



Policy of Insurance

Policy Number: 830-104387-2

Insured: Signal Program – Master Policy

In Witness Whereof, the Insurer has caused this Policy to be executed by its authorized officers, but this Policy will not be valid unless countersigned by a duly authorized representative of the Insurer.

Mailing Address:

Crum & Forster
305 Madison Ave.
Morristown, NJ 07962

SIGNATURE

Marc J. Adee
Chairman and CEO

SIGNATURE

James Kraus
Secretary

“READ YOUR POLICY CAREFULLY”

This policy is a legal contract between the policy owner and United States Fire Insurance Company (a Crum & Forster Company).

In consideration of the payment of the premium, in reliance upon the representations and attachments contained in and submitted with the Application, and subject to all of the terms of this policy, the Company agrees with the Named Assured as follows:

COMPANY: UNITED STATES FIRE INSURANCE COMPANY

DECLARATIONS

- I. **NAMED INSURED:** Signal Program – Master Policy
- II. **NAMED INSURED ADDRESS:** 385 North York Road
Elmhurst, IL 60126
- III. **EFFECTIVE DATE:** January 1, 2019
- IV. **EXPIRATION DATE:** January 1, 2020
- Beginning and ending at 12:01am Local Standard Time at above address.
- V. **POLICY NUMBER:** **830-104387-2**
- VI. **LIMIT OF LIABILITY:**
- LIMIT ANY ONE OCCURRENCE: \$1,000,000.**
 ANNUAL AGGREGATE LIMIT: \$2,000,000.
- VII. **PREMIUM:** **\$2,500.** (This is a deposit – See Master Policy Endorsement)
- VIII. **COVERAGE:** **Marine General Liability**
- IX. **PRODUCER:** The David Agency Insurance, Inc.
385 North York Road
Elmhurst, IL 60126

X. NOTICES:

- A. In the event of an Occurrence, Claim or Suit, send all pertinent facts to:
- B. All other notices required under this policy:

Marine Claims Manager
Crum & Forster
101 Hudson St., 32nd
Floor
Jersey City, NJ 07302

Marine Underwriting Department
Crum & Forster
2101 Fourth Ave. Ste 1240
Seattle, WA 98121

XI. FORMS AND ENDORSEMENTS APPLICABLE TO THE POLICY ON THE ORIGINAL DATE OF ISSUE:

Marine General Liability
Master Policy Endorsement
Amendatory Endorsement
Exclusion for Liability Arising from Owned/Leased Premises
Additional Insured Endorsement
Watercraft Definition Endorsement
Kiting Exclusion
Terrorism Risk Insurance Act
Terrorism Exclusion
Economic and Trade Sanctions Clause
Punitive Damages Exclusion
Cyber Attack Exclusion

THESE DECLARATIONS, TOGETHER WITH THE SCHEDULE, POLICY, AND ANY ENDORSEMENT(S) ATTACHED THERETO COMPLETE THE ABOVE NUMBERED POLICY.

DATE: December 26, 2018

AUTHORIZED REPRESENTATIVE

UNITED STATES FIRE INSURANCE COMPANY

This policy is issued by the stock insurance company listed above (herein "Company").

MARINE GENERAL LIABILITY POLICY

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

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

The word "Insured" means any person or organization qualifying as such under Section IV (WHO IS AN INSURED).

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VIII (DEFINITIONS).

The section, form or clause titles or headings are for "your" reference only and have no bearing on the interpretation of the sections, forms or clauses. Be certain to read all sections, forms and clauses carefully to determine their actual meaning.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations, and subject to all the terms, exclusions and conditions of this policy, the "Company" agrees with "you" as follows:

SECTION I – COVERAGES

COVERAGE A. "BODILY INJURY" AND "PROPERTY DAMAGE" LIABILITY

Insuring Agreement.

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

However:

- a. The amount "we" will pay for damages is limited as described in Section V (LIMITS OF INSURANCE); and

- b. "Our" right and duty to defend end when "we" have used up the applicable Limits of Insurance in the payment of judgments or settlements under Coverage A or B or medical expenses under Coverage C and/or other coverages endorsed to this policy and/or defense and related payments under Section III (DEFENSE AND RELATED PAYMENTS – APPLICABLE TO SECTION I, COVERAGES A AND B ONLY).

