Party Damages, Fines And Penalties

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

k. Pollution-Related Expenses

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".

B. For the purposes of this coverage, the following condition is added to **Section IV – Commercial General Liability Conditions:**

Concealment Or Fraud

We will not provide coverage 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 withdrawal" or "product withdrawal expenses" incurred by you.

C. The following definitions are added to **Section V - Definitions**:

1. "Defect" means a defect, deficiency or inadequacy that creates a dangerous condition.

2. "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 withdrawal" 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.

3. "Product withdrawal" 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".

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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.

4. "Product withdrawal expenses" means those reasonable and necessary extra expenses, listed below, paid and directly related to a "product withdrawal":

a. Costs of notification;

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 computer time;

e. Costs of hiring independent contractors and other temporary employees;

f. Costs of transportation, shipping or packaging;

g. Costs of warehouse or storage space; or

h. Costs of proper disposal of "your products", or products that contain "your products", that cannot be reused, not exceeding your purchase price or your cost to produce the products.

5. "Profit" means the positive gain from business operation after subtracting for all expenses.

III. Non-Owned Watercraft

a. Exclusion **g.** Paragraph **(2)** of **Section I – Coverages, Coverage A Bodily Injury And Property Damage Liability** is deleted and replaced by the following:

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

(a) Less than 51 feet long; and

(b) Not being used to carry persons or property for a charge;

b. Paragraph **III.a.** applies to any person who, with your expressed or implied consent, either uses or is responsible for the use of a watercraft.

c. Paragraphs **III.a.** and **III.b.** do not apply if the insured has any other insurance for “bodily injury” or “property damage” liability that would also apply to loss covered under this provision, whether the other insurance is primary, excess, contingent or on any other basis. In that case, this Provision **III.** does not provide any insurance.

d. Paragraph **III.c.** does not apply to a policy written to apply specifically in excess of this policy.

IV. Consolidated Insurance (Wrap – Up) Program

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

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" if such operations were at any time subject to a “consolidated insurance (wrap-up) program”.

This exclusion applies whether or not the “consolidated insurance (wrap-up) program” provided:

(1) Coverage identical to that provided by this Coverage Part;

(2) Limits adequate to cover all claims; or

(3) Coverage that remains in effect.

This exclusion applies regardless of whether such operations are or were conducted by you or on your behalf.

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This exclusion does not apply to your operations away from a “consolidated insurance (wrap-up) program" project site incidental to the support of such a project and not included within the “consolidated insurance (wrap-up) program”.

This exclusion does not apply to “bodily injury” or “property damage” within the “products-completed operations hazard” if all coverage available to the insured for the “products-completed operations hazard” in a “consolidated insurance (wrap-up) program” has been cancelled, non-renewed or otherwise no longer applies for reasons other than the exhaustion of all available limits, whether such limits are available on a primary, excess or on any other basis.

“Consolidated insurance (wrap-up) program” means any agreement or arrangement, including any contractor-controlled, owner-controlled or similar insurance program, under which some or all of the contractors working on a specific project or specific projects, are required to participate in a program to obtain insurance that:

(1) Includes same or similar insurance as that provided by this Coverage Part; and

(2) Is issued specifically for “bodily injury” or “property damage” arising out of such project or projects.

V. Supplementary Payments Increased Limits
In the **Supplementary Payments - Coverages A And B** provision of **Section I - Coverages**:

a. The limit for the cost of bail bonds is changed from $250 to $3000.

b. The limit for the actual loss of earnings is changed from $250 to $1000.

VI. Broad Form Named Insured

a. **Section II – Who Is An Insured** is amended to include as an insured any organization or subsidiary thereof, other than a partnership, joint venture, or limited liability company, which is a legally incorporated entity of which you own a financial interest of more than 50 percent of the voting stock on the effective date of this endorsement.

b. Paragraph **VI.a.** does not apply to injury or damage with respect to which an insured under this policy is also an insured under another policy or would be an insured under such policy but for its termination or upon the exhaustion of its limits of insurance.

c. Paragraph **VI.b.** does not apply to a policy written to apply specifically in excess of this policy.

VII. Newly Formed or Acquired Organizations
In Paragraph **3.a.** of **Section II - Who Is An Insured**, 90th day is changed to 180th day.

