

Environmental Services Package Policy



This policy has certain provisions and requirements unique to it and may be different from other policies an insured may have purchased. Read the entire policy carefully to determine rights, duties and what is and is not covered. This policy contains several coverage parts as indicated on the Declarations and Common Policy Provisions.

Coverage Part Three provides claims made coverage and is subject to reporting requirements that are different from those for Coverage Parts One and Two. Coverage Part Three requires that “claims” must first be made against an insured during the “policy period” and must be reported to us during the “policy period,” the automatic extended reporting period or an optional extended reporting period if applicable.

Coverage Parts Two and Three provide that the payment of “claim expenses” shall reduce the Limits of Insurance. When the Policy Aggregate Limit of Insurance is exhausted we shall have no obligation for further payments, whether for indemnity or defense, under any coverage part of this policy, including supplementary payments under Coverage Part One.

Except for the Common Coverage Provisions or unless stated to the contrary in any Coverage Part, the terms and conditions of each Coverage Part apply only to that Coverage Part and shall not apply to any other Coverage Part. If any provisions in the Common Coverage Provisions is inconsistent or in conflict with the terms and conditions of any Coverage Part, the terms and condition of such Coverage Part shall control for purposes of that Coverage Part.

Throughout this policy, the words “you” and “your” refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words “we,” “us” and “our” refer to the Company providing this insurance. The word “insured” means any person or organization qualifying as such indicated in Who is an Insured (Section I.) in the COMMON COVERAGE PROVISIONS. Other words and phrases that appear in quotations have special meaning. Refer to Definitions (Section VII.) in the COMMON COVERAGE PROVISIONS.

In consideration of the payment of premium and your undertaking to pay the Deductible as described herein, in reliance upon the statements in the Application made a part hereof, and subject to the Limits of Insurance of this insurance as set forth in the Declarations, and the exclusions, conditions and other terms of this policy, we agree with you as follows:

COVERAGE PART ONE - COMMERCIAL GENERAL LIABILITY

COVERAGE A. - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for “damages” is limited as described in Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS; and
- (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments, settlements, “claims,” “losses,” “damages” or “claims expense” collectively under any and/or all coverages provided by this policy as indicated in the Declarations.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B in COVERAGE PART ONE.

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

- (3) Prior to the "policy period," no insured listed under paragraph 1. of Who Is An Insured (Section I.) in the COMMON COVERAGE PROVISIONS and no "employee" authorized by you to give or receive notice of an "occurrence" or "claim," knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the "policy period," that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the "policy period" will be deemed to have been known prior to the "policy period."
- c. "Bodily injury" or "property damage" which occurs during the "policy period" and was not, prior to the "policy period," known to have occurred by any insured listed under paragraph 1. of Who Is An Insured (Section I.) in the COMMON COVERAGE PROVISIONS or any "employee" authorized by you to give or receive notice of an "occurrence" or "claim," includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "policy period."
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under paragraph 1. of Who is an Insured (Section I.) in the COMMON COVERAGE PROVISIONS or any "employee" authorized by you to give or receive notice of an "occurrence" or "claim":
- (1) Reports all or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or "claim" for "damages" because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. "Damages" because of "bodily injury" include "damages" claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."
2. Exclusions

This insurance does not apply to:

a. **Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. **Contractual Liability**

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

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

c. **Liquor Liability**

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

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

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. **Workers Compensation and Similar Laws**

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

e. **Employer's Liability**

"Bodily injury" to:

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

This exclusion applies:

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

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

f. **Total Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- (2) Any loss, costs or expense arising out of any:
 - (a) Request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, cleanup, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (b) "claim" or "suit" by or on behalf of a governmental authority for "damages" because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."

g. **Aircraft, Auto or Watercraft**

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

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

This exclusion does not apply to:

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

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law in the state where it is licensed or principally garaged; or
- (b) The operation of any machinery or equipment listed in paragraph f.(2) or f.(3) of the definition of "mobile equipment," Definitions (Section VII.) in the COMMON COVERAGE PROVISIONS.

h. Mobile Equipment

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

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

i. Damage to Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

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

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

j. Damage to Your Product

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

k. Damage to Your Work

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

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

l. Damage to Impaired Property or Property Not Physically Injured

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

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

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

m. Recall of Products, Work or Impaired Property

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

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

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

n. Personal and Advertising Injury

“Bodily injury” arising out of “personal and advertising injury.”

o. Electronic Data

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

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

p. Radioactive Matter

“Bodily injury” or “property damage” arising out of the actual alleged or threatened exposure of person(s) or property to any radioactive matter.

q. Professional Liability

The rendering of or the failure to render professional services by an insured, including, but not limited to:

- (1) The preparation or approval of maps, drawings, opinions, reports, surveys, field orders, change orders, designs, or specifications; and
- (2) Supervisory, inspection or engineering services.

r. Fungi or Bacteria

(1) “Bodily injury” or “property damage” arising out of, comprised of, or caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:

- (a) “Fungi” or “bacteria”; or
- (b) Substance, vapor or gas produced by or arising out of any “fungi” or “bacteria.”

(2) Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, “fungi” or “bacteria,” by any insured or by any other person or entity.

This exclusion does not apply to any “fungi” or “bacteria” that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

Exclusions c. through m. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS.

COVERAGE B. - PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for "damages" is limited as described in Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS; and
- (2) Our right and duty to defend end when we have used up the applicable Limit of Insurance in the payment of judgments, settlements, "claims," "losses," "damages" or "claims expense" collectively under any and/or all coverages provided by this policy as indicated in the Declarations.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B in COVERAGE PART ONE.

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

2. Exclusions

This insurance does not apply to:

a. **Knowing Violation of Rights of Another**

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

b. **Material Published With Knowledge of Falsity**

"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

c. **Material Published Prior to Policy Period**

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

d. **Criminal Acts**

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

e. **Contractual Liability**

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

f. **Breach of Contract**

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

g. **Quality or Performance of Goods - Failure to Conform To Statements**

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

h. **Incorrect or Incomplete Description of Prices**

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

i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

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

j. Insureds In Media and Internet Type Businesses

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

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

However, this exclusion does not apply to paragraphs a., b., and c. of the definition of "personal and advertising injury," Definitions (section VII.) in the COMMON COVERAGE PROVISIONS.