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section III (DEFENSE AND RELATED PAYMENTS – APPLICABLE TO SECTION I, COVERAGES A AND B ONLY).

2. This insurance applies to "bodily injury" and "property damage" only if:
 - a. The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;" and
 - b. The "bodily injury" or "property damage" occurs during the "policy period."
3. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting any time from the "bodily injury."

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

Insuring Agreement.

1. "We" will pay those sums that the "Insured" becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" as a result of performing "covered operations" and caused by an "occurrence" at an "insured location" to which this coverage part applies. "We" will have the right and duty to defend the "Insured" against any "suit" seeking those damages.

However, "we" will have no duty to defend the "Insured" against any "suit" seeking damages for "personal injury" or "advertising injury" to which this insurance does not apply. "We" may at "our" discretion investigate any "occurrence" or offense and settle any claim or "suit" that may result.

However:

- a. The amount "we" will pay for damages is limited as described in Section V (LIMITS OF INSURANCE); and
- b. "Our" right and duty to defend end when "we" have used up the applicable Limits of Insurance in the payment of judgments or settlements under Coverage A or B or medical expenses under Coverage C and/or defense and related payments under Section III (DEFENSE AND RELATED PAYMENTS – APPLICABLE TO SECTION I, COVERAGES A AND B ONLY).



No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Section III (DEFENSE AND RELATED PAYMENTS – APPLICABLE TO SECTION I, COVERAGES A AND B ONLY).

2. This insurance applies to:

- a. "Personal injury" caused by an offense arising out of "your" business, excluding advertising, publishing, broadcasting or telecasting done by or for "you";
- b. "Advertising injury" caused by an offense committed in the course of advertising "your" goods, products or services;

but only if the offense was committed in the "coverage territory" during the "policy period."

COVERAGE C. MEDICAL PAYMENTS

Insuring Agreement.

- 1. "We" will pay medical expenses as described below for "bodily injury" caused by an accident as a result of performing "covered operations" and caused by an "occurrence" at an "insured location":
 - a. On the premises "you" own or rent;
 - b. On ways next to premises "you" own or rent; or
 - c. Because of "your" operations;

Provided that:

- a. The accident takes place in the "coverage territory" and during the "policy period";
 - b. The expenses are incurred and reported to "us" within one year of the date of the accident; and
 - c. The injured person submits to examination, at "our" expense, by physicians of "our" choice as often as "we" reasonably require.
- 2. "We" will make these payments regardless of fault. These payments will not exceed the applicable Limits of Insurance. "We" will pay reasonable expenses for:
 - a. First aid at the time of an accident;
 - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - c. Necessary ambulance, hospital, professional nursing and funeral services.

SECTION II – EXCLUSIONS

A. EXCLUSIONS APPLICABLE TO SECTION I, COVERAGES A AND B AND APPLICABLE TO SECTION I, COVERAGE C WITH RESPECT TO "BODILY INJURY"

Except with respects to exclusions 1, 2, 9, 10 and 13, Section II.A. does not apply to damage by fire to premises while rented to "you" or temporarily occupied by "you" with permission of the owner. A separate limit of insurance applies to this coverage as described in Section V (LIMITS OF INSURANCE).

Notwithstanding anything to the contrary contained in this policy, it is hereby understood and agreed that this policy is subject to the following exclusions and that this policy shall not apply to:

1. 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.

2. 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:

- a. 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; or
- b. that the "Insured" would have in the absence of the contract or agreement.

3. Liquor Liability

"Bodily injury" or "property damage" for which any "Insured" or his indemnitee may be held liable:

- a. as a person or organization engaged in the business, whether or not for profit, of manufacturing, distributing, selling or serving alcoholic beverages; or
- b. if not so engaged, as an owner or lessor of premises used for such purposes, if such liability is imposed:
 - (1) by, or because of the violation of, any statute, ordinance or regulation pertaining to the sale, gift, distribution or use of any alcoholic beverage; or
 - (2) by reason of the selling, serving or giving of any alcoholic beverage to a minor or to a person under the influence of alcohol or that causes or contributes to the intoxication of any person.