VIII. Incidental Malpractice Liability - Nurse, EMT, or Paramedic
Paragraph **2.a.(1)(d)** of **Section II - Who Is An Insured** is deleted and replaced by the following:

(d) Arising out of his or her providing or failing to provide professional health care services. However, if you have “employees” who are a nurse, emergency medical technician or paramedic, they are an insured with respect to their providing or failing to provide professional health care services to your “employees”.

IX. Automatic Additional Insureds
Section II - Who Is An Insured is amended to add:

a. The **Lessor of Leased Equipment** from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured 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.

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

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required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this insurance ends when their contract or agreement with you for such leased equipment ends.

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.

b. The **Grantor of Franchise** when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured only with respect to their liability as grantor of a franchise to you.

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.

A person's or organization's status as an additional insured under this insurance ends when their contract or agreement with you for such franchise ends.

c. The **Manager or Lessor of premises** when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

A person's or organization's status as an additional insured under this insurance ends when their contract or agreement with you for such leased premises ends.

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 manager or lessor of premises.

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.

d. The **Mortgagee, Assignee, or Receiver** when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance or use of the premises by you.

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.

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A person's or organization's status as an additional insured under this insurance ends when their contract or agreement with you for such premises ends.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

e. The **Vendor** when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an 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, subject to the following additional exclusions:

However,

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

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

(1) 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. 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, except when 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 distribution or sale of the products;

(f) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;

(g) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or

(h) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(i) The exceptions contained in Sub-paragraphs (**d**) or (**f**); or

(ii) 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 distribution or sale of the products.

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(2) This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

X. Amendment - Aggregate Limits of Insurance

The General Aggregate Limit under the **Section III - Limits Of Insurance** applies separately to each of your:

a. Projects away from premises owned by or rented to you;

b. "Locations" owned by or rented to you.

"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.

XI. Electronic Data Liability

a. Exclusion **2.p.** of **Coverage A Bodily Injury And Property Damage Liability** in **Section I – Coverages** 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" 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.

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

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.

c. 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" is $50,000 each "occurrence" subject to the $50,000 aggregate or the Electronic Data

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Liability Limit shown in the Declarations or Schedule, whichever is higher.

d. Paragraph **XI.c.** does not apply to "property damage" arising out of damage to "electronic data" on embedded controllers used to operate or maintain building equipment.

e. 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, cells, data processing devices or any other media which are used with electronically controlled equipment.

f. For the purposes of this coverage, the definition of "Property Damage" in **Section V - Definitions** is deleted 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;

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; or

c. 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 purposes of this insurance, "electronic data" is not tangible property.

XII. Duties in the Event of Occurrence, Claim or Suit Redefined

a. The requirement in Condition **2.a.** of **Section IV – Commercial General Liability Conditions** that you must see to it that we are notified of an "occurrence" only applies when the "occurrence" or offense is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership; or

(3) An officer of the corporation or insurance manager, if you are a corporation.

b. The requirement in Condition **2.b.** of **Section IV – Commercial General Liability Conditions** that you must see to it that we receive notice of a claim or "suit" will not be considered breached unless the breach occurs after such claim or "suit" is known to:

(1) You, if you are an individual;

(2) A partner, if you are a partnership; or

(3) An officer of the corporation or insurance manager, if you are a corporation.

XIII. Transfer Of Rights Of Recovery Against Others To Us

The following is added to **8. Transfer Of Rights Of Recovery Against Others To Us** condition in **Section IV – Commercial General Liability Conditions:**

A. We waive any right of recovery we may have against any person(s) or organization(s) because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person(s) or organization(s) and included in the "products-completed operations hazard". This waiver applies to all person(s) or organizations(s) you have agreed in that written contract or agreement to waive your right of recovery, however, we do not waive our right of recovery against any person or organization due to their liability arising out of the rendering of, or the failure to render, any professional

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architectural, engineering or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings, designs and specifications; and

(2) Supervisory, inspection, architectural or engineering activities.

XIV. Bodily Injury Redefined

The definition of "bodily injury" in **Section V - Definitions** is deleted and replaced by the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person including mental anguish or death resulting from any of these.

XV. Mobile Equipment Redefined

Paragraph **12.f.** subparagraph **(1)** of **Section V - Definitions** does not apply to self-propelled vehicles of less than 1000 pounds gross vehicle weight.