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

k. Electronic Chatrooms or Bulletin Boards

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

l. Unauthorized Use of Another's Name or Product

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

m. Total Pollution

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

n. Professional Liability

Any loss, cost or expense arising out of any rendering of or the failure to render professional services by an insured, including, but not limited to:

- (1) The preparation or approval of maps, drawings, opinions, reports, surveys, field orders, change orders, designs, or specifications; and
- (2) Supervisory, inspection or engineering services.

o. Fungi or Bacteria

- (1) "Personal and advertising injury" arising out of, comprised of, or caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:
 - (a) "Fungi" or "bacteria"; or
 - (b) Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria."

- (2) Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria," by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

COVERAGE C. - MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the "policy period";
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. **Any insured**

To any insured, except "volunteer workers."

- b. **Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

- c. **Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

- d. **Workers Compensation and Similar Laws**

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

- e. **Athletic Activities**

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

- f. **Products Completed Operations Hazard**

Included within the "products-completed operations hazard."

- g. **Coverage A Exclusion**

Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS - COVERAGES A. AND B.

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

These payments will not reduce the Limits of Insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks "damages" for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit."

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

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments, settlements, "claims," "losses," "damages" or "claims expense" collectively under any and/or all coverages provided by this policy as indicated in the Declarations; or
- b. The conditions set forth above, or the agreement described in paragraph f. above, are no longer met.

COVERAGE PART TWO - CONTRACTOR'S POLLUTION LIABILITY

Section I. Insuring Agreement

We will pay on behalf of an insured any "loss" an insured is legally obligated to pay as a result of a "claim" caused by a "pollution event" resulting from "covered operations" or "completed operations" of the "covered operations" that take place in the "coverage territory." The "bodily injury" or "property damage" must occur during the "policy period."

Progressive, indivisible "bodily injury" or "property damage" over multiple "policy periods" caused by the same, related or continuous "pollution events" shall be deemed to have occurred only in the "policy period" of the date of first exposure to the "pollution event."

If the date of such first exposure is before the effective date of the first Contractor's Pollution Liability "policy period" issued to you by us, or can not be determined, but the progressive, indivisible "bodily injury" or "property damage" continues in fact to exist during the first Contractor's Pollution Liability "policy period" issued to you by us, the "bodily injury" or "property damage" will be deemed to have occurred only on the effective date of such first Contractor's Pollution Liability "policy period" issued to you by us.

Notwithstanding the above, this insurance does not apply to "claims" or "losses" based upon or arising out of any "claim" or "loss" covered, in whole or in part, under any valid insurance policy, in force prior to this policy.

We shall have the right and duty to assume the adjustment, defense and settlement of any "claim" to which this insurance applies. "Claim expense" reduces the applicable Limits of Insurance set out in the Declarations as described in Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS.

Our duty to adjust, defend and settle all "claims" to which this insurance applies, pending and future, ends when we have used up the applicable Limits of Insurance in the payment of judgements, settlements, "claims," "losses," "damages" or "claim expenses" collectively under any and/or all coverages provided by this policy as indicated in the Declarations.

Section II. Exclusions

This insurance does not apply to "claims" or "losses" based upon or arising out of:

1. Pre-existing Conditions

A "pollution event" existing prior to the inception date of the policy, known to any insured's principal, partner, director, "executive officer," agent or "employee" with responsibility for environmental affairs, legal affairs or risk management.

2. Intentional Acts

Any dishonest, fraudulent, intentional or malicious act or those of a knowingly wrongful nature or the intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body by or at the direction of the insured, except that this exclusion will not apply to an insured who did not commit, participate in, or have knowledge of any of the acts described and provided further, that this exclusion shall not apply to liability for violation of or noncompliance with an environmental law or regulation by an insured based solely on negligence or strict liability.

3. Insured vs. Insured

A "claim" made by an insured against any other insured, however this exclusion shall not apply to your clients who are considered insureds under this coverage part.

4. Related Entities and Individuals

A "claim" made by an entity or individual:

- a. That wholly or partially owns, operates or manages an insured;
- b. In which an insured has an ownership interest in excess of 20%;
- c. That is controlled, operated or managed by the insured; or
- d. In which the insured is an officer or director.

5. Workers' Compensation and Injury as a Consequence of Employment

- a. Any obligation of the insured which could have been brought in whole or in part under a workers compensation, disability benefits or unemployment compensation law or any similar law; or
- b. Injury to any "employee," contract employee or leased personnel of an insured if such injury occurs during and in the course of said employment; or
- c. Injury to the spouse, child, parent, brother or sister of any "employee" or "temporary worker" of an insured as a consequence of said employment; or
- d. Any obligation of an insured for indemnity or contribution to another because of "loss" arising out of such injury in the course of employment;

Except that b., c. and d. of this exclusion do not apply to liability assumed by you under a written contract or agreement, in effect prior to the "loss," between you and your client provided that the "loss" arises out of a "pollution event" and the "loss" does not arise due to the sole negligence of the client.

6. Contractual Liability

The liability assumed by an insured under any contract or agreement, including but not limited to any agreement to indemnify any person for "loss" or attorneys fees or expenses, however this exclusion shall not apply to:

- a. Such written contracts or agreements, entered into (not backdated) and put in effect prior to the performance of the "covered operations," between you and your client provided that the liability for the "loss" is directly caused by a "pollution event" resulting from "covered operations" or "completed operations" of the "covered operations" performed by you or any other person, entity or organization for whom you are legally responsible, and the liability does not arise due to the sole negligence of the client or from any agreement to indemnify any person for attorneys fees or expenses; or
- b. Liability for "loss" that would have attached to the insured by operation of law in the absence of such contract or agreement.

7. Fines, Penalties and Treble Damages

Fines, penalties and treble damages.

8. Products

Goods or products designed, manufactured, sold, handled, distributed or supplied by an insured or by others trading under its name or under license from an insured.

9. Auto, Aircraft, Vessel or Rolling Stock

The ownership, entrustment, maintenance, use, operation, "loading or unloading" of any "auto," aircraft, vessel or rolling stock beyond the boundaries of the site at which the "covered operations" are being conducted unless endorsed onto this policy.