4. Workers' Compensation and Similar Laws

Any liability of whatsoever nature of any "Insured," whether any "Insured" may be liable as an employer or in any other capacity whatsoever, to any of "Insured's" "employees" including but not limited to any liability under any Workers' Compensation Law, Unemployment Compensation Law, Disability Benefit Law, United States Longshoremen's and Harbor Workers' Compensation Act, Jones Act, Death on the High Seas Act, General Maritime Law, Federal Employers Liability Act, or any similar laws, regulations or liabilities, and/or whether by reason of the relationship of master and servant or employer and "employee" or not.

5. Employer's Liability

- a. Any liability of whatsoever nature of any "Insured" to the spouse, child, parent, brother, sister, relative, dependent or estate of any of "Insured's" "employees," arising out of the "bodily injury" to said "employees," whether "Insured" may be liable as an employer or in any other capacity whatsoever; or
- b. Any liability of whatsoever nature of any "Insured" to any other party arising out of "bodily injury" to "employees" of any "Insured," including but not limited to any such liability for (i) indemnity or contribution whether in tort, contract or otherwise and (ii) any liability of such other parties assumed under contract or agreement; or
- c. Any liability of any "Insured's" "employees" with respect to "bodily injury" to another of "Insured's" "employees" sustained in the course of such employment; or
- d. Any liability of whatsoever nature that any "Insured's" directors, officers, partners, "principals," "employees" or stockholders may have to any "Insured's" "employees."

6. Employee Benefits

Liability, expense or costs arising out of any act or omission by "you," or any other person or entity for whose acts or omissions "you" are legally liable, in respect of "your" "employee benefits" including but not limited to:

- a. Giving counsel to "employees" with respect to "employee benefits";
- b. Interpreting the "employee benefits";
- c. Handling and keeping of records in connection with "employee benefits";
- d. Effecting enrollment, termination or cancellation of "employees" under the "employee benefits";
- e. Any dishonest, fraudulent, criminal or malicious act or omission;
- f. Failure of performance of contract by an insurer;

- g. Lack of compliance with the terms of any contract, declaration of trust, or instrument providing "employee benefits";
- h. Lack of compliance with any law concerning "employee benefits";
- i. Failure to procure or maintain satisfactory and adequate insurances on "employee benefits" assets or property;
- j. Failure of stock or other securities or of any investments of whatever kind to perform as represented;
- k. Advice given to an "employee" to participate or not to participate in stock subscription or similar plans; and
- 1. Any liability arising out of the Employee Retirement Income Security Act and any other similar federal, state or other statutes, rules or regulations.

As used in this exclusion, the term "employee benefits" includes, without limitation, Group Life Insurance, Group Health Insurance, Profit-Sharing Plans, Pension Plans, Employee Stock Subscription Plans, Workers' Compensation, Unemployment Insurance, Social Security and Disability Benefits Insurance.

7. "Pollution," Seepage, Contamination

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (1) At or from any premises, site or location that is or was at any time owned or occupied by, or rented or loaned to, any "Insured";
 - (2) At or from any premises, site or location that is or was at any time used by or for any "Insured" or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) That are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "Insured" or any person or organization for whom "you" may be legally responsible; or
 - (4) At or from any premises, site or location on which any "Insured" or any contractors or subcontractors working directly or indirectly on any "Insured's" behalf are performing operations:
 - (a) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "Insured," contractor or subcontractor; or
 - (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."

Subparagraphs (1) and (4)(a) of this exclusion do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

b. Any loss, cost or expense arising out of any:

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

8. Health Hazard

Any liability arising out of, caused by or related in any way to continuous, intermittent or repeated exposure to, or ingestion, inhalation, or absorption of any substance, material, product, waste, emission, radioactive substance, noise or environmental disturbance where the "Insured" is or may be held liable as a result of the use, manufacture, production, extraction, sale, handling, utilization, distribution, disposal or creation by or on behalf of any "Insured" of such substance, material, product, waste, emission, radioactive substance, noise or environmental disturbance.

This exclusion includes, but is not limited to:

Any liability, expense or costs (including but not limited to investigation, testing, clean-up or removal) for claims or "suits" or proceeding for "bodily injury" or "property damage," or "personal injury" or "advertising injury" that directly or indirectly arise out of or are caused by "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde, including but not limited to the following:

- a. Inhalation of, ingestion or absorption of, or any singular or continuous or intermittent exposure to "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde or any goods or products containing "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde;
- b. The use of "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde in any goods, products or structures;
- c. The removal of "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde in constructing or manufacturing any goods, products or structures; or
- d. The manufacture, transportation, storage, handling, distribution, sale, application, mining, consumption, or disposal of "lead" or "polychlorinated biphenyl" or "tobacco" or benzene or formaldehyde.