XVI. Unintentional Errors or Omissions

We will not deny coverage under this Coverage Part because of the unintentional omission of, or unintentional error in, any information provided by you. However, this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

XVII.Liberalization

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

XVIII.Voluntary Property Damage

a. We will pay, at the request of any Named Insured, for "voluntary property damage" to the property of others provided:

1. the "voluntary property damage" occurs while such property is in the care, custody or control of an insured or to property over which an insured is, for any purpose, exercising physical control;

2. the "voluntary property damage" arises out of operations away from the premises owned by, rented to, or controlled by the Named Insured; and

3. the "property damage" coverage of the policy would extend to the operation causing the loss.

b. The insurance under this coverage does not apply to "voluntary property damage" to property:

1. while being transported by, or caused by the ownership, maintenance, operation, use, loading or unloading of any automobile, watercraft or aircraft; or
2. rented to any Named Insured.

c. This insurance will apply only to loss that is in excess of $250 for each "occurrence."

d. The most we will pay under this coverage is $5,000 for each "occurrence" subject to $5,000 aggregate for the policy year.

The each "occurrence" and aggregate limit is in addition to the each "occurrence" and aggregate limit of the Voluntary Property Damage limit provided in the Contractors Special Liability endorsement **70 1909** if attached to this policy.

e. Payment under this coverage will not include any prospective profit or overhead charges of any nature.

f. "Voluntary property damage" as used in this coverage means physical injury to tangible property and does not include disappearance, abstraction or loss of use.

XIX. Special Broad Form Property Damage Liability Coverage

a. **Section I.** Coverage **A., 2.** Exclusion, j. Damage To Property, Paragraphs **j.(3), j.(4)**, and **j.(5)** are modified as follows:

Exclusions **j.(3), j.(4)** and **j.(5)** do not apply to the first $5,000 of "property damage" for each "occurrence" that would otherwise be insured except for the application of these exclusions, as long as the "occurrence" takes place away from the premises you own, rent or control.

The limit above is in addition to the limit for Special Broad Form Property Damage Liability Coverage **70 1909** if attached to this policy.

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XX. Fellow Employee Extension

Under **Section II- Who Is An Insured**, Paragraphs **2.a. and 2.a.(1)** are replaced by the following:

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

With respect to this provision only, Subparagraph (1) of Exclusion **2.e. Employers Liability** under **Section I Coverages, Coverage A.-Bodily Injury and Property Damage Liability** does not apply.

XXI. Medical Payments

a) The Medical Expense Limit in Paragraph 7. Of **Section III-Limits of Insurance** is replaced by a new Medical Expense Limit, which will be subject to all the terms of **Section III- Limits of Insurance**. If the Medical Expense Limit provided by the coverage part is $10,000, the new Medical Expense Limit is increased to $20,000.

b) This coverage does not apply if Coverage C-Medical Payments is excluded either by the provisions of any coverage forms attached to the policy or by endorsement.

XXII. Damage To Premises Rented To You

a. Under **Section I-Coverages, Coverage A Bodily Injury And Property Damage Liability, Exclusion j. Damage To Property,** the number of rental days is amended from a period of seven or fewer consecutive days to a period of ten or fewer consecutive days**.**

b. Under **Section I-Coverages, Coverage A Bodily Injury And Property Damage Liability,** the last paragraph of **2. Exclusions** is replaced with:

If Damage to Premises Rented To You is not otherwise excluded, Exclusions **c.** through **n.** do not apply to damage by fire, lightning, explosion, smoke, or sprinkler leakage 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.**

c. Under **Section III- Limits Of Insurance**, **Paragraph 6**. Is replaced with:

6. Subject to **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, lightning, explosion, smoke, or sprinkler leakage, while rented to you or temporarily occupied by you with permission of the owner.

d. Under **Section IV- Commercial General Liability Conditions, Condition 4. Other Insurance, b. Excess Insurance (1) (a) (ii)** is replaced with:

(ii) That is Fire, Lightning, Explosion, Smoke, or Sprinkler Leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner.

e. Under **Section V-Definitions**, paragraph **a.** of Definition **9**. "insured contract" is deleted and replaced with:

a. A contract for 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, explosion, smoke, or sprinkler leakage to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract" ;

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO PENNPAC PLUS ENDORSEMENT

Virginia

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

I. Personal Effects Coverage

The following is added to **Section III - Physical Damage Coverage**, Paragraph **A. Coverage**:

5. We will pay up to $1,000 for "loss" to "personal effects" which are:

a. Owned by an "insured"; and
b. In or on your covered "auto."

This coverage applies only in the event of a total theft of your covered "auto."

No deductibles apply to this coverage.

"Personal Effects" Coverage is not otherwise covered in the Business Auto Coverage Form.