10. Transportation of Pollutants

"Pollutants" or materials transported via "auto," aircraft, vessel, or rolling stock beyond the boundaries of the site at which the "covered operations" are being conducted unless endorsed onto this policy.

11. Damage to Property

Any real property or personal property owned, leased, or rented by an insured, however this exclusion does not apply to your clients who are considered insureds under this policy.

12. Disposal Sites

Any "pollution event" or "loss" on, at, under or coming from any location to which the insured arranges for, sends or has sent materials for treatment, recycling, reclamation, storage or disposal unless endorsed onto this policy.

13. **Hazardous Materials Facility**

The insured's operation or management of a "hazardous materials facility" on behalf of, for the benefit of, or under contract with any other person, company or entity.

14. **Professional Liability**

The rendering of or the failure to render professional services by an insured, including, but not limited to:

- a. The preparation or approval of maps, drawings, opinions, reports, surveys, change orders, field orders, designs, or specifications; and
- b. Supervisory, inspection or engineering services.

15. **Employment Related Practices**

Refusal to employ, termination of employment, coercion, demotion, evaluation, reassignment, discipline, wrongful infliction of emotional distress or other employment related torts, harassment, discrimination, wrongful deprivation of a career opportunity, breach of any oral, written or implied employment contract or quasi-employment contract, violation of any federal, state, or local statute, regulation, ordinance, common law or public policy concerning employment or discrimination in employment.

16. **Bankruptcy**

Insolvency or bankruptcy of any insured.

17. **Naturally Occurring Substance**

Any naturally occurring substances in their original location and unaltered form, or altered solely through naturally occurring processes or phenomena.

18. **Microbial Substances and Genetically Modified Organisms**

Whether caused directly or indirectly by or comprised of:

- a. Any "microbial substance"; or
- b. Any man-made genetically modified organism or biological material, and any material or substance that is a host for growth or dissemination of any such biological material or organism.

COVERAGE PART THREE - PROFESSIONAL LIABILITY

Section I. Insuring Agreement

We will pay on behalf of an insured any "damages" an insured is legally obligated to pay as a result of a "claim" caused by an act, error or omission, or strict liability imposed by environmental law because of an act, error or omission during the rendering of or failure to render "professional services" provided that:

1. Such act, error or omission must commence on or after the "retroactive date" and before the end of the "policy period";
2. The "claim" is first made against the insured during the "policy period" and reported to us during the "policy period," the automatic extended reporting period or the optional extended reporting period, if applicable; and
3. Such act, error or omission must take place in the "coverage territory."

We shall have the right and duty to assume the adjustment, defense and settlement of any "claim" to which this insurance applies. "Claim expense" reduces the applicable Limits of Insurance set out in the Declarations as described in Limits of Insurance and Deductible (Section III.) in the COMMON COVERAGE PROVISIONS.

Our duty to adjust, defend and settle all "claims" to which this insurance applies, pending and future, ends when we have used up the applicable Limits of Insurance in the payment of judgements, settlements, "claims," "losses," "damages" or "claim expenses" collectively under any and/or all coverages provided by this policy as indicated in the Declarations.

Section II. Exclusions

This insurance does not apply to "claims" or "damages" based upon or arising out of:

1. Pre-existing Conditions

An act, error or omission made prior to the inception date of the policy known to any insured's principal, partner, director, "executive officer," agent or "employee" with responsibility for environmental affairs, legal affairs or risk management which could reasonably be expected to result in a "claim."

2. Intentional Acts

Any dishonest, fraudulent, intentional or malicious act, error or omission or those of a knowingly wrongful nature or the intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body by or at the direction of the insured, except that this exclusion will not apply to an insured who did not commit, participate in, or have knowledge of any of the acts described and provided further, that this exclusion shall not apply to liability for violation of or noncompliance with an environmental law or regulation by an insured based solely on negligence or strict liability.

3. Insured vs. Insured

A "claim" made by an insured against any other insured;

4. Related Entities and Individuals

A "claim" made by an entity or individual:

- a. That wholly or partially owns, operates or manages an insured;
- b. In which an insured has an ownership interest in excess of 20%;
- c. That is controlled, operated or managed by an insured; or
- d. In which an insured is an officer or director.

5. Workers' Compensation and Injury as a Consequence of Employment

- a. Any obligation of the insured which could have been brought in whole or in part under a workers compensation, disability benefits or unemployment compensation law or any similar law; or
- b. Injury to any "employee," contract employee or leased personnel of an insured if such injury occurs during and in the course of said employment; or
- c. Injury to the spouse, child, parent, brother or sister of any "employee" or "temporary worker" of an insured as a consequence of said employment; or
- d. Any obligation of an insured for indemnity or contribution to another because of "damages" arising out of such injury in the course of employment.

6. Contractual Liability

The liability assumed by an insured under any contract or agreement, including but not limited to any agreement to indemnify any person for "damages" or attorneys fees or expenses, however this exclusion shall not apply to liability for "damages" that would have attached to an insured by operation of law in the absence of such contract or agreement.

7. Fines, Penalties and Treble Damages

Fines, penalties and treble damages.

8. Products

Goods or products designed, manufactured, sold, handled, distributed, or supplied by an insured or by others trading under its name or under license from an insured.

9. Auto, Aircraft, Vessel or Rolling Stock

The ownership, entrustment, maintenance, use, operation, "loading or unloading" of any "auto," aircraft, vessel or rolling stock beyond the boundaries of the site at which the "professional services" are being conducted unless endorsed onto this policy.

10. Transportation of Pollutants

“Pollutants” or materials transported via “auto,” aircraft, vessel, or rolling stock beyond the boundaries of the site at which the “professional services” are being conducted unless endorsed onto this policy.

11. Damage to Property

Any real property or personal property owned, leased, or rented by an insured.

12. Disposal Sites

Any “damages” on, at, under or coming from any location to which the insured arranges for, sends or has sent materials for treatment, recycling, reclamation, storage or disposal unless endorsed onto this policy.

13. Hazardous Materials Facility

The insured’s operation or management of a “hazardous materials facility” on behalf of, for the benefit of, or under contract with any other person, company or entity.