9. Nuclear

- a. Any liability, expense or costs for "bodily injury" or "property damage":
 - (1) With respect to which an "Insured" under this policy is also an insured under the terms and conditions of any nuclear energy liability policy, whether issued or not, that is similar in form to a policy issued by the 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 materials" 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 an agreement entered into by the United States of America, or any agency thereof, with any person or organization.

- b. Any Medical Payments coverage, for expenses incurred with respect of "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. Any Liability Coverage for "bodily injury" or "property damage" resulting from the "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 "nuclear 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" or "property damage" 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 only:

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

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

"Source material," "special nuclear material," or "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 that has been used or exposed to radiation in a "nuclear reactor."

"Nuclear waste" means any waste material 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 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 any "nuclear reactor," any equipment or device designed or used for separating the isotopes of uranium or plutonium, processing or utilizing "spent fuel," or handling, processing or packaging "nuclear waste," any equipment or device used for the processing, fabrication 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; or, any structure, basin, excavation, premises or place prepared or used for the storage of disposal of "nuclear waste," and includes the site of 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.

10. Radioactive Contamination

"Bodily injury" and/or "personal injury" and/or "property damage" arising directly or indirectly from:

- a. Ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or other nuclear component thereof; or
- c. Any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

This exclusion shall be paramount and shall override anything contained in this insurance that may be inconsistent.

11. "Auto"/Aircraft/"Watercraft"

"Bodily injury" or "property damage" arising out of the ownership, entrustment, maintenance, operation, use, "loading or unloading" of:

- a. any "auto" or aircraft or "watercraft" owned, operated, leased, chartered by or rented or loaned to any "Insured"; or
- b. any other "auto" or aircraft or "watercraft" operated by any person in the course of his employment by any "Insured";

but this exclusion does not apply to:

- a. "Bodily injury" or "property damage" arising out of the parking of an "auto" on premises owned by, rented to or controlled by "you" or the ways immediately adjoining, if such "auto" is not owned by or rented or loaned to any "Insured"; or

- b. "Bodily injury" or "property damage" arising out of 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"; or
- c. Non-owned aircraft or "autos" that are handled by "you" as a stevedore as cargo, including the operation of non-owned "autos" during "loading or unloading."

12. Hostilities and Warlike Operations

"Bodily injury" and/or "personal injury" and/or "property damage" arising out of:

- a. Capture, seizure, arrest, taking, restraint, detainment, confiscation, preemption, requisition or nationalization, and the consequences thereof or any attempt thereat, whether in time of peace or war and whether lawful or otherwise.
- b. Any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter, or by any mine, bomb or torpedo.
- c. Hostilities or warlike operations (whether there be a declaration of war or not), but the phrase, "hostilities or warlike operations (whether there be a declaration of war or not)" shall not exclude collision or contact with aircraft, rockets or similar missiles or with any fixed or floating object, stranding, heavy weather, fire or explosion unless caused directly (independently of the nature of the voyage or service that the "watercraft" concerned or in the case of a collision, any other "watercraft" involved therein, is performing) by a hostile act by or against a belligerent power; for the purposes of the foregoing, power includes any authority maintaining navy, military or air forces in association with a power. In addition to the foregoing exclusions, this insurance shall not cover any loss, damage or expense to which a warlike act or the use of military or naval weapons is a contributing cause, whether or not the "Insured's" liability therefore is based on negligence or otherwise, and whether in time of peace or war. The embarkation, carriage or disembarkation of troops, combatants, or material of war, or the placement of any "watercraft" in jeopardy as an act or measure of war taken in the actual process of a military engagement, with or without the consent of the "Insured," shall be considered a warlike act for the purposes of this policy.
- d. The consequences of civil war, revolution, insurrection, military or usurped power, the imposition of martial law, or civil strife arising therefrom, or piracy, or from any loss, damage or expense caused by or resulting directly or indirectly from the act or acts of one or more persons, whether or not agents of a sovereign power, carried out for political or terrorist purposes, and whether any loss, damage or expense resulting therefrom is accidental or intentional.