II. Replacement Cost Coverage – Private Passenger Autos

Section III – Physical Damage Coverage, **C. Limit Of Insurance** is amended by addition of the following:

4. Paragraph **C.1., C.2. and C.3** do not apply to private passenger "autos" described in Item Three of the Declarations, purchased new and not previously titled.

The most we will pay for "loss" in any one "accident" is the lesser of:

a. The cost of a new "auto" of like kind and quality; or
b. The cost of repairing the damaged property.

This coverage does not apply to "loss" caused by fire, theft, or vandalism.

This coverage applies for five years from the date of purchase of the private passenger "auto."

III. Temporary Substitute Autos – Physical Damage Coverage

The following is added to Paragraph **C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos** of **Section I – Covered Autos**:

If Physical Damage Coverage is provided by this coverage form, the following types of vehicles are covered "autos" for Physical Damage Coverage:

Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:

a. Breakdown;
b. Repair;
c. Servicing;
d. "Loss"; or
e. Destruction

The coverage that applies is the same as the coverage provided for the vehicle being replaced.

IV. Extended Coverage – Airbags

Section III – Physical Damage Coverage, **B. Exclusions**, Paragraph **3.** is amended by addition of the following:

The exclusion for "loss" caused by mechanical breakdown does not apply to the accidental discharge of an airbag. Coverage is excess over any other collectible insurance or warranty specifically designed to provide coverage.

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V. Waiver Of Subrogation

The following is added to **A.5. Transfer Of Rights Of Recovery Against Others To Us** condition in **Section IV - Business Auto Conditions**

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract."

VI. Physical Damage - Transportation Expense

In **Section III – Physical Damage Coverage**, paragraph **A.4.**, the amount we will pay is increased to $60 per day to a maximum limit of $1,800.

VII. Hired Auto – Limited Worldwide Coverage

In **Section IV Business Auto Conditions**, **B. General Conditions**, Paragraph **7.b.(5)** is replaced with the following:

(5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 60 days or less,

VIII. Auto Loan/Lease Gap Coverage

The Physical Damage Coverage Section is amended by addition of the following:

In the event of a total "loss" to a covered "auto" shown in Item Three of the Declarations, we will pay any unpaid amount due on the lease or loan for a covered "auto," less

1. The amount paid under the Physical Damage Coverage Section of the policy; and

2. Any:

- **a.** Overdue lease/loan payments at the time of the "loss";
- **b.** Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;
- **c.** Security deposits not returned by the lessor;
- **d.** Costs for extended warranties, Credit Life insurance, Health, Accident or Disability insurance purchased with the loan or lease; and
- **e.** Carry-over balances from previous loans or leases.

IX. Full Glass Coverage

The following is added to Paragraph **D. Deductible** of **Section III-Physical Damage Coverage** in the Business Auto Coverage Form:

For Comprehensive Coverage, no deductible applies to "loss" to glass used in windshield, doors and windows of the covered "auto," including glass used in sunroofs and moon roofs.

Full Glass coverage applies only to those covered "autos" described or designated for Comprehensive Coverage in the Declarations.

X. Collision Deductible Waiver-Not At Fault Accident

The following is added to **Paragraph D. Deductible** of **Section III-Physical Damage Coverage** in the Business Auto Coverage Form:

The deductible amount shall not apply to a total "loss" caused by collision between your covered "auto" and another "auto," provided:

- **a.** The owner or operator of such other "auto" has been identified; and
- **b.** The owner or operator of such other "auto" is legally liable for the "loss" to your covered "auto" and does not qualify as an "insured" under this policy; and
- **c.** You are not comparatively or contributorily negligent for the "loss"; and
- **d.** There is an available local police or law enforcement report which details the accident and identifies the owner and operator of the other motor vehicle and their insurance carrier(s).

XI. Towing and Labor Coverage

Section III – Physical Damage Coverage, Paragraph **A.2.** is deleted and replaced with the following:

2. We will pay $75 plus the amount, if any, shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type or light truck type is disabled. However, the labor must be performed at the place of disablement.

We will pay up to $250 plus the amount shown, if any, in the Declarations for towing and labor costs incurred each time a covered "auto" other than the private passenger or light truck type is disabled. However, the labor must be performed at the place of disablement.

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XII. Rental Reimbursement

Section III – Physical Damage Coverage is amended by adding the following:

We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto." Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto." No deductibles apply to this coverage.