14. Warranty and Guarantee

Any express warranty or guarantee.

15. Insurance, Suretyship and Bonds

The advising, requiring, obtaining or maintaining of any form of insurance, suretyship or bond or the failure to do so.

16. Faulty Workmanship

The cost to repair or replace faulty workmanship in any construction, erection, fabrication, installation, assembly or manufacturing process performed or provided by an insured, including materials, parts or equipment furnished in connection therewith.

17. Copyright, Patent and Trademark

Infringement of a copyright, patent, trademark or service mark.

18. Employment Related Practices

Refusal to employ, termination of employment, coercion, demotion, evaluation, reassignment, discipline, wrongful infliction of emotional distress or other employment related torts, harassment, discrimination, wrongful deprivation of a career opportunity, breach of any oral, written or implied employment contract or quasi-employment contract, violation of any federal, state, or local statute, regulation, ordinance, common law or public policy concerning employment or discrimination in employment.

19. Bankruptcy

Insolvency or bankruptcy of any insured.

20. Naturally Occurring Substance

Any naturally occurring substances in their original location and unaltered form, or altered solely through naturally occurring processes or phenomena.

21. Microbial Substances and Genetically Modified Organisms

Whether caused directly or indirectly by or comprised of:

- a. Any “microbial substance”; or
- b. Any man-made genetically modified organism or biological material, and any material or substance that is a host for growth or dissemination of any such biological material or organism.

COMMON COVERAGE PROVISIONS

The following sections apply to the entire policy.

Section I. Who is an Insured

1. If you are:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your "executive officers" or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also 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" and "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company) or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of paragraph (1)(a) above;
 - (c) For which there is any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury described in paragraphs (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
 - (2) "Property damage," to property:
 - (a) Owned, occupied or used by;
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by; you, any of your "employees," "volunteer workers," any partner or member (if you are a partnership or joint venture) or any member (if you are a limited liability company).
 - b. With respect to COVERAGE PART ONE only, any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under the applicable coverage parts.
3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 30th day after you acquire or form the organization or the end of the "policy period," whichever is earlier;
- b. Coverage does not apply to "bodily injury" or "property damage" that occurred, or "covered operations" or "professional services" that were performed before you acquired or formed the organization; and
- c. Coverage does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

4. Under COVERAGE PARTS ONE and TWO, your clients shall be added as insureds under this policy but only:
 - a. When required by written contract executed and effective before the performance of "your work" or "covered operations";
 - b. For "bodily injury," "property damage" or "claim expense" arising out of the performance of "your work" or arising out of a "pollution event" resulting from your performance of "covered operations" or "completed operations" of the "covered operations" and only if the "bodily injury," "property damage" or "claim expense" is otherwise covered under the terms and conditions of this policy; and
 - c. For those amounts required by written contract not to exceed the Limits of Insurance of this policy.

The coverage provided shall not apply to "bodily injury," "property damage," "damages" or "claim expense" to the extent based upon or arising from the negligence or the acts, errors or omissions of the client.

5. Any other person or organization endorsed onto this policy as an insured.

Section II. Extended Reporting Period – applicable to COVERAGE PART THREE only

1. You shall be entitled to an automatic extended reporting period without additional charge upon termination of coverage as defined in this section. This period starts at the end of the "policy period" and lasts for thirty days.
2. In addition to the automatic extended reporting period, you shall be entitled to purchase an extended reporting period of up to three years in duration upon termination of coverage as defined in this section. The charge for an extended reporting period of up to three years in duration shall be not more than one hundred percent of the premium per "policy period." The extended reporting period of up to three years in duration starts when the automatic extended reporting period set forth in the above paragraph ends.
3. Upon payment of such additional premium we shall issue an Endorsement providing for an extended reporting period of up to three years in duration provided that you:
 - a. Make a written request for such endorsement which we receive within thirty days after termination of coverage as defined herein; and
 - b. Pay the additional premium when due. If such additional premium is paid when due, the extended reporting period may not be canceled by us provided that all other terms and conditions of the policy are met.
4. The "claim" first reported within the automatic extended reporting period and the optional Extended Reporting Period Endorsement, if purchased in accordance with this section, shall be deemed to have been made on the last day of the "policy period," provided that the "claim" arises from an act, error or omission in the performance of or failure to perform "professional services" and the "professional services" commenced on or after the "retroactive date," if any, and before the end of the "policy period."
5. For the purposes of this automatic extended reporting period and Extended Reporting Period Endorsement, termination of coverage means any cancellation or nonrenewal of this policy except for fraud or material misrepresentation, a material change in the nature of the risk or nonpayment of premium.
6. If the automatic extended reporting period or the Extended Reporting Period Endorsement is in effect, we will provide the Each Incident Limit of Insurance subject to that which is remaining in the Policy Aggregate Limit of Insurance shown in the Declarations to this policy, but only for "claims" first reported to us pursuant to the policy during the automatic extended reporting period or Extended Reporting Period Endorsement. The purchase of an extended reporting period does not reinstate or increase the Limits of Insurance shown in the Declarations.

7. At the commencement of any extended reporting period, the entire premium therefore shall be considered earned, and in the event you terminate the extended reporting period before its term, for any reason, we shall not return any portion of the premium paid for such extended reporting period.
8. Notwithstanding Other Insurance, Conditions (Section V.) in the COMMON COVERAGE PROVISIONS the insurance afforded for "claims" first reported during the automatic extended reporting period and the Extended Reporting Period Endorsement is excess over any other valid and collectible insurance available under policies in force during the automatic extended reporting period and the Extended Reporting Period Endorsement.