13. "Mobile Equipment"

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

- a. The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any "Insured"; or

- b. The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

14. Damage to Property

"Property damage" to:

- a. Property "you" own, rent or occupy;
- b. Premises "you" sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- c. Property loaned to "you";
- d. Property in "your" care, custody or control;
- e. That particular part of real property on which "you" or any independent contractors or subcontractors working directly or indirectly on "your" behalf are performing operations, if the "property damage" arises out of those operations; or
- f. That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

Paragraphs c., d., e. and f. of this exclusion do not apply to liability assumed under a sidetrack agreement.

15. Damage to "Your Product"

"Property damage" to "your product" arising out of it or any part of it. This exclusion applies only to that part of "your product" that causes or results in the "property damage."

16. Damage to "Your Work"

"Property damage" to "your work" arising out of it or any part of it. This exclusion applies only to that part of "your work" that causes or results in the "property damage."

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.

17. Damage to "Impaired Property" or Property Not Physically Insured

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

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

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.

18. 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

- a. "Your product";
- b. "Your work"; or
- c. "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.

19. Failure to Perform

Any liability resulting from the failure of "your products" and/or "your work" to meet any predetermined level of fitness or performance and/or guarantee of such fitness or level of performance and/or any consequential loss arising therefrom.

20. "Products Hazard" and "Completed Operations Hazard"

- a. "Bodily injury" and "property damage" arising out of "products hazard"; or
- b. "Bodily injury" and "property damage" arising out of "completed operations hazard."

21. Divers/SCBA/Umbilical Air System

"Bodily injury" (contractually assumed or otherwise) to any/all persons that resulted or occurred from or during diving operations or any other type of operation that involved the use of any self contained breathing apparatus (SCBA) or umbilical air system on or under land, in or underwater and/or in any elevated location.

22. Employment Practices

"Bodily injury" and/or "personal injury" and/or "advertising injury" arising out of any:

- a. Refusal to employ;
- b. Termination of employment;
- c. Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person;
- d. Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination; or
- e. Consequential "bodily injury" as a result of a. through d. above.

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

23. Director's and Officer's

- a. Actual or alleged liability arising out of "your" capacity, duty or responsibility as an officer, director or trustee of a corporation by reason of any breach of fiduciary duty or improper conduct or conflict of interest in the performance of "your" duties, responsibilities or accountability as an officer, director or trustee, including, without limitation, any actual or alleged misstatement, misleading statement, gain of personal profit or advantage to which "you" were or are not entitled legally, any dishonest act, or bad faith conduct, in "your" capacity as an officer, director or trustee, or with respect to the capital or assets of the corporation, or any action taken beyond the scope of "your" authority as an officer, director or trustee; or
- b. Actual or alleged liability of any officer, director or trustee arising out of or asserted in a shareholder's derivative action; or
- c. Actual or alleged liability that would be payable under the terms of coverage of a Director's and Officer's Liability Insurance Policy or a Director's and Company Reimbursement Indemnity Policy of the type issued by stock insurance companies of the United States, as if "you" had obtained such coverage in an amount sufficient to pay the full amount being claimed against "you," whether or not "you" have obtained such coverage; or
- d. Actual or alleged liability for, based upon, arising from, attributable to, related to, or in any way connected with, in whole or part, directly or indirectly:
 - (1) Any actual or alleged violation of the Securities Act of 1933 as amended, or the Securities Exchange Act of 1934 as amended, or any state blue sky or Canadian securities law.
 - (2) Any similar state blue sky, federal or Canadian statutes regulating securities similar to the foregoing, or as they may be amended, any rules or regulations adopted pursuant

thereto, or any other state blue sky or Canadian laws or common laws relating to securities; or

- e. Actual or alleged liability arising out of or incidental to any alleged violation(s) of any federal or state law regulating, controlling and governing antitrust or the prohibition of monopolies, activities in restraint of trade, unfair methods of competition or deceptive acts and practices in trade and commerce including, without limitation, the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act and the Hart-Scott Rodino Anti-trust Improvements Act; or
- f. Actual or alleged liability arising out of or contributed to by the "Insured's" dishonesty or infidelity.