This coverage applies only:

a. For those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the number of days reasonably required to repair or replace the covered "auto";

b. For necessary and actual expenses incurred;

c. To a "loss" for which we also pay a "loss" under Physical Damage Coverage- Comprehensive Coverage, Specified Causes of Loss Coverage or Collision Coverage; and

d. If there are no spare or reserve "autos" available to you for your operations.

Our payment will be limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred.

2. We will pay up to $50 per day to a maximum of $1,500.

If "loss" results from the total theft of a covered "auto" we will pay under this coverage only that amount of rental reimbursement expenses which are not already provided under the Physical Damage Coverage Extension.

XIII. Audio, Visual and Data Electronic Equipment Coverage

a. **Section III – Physical Damage Coverage**, **B. Exclusions**, Paragraph **5.** is amended by the following addition to the exception of **4.c.** and **4.d.**:

e. Electronic equipment designed solely for receiving or that transmits audio, visual or data signals and is not designed solely for the reproduction of sound. The equipment must be permanently installed in the covered "auto" or the equipment can be removed from a housing unit which is permanently installed in the covered "auto" at the time of the "loss" and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto."

No physical damage deductible applies to this coverage.

b. Paragraph **C.1.b.** under Limits of Insurance of **Section III – Physical Damage Coverage** does not apply.

XIV. Hired Auto Physical Damage

If Comprehensive, Specified Causes of Loss or Collision coverage is provided under this policy, then Hired Auto Physical Damage Coverage is provided for that coverage subject to the following limit:

(1) The most we will pay for "loss" to any hired "auto" is the lesser of:

a. $75,000; or

b. The actual cash value of the damaged or stolen property at the time of the "loss"; or

c. The cost of repairing or replacing the damaged or stolen property.

The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. The deductible applies to "loss" caused by other than fire or lightning.

(2) Subject to **(1)a.,b.** and **c.** above, we will provide coverage equal to the broadest physical damage coverage applicable to any covered "auto" shown in the Declarations.

(3) When you are required by a written contract to indemnify a lessor for actual financial loss due to a loss of use of a hired "auto" resulting from a covered "accident" or "loss," we will pay up to $65 per day subject to a maximum limit of $1,000.

If a premium entry is shown in Item Four – Schedule Of Hired Or Borrowed Covered Auto Coverage And Premiums – Physical Damage Insurance, this Provision does not provide any insurance.

XV. Vehicle Wraps, Custom Paint And Related Advertising Modifications

The following is added to **Paragraph C. Limit of Insurance** of **Section III – Physical Damage Coverage** in the Business Auto Coverage Form:

If we offer to pay the actual cash value of the damaged or stolen "auto," we will value vehicle advertising wraps, paint customization and similar business-related advertising modifications, separately from the actual cash value of the "auto." Coverage for these items will be on a replacement cost basis.

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XVI. Primary And Noncontributory – Other Insurance Condition

The following is added to the Other Insurance Condition in the Business Auto Coverage Form and supersedes any provision to the contrary:

This Coverage Form's Covered Autos Liability Coverage is primary to and will not seek contribution from any other insurance available to an "insured" under your policy provided that:

(1) Such "insured" is a Named Insured under such other insurance; and

(2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other insurance available to such "insured."

XVII. Blanket Additional Insured

Any person or organization, with whom you agree in a written contract, agreement or permit, to name as an insured for Liability Coverage is an “insured,” but only to the extent that person or organization qualifies as an “insured” under the Who Is An Insured provision contained in Section II of the Coverage Form.

This insurance does not apply unless the written contract or agreement has been executed or the permit has been issued prior to the “bodily injury” or “property damage.”

This insurance does not apply to the owner or anyone else from whom you hire or borrow a covered “auto”.

XVIII. Section V – Definitions is amended by adding the following:

Q. “Personal effects” means tangible property that is worn or carried by an “insured.” “Personal effects” does not include tools, jewelry, money or securities.

XIX. Under no circumstances will the provisions of this endorsement result in less coverage than the coverage provisions contained in the Business Auto Coverage Form.