Section III. Limits of Insurance and Deductible

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Claims" made or "suits" brought; or
 - c. Persons or organizations making "claims" or bringing "suits."
2. The Policy Aggregate Limit is the most we will pay for the sum of:
 - a. Under COVERAGE PART ONE, Coverage A., "damages";
 - b. Under COVERAGE PART ONE, Coverage A., "damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard";
 - c. Under COVERAGE PART ONE, Coverage B., "damages";
 - d. Under COVERAGE PART ONE, Coverage C, medical expenses;
 - e. Under COVERAGE PART TWO, "losses" and "claims expense"; and
 - f. Under COVERAGE PART THREE, "damages" and "claims expense."
3. Subject to 2. Above, the Products-Completed Operations Aggregate Limit is the most we will pay under COVERAGE PART ONE, Coverage A. for "damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under COVERAGE PART ONE, Coverage B. for the sum of all "damages" because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. above, the Each Incident Limit is the most we will pay for the sum of:
 - a. Under COVERAGE PART ONE, Coverage A., "damages" because of all "bodily injury" and "property damage" arising out of any one "occurrence";
 - b. Under COVERAGE PART ONE, Coverage C., Medical Expenses because of all "bodily injury" arising out of any one "occurrence";
 - c. Under COVERAGE PART TWO, "losses" and "claims expense" arising out of any one "pollution event"; the same, interrelated, associated, repeated or continuous "pollution events" shall be considered one "pollution event"; and
 - d. Under COVERAGE PART THREE, "damages" and "claim expenses" arising out of any one act, error or omission or the same, interrelated, associated, repeated or continuous acts, errors or omissions shall be considered one act, error or omission.
6. Subject to 2. and 5. above, the Damage To Premises Rented To You Limit is the most we will pay under COVERAGE PART ONE, Coverage A., for "damages" because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 2. and 5. above, the Medical Expense Limit is the most we will pay under COVERAGE PART ONE, Coverage C., for all medical expenses because of "bodily injury" sustained by any one person.
8. Deductible.
 - a. The Deductible amount indicated on the Declarations is your obligation and applies to:

- (1) under COVERAGE PART ONE, Coverage A., to all “damages” because of “bodily injury” and/or “property damage” as the result of any one “occurrence,” regardless of the number of persons or organizations who sustain “damages” because of that “occurrence”;
 - (2) under COVERAGE PART ONE, Coverage B., to all “damages” as the result of any one offense, regardless of the number of persons or organizations who sustain “damages” because of that offense;
 - (3) under COVERAGE PART ONE, Coverage C., to all “bodily injury” as the result of any one “occurrence,” regardless of the number of persons or organizations who sustain “damages” because of that “occurrence”;
 - (4) under COVERAGE PART TWO, all “losses” and related “claim expenses” as a result of any one “pollution event,” regardless of the number of persons or organizations who sustain “losses” and related “claim expenses” because of that “pollution event”; and
 - (5) under COVERAGE PART THREE, all “damages” and related “claim expense” as a result of any one act, error or omission, regardless of the number of persons or organizations who sustain “damage(s)” and related “claim expenses” because of that act, error or omission.
- b. The Deductible amount does not erode the Limits of Insurance.
 - c. We may pay, but are not obligated to pay, any part or all of the deductible amount to effect settlement of a “claim” or “suit” and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.
10. Multiple “policy periods” and interrelated, associated, repeated or continuous "suits," "claims," "damages," "bodily injury," "property damage," "personal and advertising injury," "loss" and "claims expense."
- a. Under COVERAGE PART ONE, Coverages A, B and C, any “suit” or “claim” for “damages”; any “bodily injury”; any “property damage”; and/or any “personal and advertising injury” which takes place over two or more “policy periods,” or are interrelated, associated, repeated or continuous, shall be subject to one Limit of Insurance and one Deductible as stated in the Declarations. All such “suits” or “claims” seeking “damages” for “bodily injury,” “property damage” or “personal and advertising injury,” whenever made, shall be provided coverage in the “policy period” of the date of the first exposure to the “occurrence” causing such “bodily injury” or “property damage,” or to the offense causing such “personal and advertising injury.”
 - b. Under COVERAGE PART TWO, any “claim” for “loss”; any “bodily injury”; any “property damage”; and/or any related “claim expense” which takes place over two or more “policy periods,” or are interrelated, associated, repeated or continuous, shall be subject to one Limit of Insurance and one Deductible as stated in the Declarations. All “claims” as a result of “bodily injury,” “property damage” and/or related “claim expense,” whenever made, shall be provided coverage in the “policy period” of the date of first exposure to the “pollution event” which results in the “bodily injury,” “property damage” and/or related “claim expense.”
 - c. Under COVERAGE PART THREE, any “claim”; any “damages”; and/or any related "claims expense" which takes place over two or more “policy periods,” or are interrelated, associated, repeated or continuous, shall be subject to one Limit of Insurance and one Deductible as stated in the Declarations. All such “claims” for “damages” and/or related "claims expense" whenever made, shall be considered first made on the date on which the earliest “claim” was first reported to you and the Limits of Insurance applicable to that “policy period” shall apply.
11. Under COVERAGE PART THREE, “claims” against the insured arising from an incident or circumstance reported to us, pursuant to Claim Provisions (Section IV.) in the COMMON COVERAGE PROVISIONS, shall be subject to the Each Incident and Policy Aggregate Limit of Insurance applicable to the “policy period” in effect when the incident or circumstance was reported to us.
12. Under COVERAGE PART THREE, the automatic extended reporting period and the extended reporting period, if purchased by you, shall not serve to increase or reinstate the Limits of Insurance set out in the Declarations to the policy. The Limits of Insurance shall be that which is remaining in the Policy Aggregate Limit at the end of the "policy period."
13. When the Each Incident or Policy Aggregate Limits of Insurance described above have actually been exhausted in the payment of “bodily injury,” “property damage,” “damages,” medical expenses, and/or “claims expense” we will:
- a. Notify the first Named Insured, in writing, as soon as possible, that such limits have been exhausted and our duty to defend under the Insuring Agreements has also ended; and

- b. Commence and cooperate in the transfer of control to any appropriate insured of all "claims" or "suits" which are subject to that limit and which are reported to us before that limit is exhausted.