24. Professional Liability

Any liability, expense or cost for claims or "suits" arising out of or allegedly arising out of the rendering of or failure to render any professional services by "you" or any engineer, architect, consultant or surveyor who is either employed by "you" or performing work on "your" behalf in such capacity.

Professional services include:

- a. The preparing, approving, or consulting, or failing to prepare or approve or consult, with respects to maps, shop drawings, opinions, surveys, field orders, change orders, or drawings and specifications; and
- b. Supervisory, consulting or inspection activities performed as part of any related engineering, architectural, consulting or surveying activities.

This exclusion only applies to engineering, architectural, consulting or surveying services provided by "you" or on "your" behalf as an engineer, architect, consultant or surveyor.

25. False Advertising, Willful Intent

"Personal injury" or "advertising injury" arising out of:

- a. Oral or written publication of material, if done by or at the direction of the "Insured" with knowledge of its falsity;
- b. Oral or written publication of material whose first publication took place before the beginning of the "policy period"; or
- c. The willful violation of a penal statute or ordinance committed by or with the consent of the "Insured."

26. Breach of Contract, Failure to Conform, Wrong Description

"Advertising injury" arising out of:

- a. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- b. The failure of goods, products or services to conform with advertised quality or performance;
- c. The wrong description of the price of goods, products or services; or
- d. An offense committed by an "Insured" whose business is advertising, broadcasting, publishing or telecasting.

27. Fines, Penalties, Punitive Damages

Fines, penalties, bad faith damages, punitive or exemplary damages, including treble damages or any other damages resulting from multiplication of compensatory damages.

28. Repetitive Stress Injury

Any liability arising out of any repetitive stress, repetitive strain or cumulative injury.

29. "Asbestos"

- a. Any liability for "property damage," "bodily injury," sickness, disease, "occupational disease," disability, shock, death, mental anguish or mental injury, at any time arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to "asbestos," "asbestos" products, "asbestos" fibers or "asbestos" dust; or
- b. Any obligation of the "Insured" to indemnify any party because of damages arising out of such "property damage," "bodily injury," sickness, disease, "occupational disease," disability, shock, death, mental anguish or mental injury at any time as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to "asbestos," "asbestos" products, "asbestos" fibers or "asbestos" dust; or
- c. Any obligation to defend any "suit" or claim against the "Insured" alleging "property damage," "bodily injury," sickness, disease, "occupational disease," disability, shock, death, mental anguish or mental injury and seeking damages, if such "suit" or claim arises from "property damage," "bodily injury," sickness, disease, "occupational disease," disability, shock, death, mental anguish or mental injury resulting from or contributed to, by any and all manufacture of, mining of, use of, sale of, installation of, removal of, distribution of, or exposure to "asbestos," "asbestos" products, "asbestos" fibers or "asbestos" dust.

30. Silica

"Bodily injury" or "property damage" directly or indirectly caused by or arising out of silica.

31. Change in "Covered Operations"

Any liability arising out of any change in the nature of "covered operations" when such change:

- a. occurred during the currency of this policy; and
- b. was known by any "Insured," or would have been known by a reasonable person in the circumstances, to be likely to increase the risk of "bodily injury" or "property damage" for which indemnity is provided by this policy.

For the purpose of this exclusion, where the "Insured" is a corporate body, the knowledge of any officer of the "Insured" shall be deemed to be the knowledge of the "Insured."

B. EXCLUSIONS APPLICABLE TO SECTION I, COVERAGE C ONLY:

"We" will not pay expenses for "bodily injury";

1. To any "Insured."
2. To a person hired to do work for or on behalf of any "Insured" or a tenant of any "Insured."
3. To a person injured on that part of premises "you" own or rent that the person normally occupies.
4. 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 any similar law or under the doctrine of maintenance and cure.
5. To a person injured while taking part in athletics.
6. Excluded under Section II.A. of this policy.