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PENN NATIONAL INSURANCE

CL90729589

Pennsylvania National Mutual Casualty Insurance Company
Penn National Security Insurance Company
P. O. Box 2361
Harrisburg PA 17105-2361

PENN PAC ENHANCEMENT SERIES
Inland Marine Contractors Penn Pac Plus

COVERAGE	71 1336 0919
Contractors Equipment - Unscheduled	$25,000 per item $100,000-per occurrence
Contractors Equipment- Unscheduled-Replacement Cost	Replacement cost applies to unscheduled contractors equipment purchased new for up to 5 years from date of purchase
Blanket Loss Payable	Applicable to unscheduled contractors equipment
Small Tools (valued at $1000 or less)	$15,000- owned tools and employee tools
Contractors Equipment-Unscheduled-Business Income Coverage	$25,000-72 hour waiting period
Rental Reimbursement	$10,000 - 72 hour waiting period
Equipment Leased, Rented or Borrowed or Loaned from Others	$50,000
Drone Coverage	$25,000
Newly Purchased Equipment and Drones	$5,000 - up to 60 days
Installation Coverage	$25,000
Installation Coverage – Transit and Unscheduled Storage Locations	$10,000
Limited Riggers Liability Coverage (Installation Coverage)	$25,000 for property accepted without charging a rigging or service fee

Cold Testing Coverage (Installation Coverage)	**$30,000-after cold testing begins it must be completed within 30 days. Subject to $1,000 deductible**
Debris Removal	**$5,000 - reported within 180 days**
Emergency Removal & Emergency Removal Expense (Applicable to Item A. Installation Coverage and Item B. Contractors' Equipment Coverage only)	**Coverage applies up to 10 days/$7,500**
Fraud and Deceit (Contractors'Equipment)	**$10,000**
Recharge of Fire Extinguishing Equipment (Contractors'Equipment)	**$1,000**
Reward For Recovery of Stolen Equipment (Contractors'Equipment)	**$1,000**
Lock Replacement Cost Applicable to Item A. Installation Coverage and Item B. Contractors' Equipment and Item D. Drone Coverage only	**$7,500**
Pollutant Clean-Up	**$10,000 - reported within 180 days**
Computer Coverage	**$20,000-Hardware $5,000- Software $10,000- lap tops and cell phones**

This summary is provided for information purposes only and does not constitute a part of the insurance policy. For details of terms and conditions of coverage, please consult the actual policy forms.

CONTRACTORS' EQUIPMENT COVERAGE

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Contractors' Equipment Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.

2. The words "we", "us", and "our" mean the company providing this coverage.

3. "Contractors' equipment" means machinery, equipment, and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operations or projects.

   "Contractors' equipment" also means:

   a. self-propelled vehicles designed and used primarily to carry mounted equipment; or

   b. vehicles designed for highway use that are unlicensed and not operated on public roads.

4. "Equipment schedule" means a schedule of "contractors' equipment" that is attached to this policy and that describes each piece of covered equipment.

5. "Jobsite" means any location, project, or work site where "you" are in the process of construction, installation, erection, repair, or moving.

6. "Limit" means the amount of coverage that applies.

7. "Pollutant" means:

   a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and

   b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.

8. "Schedule of coverages" means:

   a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and

   b. declarations or supplemental declarations which pertain to this coverage.

9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

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10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

    Falling objects does not include loss to:

    a. personal property in the open; or

    b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

    Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.

12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

    Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

1. **Scheduled Equipment** --

    a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

        1) "your" "contractors' equipment"; and
        2) "contractors' equipment" of others in "your" care, custody, or control.

    b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

        1) that are described on the "equipment schedule"; and
        2) when Scheduled Equipment is indicated on the "schedule of coverages".

2. **Schedule On File** --

    a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

        1) "your" "contractors' equipment"; and
        2) "contractors' equipment" of others in "your" care, custody, or control.

    b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

        1) that are listed in a schedule which "you" must submit to "us" and "we" keep on file, the schedule must contain a description of each item to be covered and a "limit" for each item; and
        2) when Schedule on File is indicated on the "schedule of coverages".

PROPERTY NOT COVERED

1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.

2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.

3. **Leased Or Rented Property** -- "We" do not cover property that "you" lease or rent to others.

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4. **Loaned Property** -- "We" do not cover property that "you" loan to others.

5. **Underground Mining Operations** -- "We" do not cover property while stored or operated underground in connection with any mining operations.

6. **Vehicles** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:

   a. self-propelled vehicles designed and used primarily to carry mounted equipment; or

   b. vehicles designed for highway use that are unlicensed and not operated on public roads.

7. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

Debris Removal --

1. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.

2. **We Do Not Cover** -- This coverage does not include costs to:

   a. extract "pollutants" from land or water; or

   b. remove, restore, or replace polluted land or water.

3. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.

4. **Additional Limit** -- "We" pay up to an additional $5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.

5. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

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SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

a. is the only "limit" available for the described coverage; and

b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

1. **Employee Tools** --

   a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to tools owned by "your" employees.

   b. **Coverage Limitation** -- "We" only cover tools owned by "your" employees while at a:

      1) premises that "you" own or operate; or
      2) "jobsite".

   c. **Limit** -- The most "we" pay in any one occurrence for loss to employee tools is $5,000.

2. **Equipment Leased Or Rented From Others** --

   a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" have leased or rented from others.

   b. **Limit** -- The most "we" pay in any one occurrence for equipment leased or rented from others is $25,000.

3. **Newly Purchased Property** --

   a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to additional "contractors' equipment" that "you" purchase during the policy period.

   b. **Limit** -- The most that "we" pay for any loss under this supplemental coverage is the least of the:

      1) actual cash value of the covered property; or
      2) "limit" for newly purchased property indicated on the "schedule of coverages". If no "limit" is indicated, then 30% of the Catastrophe Limit indicated on the "schedule of coverages" applies to this coverage.

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c. **Time Limitation** -- "We" extend coverage to the additional "contractors' equipment" that "you" purchase for up to 60 days.

This supplemental coverage will end when any of the following first occur:

1) this policy expires;
2) 60 days after "you" obtain the additional "contractors' equipment"; or
3) "you" report the additional "contractors' equipment" to "us".

d. **Additional Premium** -- "You" must pay any additional premium due from the date "you" purchase the additional "contractors' equipment".

4. **Pollutant Cleanup And Removal** --

a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.

b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.

c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

d. **Limit** -- The most "we" pay for each location is $25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

5. **Rental Reimbursement** --

a. **Coverage** -- In the event of a direct physical loss by a covered peril to "your" "contractors' equipment", "we" reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable.

The deductible amount indicated on the "schedule of coverages" does not apply to a loss covered under this supplemental coverage.

b. **Waiting Period** -- "We" will not reimburse "you" for the rental of equipment until after the first 72-hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss to "your" "contractors' equipment" caused by a covered peril.

c. **Incurred Rental Expenses** -- After the waiting period has passed, "we" will only reimburse "you" for the rental expenses that "you" actually incur.

d. **Coverage After Expiration Date** -- "We" will continue to reimburse "you" for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.

e. **Coverage Limitations** -- "We" will not reimburse "you":

1) if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you"; or
2) for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.

f. **Limit** -- The most "we" reimburse "you" in any one occurrence for rental expenses is $5,000.

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6. **Spare Parts And Fuel** --

   a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

      1) spare parts and accessories for "contractors' equipment"; and
      2) fluids for vehicles and "contractors' equipment"; fluids include gasoline, oil, and hydraulic fluid.

   b. **Limit** -- The most "we" pay in any one occurrence for loss to spare parts and accessories is $5,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

   a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

      "We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

   b. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

   c. **War And Military Action** -- "We" do not pay for loss caused by:

      1) war, including undeclared war or civil war; or
      2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
      3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

      With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

   a. **Contamination or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

      But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

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b. **Criminal, Fraudulent, Dishonest Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:

1) "you";
2) others who have an interest in the property;
3) others to whom "you" entrust the property;
4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

c. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.

d. **Mechanical Breakdown** -- "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.

But if a mechanical, structural, or electrical breakdown or malfunction results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

e. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

f. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":

1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

g. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

h. **Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

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i. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

   But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:

   a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and

   b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

   a. **Payment of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".

   b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.

3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:

   a. the time, place, and circumstances of the loss;

   b. other policies of insurance that may cover the loss;

   c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;

   d. changes in title of the covered property during the policy period; and

   e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.

5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.

6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.

7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.

9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

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VALUATION

1. **Actual Cash Value** -- The value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation) unless replacement cost is indicated on the "schedule of coverages".

2. **Replacement Cost** -- The value of covered property will be based on the replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".

   a. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

   b. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.

   c. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.

3. **Pair Or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.

2. **Flat Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence unless Percentage Deductible is indicated on the "schedule of coverages".

3. **Percentage Deductible** -- When a percentage deductible is indicated on the "schedule of coverages", "we" pay only that part of "your" loss over the deductible amount as determined below.

   a. **Determining The Deductible Amount** -- The deductible amount is determined by applying the percentage indicated on the "schedule of coverages" to the value of the covered property that is involved in the loss. The value is determined by the provisions described under the Valuation section of this policy.

   b. **Two Or More Items** -- If a loss involves two or more pieces of equipment, the percentage indicated on the "schedule of coverages" will apply only to the covered property with the highest value.

   c. **Minimum and Maximum Deductible** -- The percentage deductible will not exceed the Maximum Deductible amount and will not be less than the Minimum Deductible amount indicated on the "schedule of coverages".

4. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 3., 5., 6., and 7. under How Much We Pay, "we" pay the lesser of:

   a. the amount determined under Valuation;

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b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or

c. the "limit" that applies to the covered property. However, the most "we" pay for loss in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages".

5. **Coinsurance** --

   a. **When Coinsurance Applies** -- "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".

   b. **How We Determine Our Part Of The Loss** -- "Our" part of the loss is determined using the following steps:

      1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
      2) divide the "limit" for covered property by the result determined in b.1) above;
      3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.

      The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

   c. **If There Is More Than One Limit** -- If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

   d. **If There Is Only One Limit** -- If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

   e. **When Coinsurance Does Not Apply** -- Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".

6. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.

7. **Insurance Under More Than One Policy** --

   a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.

   b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. **Loss Payment Options** --

   a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:

      1) pay the value of the lost or damaged property;
      2) pay the cost of repairing or replacing the lost or damaged property;

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3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
4) take all or any part of the property at the agreed or appraised value.

b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

2. **Your Losses** --

a. **Adjustment And Payment Of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

b. **Conditions For Payment Of Loss** -- An insured loss will be payable 30 days after:

1) a satisfactory proof of loss is received, and
2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

3. **Property Of Others** --

a. **Adjustment And Payment of Loss To Property of Others** -- Losses to property of others may be adjusted with and paid to:

1) "you" on behalf of the owner; or
2) the owner.

b. **We Do Not Have To Pay You If We Pay The Owner** -- If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

REPORTING CONDITIONS

Equipment Leased Or Rented From Others -- If indicated on the "schedule of coverages", the following reporting conditions apply.

1. **Reports** --

a. **You Will Report To Us** -- Within 30 days after the end of the policy period, "you" will report to "us" the total amount of "your" expenditures for "contractors' equipment" that "you" lease or rent from others.

b. **Cancellation** -- If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.

2. **Premium Computation And Adjustment** --

a. The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total equipment expenditures by the reporting rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.

b. "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".

3. **Provisions That Affect How Much We Pay** -- The following provisions apply to reports that are submitted and may affect How Much We Pay:

a. **Failure To Submit Reports** -- If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".

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b. **Reported Values Are Less Than The Full Value** -- If "your" last report before a loss shows less than the actual value of "your" expenditures for "contractors' equipment" that "you" lease or rent from others, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total expenditures "you" reported divided by "your" actual expenditures for "contractors' equipment" that "you" lease or rent from others during the reporting period.

c. **We Will Not Pay More Than The Limit** -- "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

OTHER CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

   If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

   The appraisers will then determine and state separately the amount of each loss.

   The appraisers will also determine the value of covered property items at the time of the loss, if requested.

   If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

   Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit to Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.

3. **Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

4. **Estates** -- This provision applies only if the insured is an individual.

   a. **Your Death** -- On "your" death, "we" cover the following as an insured:

      1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
      2) "your" legal representative.

      This person or organization is an insured only with respect to property covered by this coverage.

   b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.

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5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:

   a. "you" or any other insured have willfully concealed or misrepresented:

      1) a material fact or circumstance that relates to this insurance or the subject thereof; or
      2) "your" interest herein.

   b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.

6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.

7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

   a. "you" must notify "us" promptly if "you" recover property or receive payment;

   b. "we" must notify "you" promptly if "we" recover property or receive payment;

   c. any recovery expenses incurred by either are reimbursed first;

   d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and

   e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.

8. **Restoration Of Limits** -- A loss "we" pay under this coverage does not reduce the applicable "limit" unless it is a total loss to a scheduled item. In the event of a total loss to a scheduled item, "we" refund the unearned premium on that item.

9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

   "You" may waive "your" right to recover from others in writing before a loss occurs.

10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:

    a. all of the "terms" of this coverage have been complied with; and

    b. the suit has been brought within two years after "you" first have knowledge of the loss.

       If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

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BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective 05/30/2026 Policy No. WCP1104586-01 Endorsement No. 000
Insured WILLIAMS PROFESSIONAL PAINTING INC Premium
Insurance Company BUILDERS MUTUAL INSURANCE CO. Countersigned by

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