Section IV. Claim Provisions

1. You must see to it that we are notified as soon as practicable of an "occurrence," offense, accident, circumstance or incident that may result in a "claim." To the extent possible, notice should include:
 - a. How, when and where the "occurrence," offense, "pollution event" or act, error or omission took place, including how and when the insured first became aware of the "occurrence," offense, "pollution event" or act, error or omission; and
 - b. The names and addresses of any injured persons and witnesses;
 - c. The nature and location of any injury, "loss" and/or "damages" arising out of the "occurrence," offense, "pollution event" or act, error or omission; and

With respect to COVERAGE PART THREE only, any subsequent "claim," arising from the reported incident or circumstance, made against the insured and reported to us, pursuant to paragraph 5. below, shall be deemed for the purposes of this insurance to have been made on the date on which notice of the incident or circumstance was first received by us. We may elect to investigate any potential "claim" which is reported to us. Any costs associated with the investigation of a potential "claim" prior to a "claim" being made will not be considered "claim expenses." These costs shall not be applied towards reducing the applicable Deductible and are in addition to the Limit of Insurance and shall be borne by us.

2. If a "claim" is made or "suit" is brought against any insured, you must:
 - a. Immediately record the specifics of the "claim" or "suit" and the date received; and
 - b. Notify us as soon as practicable.

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

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

4. No insured will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent. Notwithstanding the foregoing, an insured may take such "emergency action(s)" as reasonably necessary to prevent or mitigate further "loss" or "damages," provided the insured provides notice to us within ninety-six (96) hours. In the event of oral notice, the insured agrees to furnish a written report to us as soon as practicable.

5. All notices shall go to the address shown on the Declarations, or any other address as substituted by endorsement onto the policy. In the event of oral notice, the insured agrees to furnish a written report to us as soon as possible.

6. We shall have the right to designate legal counsel of our choice to represent the insured in the adjustment, defense or settlement of any "claim" or "suit" provided coverage under this policy. If permitted by applicable law, we have the right to appoint one legal counsel to represent and/or defend all of the insureds who are or may be involved in any "claim" or "suit" provided coverage under this policy.

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

Additionally, we may exercise the right to require that such counsel have certain minimum qualifications with respect to their legal competency including experience in defending claims or suits similar to the one pending against the insured and to require such counsel to have errors and omissions insurance coverage. The insured agrees that such counsel will respond to our request

for information regarding the "claim" or "suit" in a timely manner. Furthermore, an insured may at any time, by its signed consent, waive its right to select independent counsel.

7. The insured shall not admit liability or settle any "claim" or "suit" without our written consent. If we recommend a reasonable settlement of a "claim," the insured shall have the opportunity to concur, such concurrence not to be unreasonably withheld. If we recommend a reasonable settlement of a "claim":
 - (1) For an amount within the Deductible and an insured refuses to concur with such reasonable settlement, then we shall not be liable for any "damages," "losses" or "claim expenses" in excess of the Deductible; or
 - (2) For a total amount in excess of the balance of the Deductible and an insured refuses to concur with such reasonable settlement acceptable to the claimant, then our liability for "damages," "losses" or "claim expenses" shall be limited to that portion of the settlement and the costs, charges and expenses as of the date of the insured's refusal which exceed the Deductible and fall within the Limit of Insurance.

Section V. Conditions

1. Assignment

Assignment of interest under this policy shall not bind us until our written consent is endorsed thereon.

2. Bankruptcy

Bankruptcy or insolvency of an insured will not relieve us of our obligations under the policy.

3. Cancellation

This policy may be canceled by you by surrender to us or any of our authorized brokers, or by mailing to us written notice stating when the cancellation shall be effective. This policy may be canceled by us by mailing to you, at the address shown in this policy, a notice stating when thereafter (not less than thirty (30) days, or ten (10) days for non-payment of premium) such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the "policy period". Delivery of such written notice either by you or by us shall be equivalent to mailing.

If we cancel, the return premium will be pro rata subject to any minimum earned premium that may apply. If the first Named Insured cancels, the return premium may be less than pro rata subject to any minimum earned premium that may apply.

4. Changes

Notice to any agent or knowledge possessed by any agent or by any other person shall not affect a waiver or change in any part of this policy or stop us from asserting any right under the terms of this policy. The terms of this policy shall not be waived or changed except by endorsement issued by us to form a part of this policy.

5. Choice Of Law

In the event an insured and we dispute the meaning, interpretation or operation of any term, condition, definition or provision of this policy resulting in litigation, arbitration or other form of dispute resolution, the insured agrees with us that the law of the State of New York shall apply without giving effect to any conflicts or choice of law principles. In the event an insured agrees with us to resolve their dispute by arbitration, any such arbitration shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

6. Cooperation

The insured agrees with us to assist and cooperate in the fulfillment of the policy's terms, including the investigation, adjustment, defense or settlement of any "claim" or "suit."

7. Legal Action Against Us

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

- a. Join us as a party or otherwise bring us into a "claim," "suit" or any other adjudication asking for "damages" and/or "losses" from an insured; or
- b. Sue us unless all of its terms have been fully complied with.

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

8. Other Insurance

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

a. Primary Insurance

This insurance is primary except

- (1) When b. and d. below apply; or
- (2) When stated in the Declarations or by endorsement to apply in excess of or contingent upon the absence of other insurance.

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 c. below.

b. Excess Insurance

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installations Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
 - (d) If the loss arises out of the maintenance or use of aircraft, "auto" or watercraft to the extent not subject to Exclusion g. Coverage A. – Bodily Injury and Property Damage Liability, in COVERAGE PART ONE;
- (2) Any other primary insurance available to an insured covering liability for damages or "claims" arising out of the premises or operations, or the products and completed operations for which an insured has been added as an additional insured.

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

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

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

c. Method of Sharing

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

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

- d. Under COVERAGE PART TWO only, when another valid insurance policy, in force prior to this "policy period," is available to the "insured" for any "claim" or "loss" including "claim expenses" covered under the terms and conditions of this policy, this policy shall not apply to pay any part of the "claim" or "loss."

9. Premium Audit and Inspection

- a. We will compute all premiums in accordance with our rules and rates.
- b. Premium shown in the Declarations is an estimated premium only. At the close of each audit period, we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and the audit premiums paid for the policy is greater than the earned premium, we will return the excess to the first Named Insured, subject to the minimum premium provisions shown in this policy.
- c. The first Named Insured must: a) keep records of the information we need for premium computation; b) send us copies at such times as we may request; c) permit us or our authorized representative to inspect and audit the books and records of contracts at any time during the policy and after the final termination of this policy, as far as they relate to the subject matter of this policy; and d) remit any additional premium that is due. If you fail to do so, you will forfeit any rights of coverage to which such additional premium applies.
- d. The minimum earned premiums shown in the policy shall apply to the estimated gross sales, composite rate(s) and estimated premiums. Premiums applicable to any subsequent endorsements will be in addition to the minimum premiums shown in the policy.
- e. We shall also be permitted upon reasonable prior notice to inspect, sample and monitor on a continuing basis the insured's operations. Neither our right to make inspections, sample and monitor nor the actual undertaking thereof nor any report thereon shall constitute an undertaking, on behalf of us or others, to determine or warrant that operations are safe, healthful or conform to acceptable engineering practice or are in compliance with any law, rule or regulation.

10. Representations

By accepting this policy, the insureds agree that:

- a. The statements in any Declarations and Applications are accurate and complete;
- b. Those statements are based upon representations the insured to us;
- c. We have issued this policy in reliance upon the insured's representations; and

That this policy embodies all agreements existing between you and us or any of your or our brokers relating to this insurance.

11. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned to you, this insurance applies:

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

Misrepresentation, concealment, breach of condition or violation of any duty under this policy by one insured shall not prejudice the interest of coverage of another insured under this policy, except that this Separation of Insureds provision shall not apply to insureds who are related or affiliated entities or in which one insured holds any interest in, or controls, owns or operates the other insured.

12. Sole Agent

The first Named Insured shall act on behalf of all insureds for all purposes, including but not limited to the payment or return of premium, receipt and acceptance of any Endorsement issued to form a part of this policy, giving and receiving notice of cancellation or non-renewal, and the exercise of the rights provided in the extended reporting period.

13. Headings

The descriptions in the headings of this policy are solely for convenience and form no part of the policy terms and conditions

14. Subrogation

In the event of any payment under this policy, we shall be subrogated to all an insured's rights of recovery against any person or organization. An insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. An insured shall do nothing to prejudice such rights.

Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the party bearing the expense, shall be applied proportionately to you and us based on the actual payment made as a result of judgment, settlement or defense of a "claim" or "suit."

Section VI. Common Exclusions

This insurance does not apply to:

1. Nuclear

- a. Under any liability coverage, for "bodily injury," "property damage," "damages" or "claims expense":
 - (1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- b. Under any Medical Payment coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
- c. Under any liability coverage, to "bodily injury," "property damage," "damages" or "claim expense" resulting from "hazardous properties" of "nuclear material," if:
 1. The "nuclear material" (a) is at any "nuclear facility" owned by or operated by or on behalf of, an insured or (b) has been discharged or dispersed therefrom;
 2. The "nuclear material" is contained in "spent fuel" or a "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or
 3. The "bodily injury," "property damage," "damages" or "claim expense" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion:

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

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

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

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

"Waste" means any waste matter (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel," or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of “waste”;
and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

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

“Property damage” includes all forms of radioactive contamination of property.

2. War

“Bodily injury,” “property damage,” “damages,” or “claims expense,” however caused, arising directly or indirectly, out of:

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

3. Project Specific

Any project that is insured under a valid and collectible project specific insurance policy or any owner protective or owner controlled insurance policy for which an insured is provided insurance coverage, however, this exclusion shall not apply and this insurance shall apply as an excess insurance policy when expressly described as an excess coverage by endorsement onto this policy.

Section VII. Definitions

1. “Advertisement” means a notice that is broadcast or published to the general public or specified market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only the part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. “Auto” means:
 - a. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.However, “auto” does not include “mobile equipment.”
3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.
4. “Bodily injury” means physical injury, sickness, disease, mental anguish, or emotional distress sustained by any person including death resulting therefrom.
5. “Claim” or “claims” means any demand or notice received by an insured alleging liability or responsibility on the part of the insured for:
 - a. Under COVERAGE PART ONE, “bodily injury,” “property damage” or “personal and advertising injury” to which this insurance applies;
 - b. Under COVERAGE PART TWO, “losses” because of a “pollution event” resulting from “covered operations” or “completed operations” of the “covered operations”; and
 - c. Under COVERAGE PART THREE, “damages” arising from an act, error or omission in the performance of or the failure to perform “professional services.”
6. “Claim expenses” means:

- a. Fees charged by an attorney designated by:
 - (1) Us; or
 - (2) The insured with our prior written consent; and
- b. All other fees, costs and expenses resulting from the defense, settlement and appeal of a “claim” if incurred by us or the insured with our consent including 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 amount available for the judgment under the policy.

However, “claim expenses” does not include the salaries or expenses of our regular employees or officials or expenses of our adjusters. The insured shall be allowed \$250 per day but no more than \$5,000 in total allowable expenses for the compensation of the insured’s principals, partners, “executive officers,” directors or “employees” for personally attending any legal proceeding at our request and these allowable expenses shall not reduce the applicable Deductible or Limits of Insurance set out in the Declarations.

- 7. “Cleanup costs” means the necessary expenses incurred in the investigation, removal, remediation, neutralization or immobilization of contaminated soil, surface water, groundwater, or other contamination.
- 8. “Completed operations” coverage begins when the job is completed and includes all “bodily injury” and “property damage” occurring away from premises you own or rent and arising out of “covered operations” except “covered operations” that have not been completed or “covered operations” or that have been abandoned. “Covered operations” will be deemed completed at the earliest of the following times:
 - a. When all the “covered operations” called for in the contract have been completed; or
 - b. When all the “covered operations” to be done at one or more sites have been completed if the contract calls for “covered operations” at more than one site; or
 - c. When that part of the “covered operations” has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

“Covered operations” that may need service, maintenance, correction, repair or replacement, but which are otherwise complete, will be deemed completed.

- 9. “Coverage territory” means worldwide. Where “suits” are brought or “claims” are made outside the United States of America and its territories and possessions, Puerto Rico or Canada, the following provisions apply:
 - a. We shall have the right but not the duty to investigate, defend or settle any such “claim” or “suit” brought against an insured;
 - b. If we elect not to investigate, defend or settle any such “claim” or “suit,” the insured shall, under our supervision, arrange for such investigation and defense thereof as is reasonably necessary, and subject to our prior authorization, shall effect such settlement thereof as we and an insured deem expedient;
 - c. We will reimburse an insured for the reasonable cost of such investigation and defense and the amount of any settlement or judgment in excess of the Deductible amount stated in the Declarations, all subject to coverage terms and the Limits of Insurance stated in the Declarations; and
 - d. Such reimbursement shall be made in United States currency at the rate of exchange prevailing on the date the judgment is rendered or the date that the amount of the settlement is agreed upon in an executed agreement or, in the absence of such an agreement the date expenditure is made.

10. “Covered operation” or “covered operations” means those activities or operations conducted by or on behalf of you and specifically described in the Covered Operations Endorsement attached to this policy.

- 11. “Damages” means a monetary judgment, award, or settlement but does not include:
 - a. The restitution, return, withdrawal or reduction of fees, profits or charges for services rendered or offered by an insured or any other consideration or expenses paid to an insured for services or goods;
 - b. Any attorney fees or other related expenses incurred by any third party in bringing an action, demand or “suit” against you or any other insured under this policy; or
 - c. Judgments or awards from acts deemed uninsurable by law.

Under COVERAGE PART THREE, “damages” also includes “claim expenses.”

12. “Emergency action” means the reasonable and necessary costs incurred to avoid an imminent and substantial endangerment to the public health or welfare or the environment.
13. “Employee” includes a “leased worker.” “Employee” does not include a “temporary worker.”
14. “Executive officer” means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
15. “Fungus” or “fungi” includes, but is not limited to:
 - a. Any form or type of mold, mushroom or mildew;
 - b. Any other fungal structure; and
 - c. Any volatile organic compounds, mycotoxins, allergenic proteins or other substances or gases produced by or arising out of any mold, mushroom, mildew, fungal structure or “spore(s).”
16. “Hazardous materials” means any petroleum, petroleum products, polychlorinated biphenyls, explosives, reactive materials, ignitable materials, corrosive materials and any hazardous, toxic, radioactive and infectious materials, substances, chemicals or wastes, together with any other substances designated as hazardous substances or hazardous materials by any federal, state or municipal laws, statutes or ordinances, including rules, administrative or judicial orders, directives or policies.
17. “Hazardous materials facility” means any site, location or premises, or any part of any site, location or premises, on which “hazardous materials,” wastes or pollutants are stored, treated, processed, recycled or disposed.
18. “Impaired property” means tangible property, other than “your product” or “your work,” that cannot be used or is less useful because:
 - a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of “your product” or “your work”; or
 - b. Your fulfilling the terms of the contract or agreement.
19. “Insured contract” means:
 - a. A contract for a lease of premises. However, that portion of the contract for lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an “insured contract”;
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for “bodily injury” or “property damage” to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

 - (1) That indemnifies a railroad for “bodily injury” or “property damage” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
 - (c) 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.
- 20. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker."
- 21. "Loading or unloading" means the handling of property:
 - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b. While it is in or on an aircraft, watercraft or "auto"; or
 - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."
- 22. "Loss" or "losses" means:
 - a. Compensatory "damages" or legal obligations arising from:
 - (1) "Bodily injury";
 - (2) "Property damage"; and
 - b. Related "claim expense."
- 23. "Microbial substance" means any substance that reproduces through release of "spores" or the splitting of cells including but not limited to "bacteria," viruses, "fungus(i)," protozoa, chlamydiae, rickettsiae, whether or not the "microbial substance" is living.
- 24. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in a., b., c., or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in a., b., c., or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

25. "Natural resource damages" means the sum of:

1. Reasonable direct costs, including costs of assessment, associated with action necessary to restore (including replacement) the natural resources to its baseline condition prior to the "pollution event," and
2. The "use value" of injury to or destruction of natural resources, including the land, surface water, groundwater, subsurface strata, air, fish, wildlife, or biota between the time of a "pollution event" and restoration of the natural resources injured by the "pollution event."

"Use value" means the value of the natural resources to the public attributable to the direct use of the services provided by the natural resources.

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

27. "Personal injury and advertising injury" means injury, including consequential "bodily injury" arising out of one or more of the following offenses:

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

28. "Policy period" means the period set forth in the Declarations, or any shorter period arising as a result of termination or cancellation of the policy.

29. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or containment, including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

30. "Pollution event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

31. "Products-completed operations hazard"

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

- (1) Products that are still in your physical possession; or
- (2) Work that has not yet been completed or abandoned. However, your work will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

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

32. “Professional service” or "a professional service" means those services which you are qualified to perform for others and specifically described in the Covered Professional Services Endorsement attached to this policy.

33. “Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. Under COVERAGE PARTS ONE and TWO, all such loss of use shall be deemed to occur at the time of the physical injury or "pollution event" that caused it; or
- b. Loss of use of tangible property that is not physically injured. Under COVERAGE PARTS ONE and TWO, all such loss of use shall be deemed to occur at the time of the “occurrence” or "pollution event" that caused it.

Under COVERAGE PARTS TWO and THREE “property damage” also includes:

- a. “Cleanup costs”; and
- b. “Natural resource damage(s).”

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.

34. “Retroactive date” means the date set forth in the Declarations or attached Endorsement, and the earliest date a “professional service” can commence for coverage to be provided under this policy.

35. “Spore” or "spores" means any reproductive body produced by or arising out of any “fungus(i).”

36. “Suit” means civil proceeding in which “damages” because of “bodily injury,” “property damage” or “personal or advertising injury,” to which this insurance applies are alleged. “Suit” includes:

- a. An arbitration proceeding in which such “damages” are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such “damages” are claimed and to which the insured submit with our consent.

37. “Temporary worker” means a person who is furnished to you to substitute for a permanent “employee” on leave or to meet seasonal or short-term workload conditions.

38. "Volunteer worker" means a person who is not your "employee," and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

39. “Your product” means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;

(2) Others trading under your name; or

(3) A person or organization whose business or assets you have acquired; and

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

“Your product” includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your product”; and

b. The providing of or failure to provide warnings or instructions.

“Your product” does not include vending machines or other property rented to or located for the use of others but not sold.

40. “Your work” means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

“Your work” includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of “your work”; and

b. The providing of or failure to provide warnings or instructions.