SECTION III – DEFENSE AND RELATED PAYMENTS – APPLICABLE TO SECTION I, COVERAGES A AND B ONLY

"We" will pay, as part of and not in addition to, the applicable Limits of Insurance:

1. All expenses incurred by the "Company" in any claim or "suit" defended by the "Company", all costs taxed against the "Insured" in such claim or "suit" and all interest on the entire amount of any judgment therein that accrues after entry of the judgment and before the "Company" has paid or tendered or deposited in court that part of the judgment or settlement that does not exceed the limit of the "Company's" liability thereon;
2. Premiums on appeal bonds required in any such claim or "suit," premiums on bonds to release attachments in any such claim or "suit" for an amount not in excess of the applicable Limits of Insurance of this policy, and the cost of bail bonds required of the "Insured" because of accident or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed three hundred (\$300) dollars per bail bond, but the "Company" shall have no obligation to apply for or furnish any such bonds;
3. Reasonable expenses incurred by the "Insured" at the "Company's" request in assisting the "Company" in the investigation or defense of any claim or "suit," including actual loss of earnings not to exceed one hundred (\$100) dollars per day.

Any payments under this section will reduce the "Company's" applicable Limits of Insurance under Section V.

SECTION IV – WHO IS AN "INSURED"

1. If "you" are designated in the Declarations as:
 - a. An individual, "you" and "your" spouse are "Insureds," but only with respect to the conduct of a business of which "you" are the sole owner.
 - b. A partnership or joint venture, "you" are an "Insured." "Your" members, "your" partners, and their spouses are also "Insureds," but only with respect to the conduct of "your" business.
 - c. A limited liability company, "you" are an "Insured." "Your" members are also "Insureds," but only with respect to the conduct of "your" business. "Your" managers are "Insureds," but only with respect to their duties as "your" managers.
 - d. An organization other than a partnership, joint venture or limited liability company, "you" are an "Insured." "Your" "executive officers" and directors are "Insureds," but only with respect to their duties as "your" officers or directors. "Your" stockholders are also "Insureds," but only with respect to their liability as stockholders.
2. Each of the following is also an "Insured":

- a. "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) or "your" captain and/or crew of owned "watercraft," 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" is an "Insured" for:
 - (1) "Bodily injury" or "personal 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 that co-"employee" is either in the course of his or her employment or while performing duties related to the conduct of "your" business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" 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," any partner or member (if "you" are a partnership or joint venture), or any member (if "you" are a limited liability company).
 - b. Any person (other than "your" "employee") or any organization while acting as "your" real estate manager.
 - c. Any person or organization having proper temporary custody of "your" property if "you" die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until "your" legal representative has been appointed.
 - d. "Your" legal representative if "you" die, but only with respect to duties as such. That representative will have all "your" rights and duties under this Coverage Part.
3. With respect to "mobile equipment" registered in "your" name under any motor vehicle registration law, any person is an "Insured" while driving such equipment along a public highway with "your" permission. Any other person or organization responsible for the conduct of such

person is also an "Insured," but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an "Insured" with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of "our" occupied by "you" or the employer of any person who is an "Insured" under this provision
4. Any organization "you" newly acquire or form, other than a partnership, joint venture, or limited liability company and over which "you" maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after "you" acquire or form the organization or the end of the "policy period," whichever is earlier;
 - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before "you" acquired or formed the organization; and
 - c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before "you" acquired or formed the organization

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

SECTION V – LIMITS OF INSURANCE

1. The Limits of Liability 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;
 - c. Persons or organizations making claims or bringing "suits," or
 - d. Coverages provided in or endorsed to this policy.
2. The General Aggregate Limit is the most "we" will pay for the sum of
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A;
 - c. Damages under Coverage B;
 - d. Damages under other coverages endorsed to or otherwise made a part of this policy; and

- e. All defense and related payments (as per Section III).
3. Subject to 2. above, the Personal and Advertising Injury Limit is the most "we" will pay under Coverage B for the sum of all damages because of all "personal injury" and all "advertising injury" arising out of any one "occurrence," including all defense and related payments (as per Section III).
4. Subject to 2. above, the Each "Occurrence" Limit is the most "we" will pay for the sum of:
 - a. Damages under Coverage A;
 - b. Medical expenses under Coverage C;
 - c. Damages under any/all coverage(s) endorsed to this policy; and
 - d. Defense and related payments (as per Section III).

because of all "bodily injury" and "property damage" arising out of any one "occurrence."

5. Subject to 4. above, the Damage to Premises Rented to You Limit is the most "we" will pay under Coverage A for damages because of "property damage" to any one premises, while rented to "you," or in the case of damage by fire, while rented to "you" or temporarily occupied by "you" with the permission of the owner, arising out of any one fire.
6. Subject to 4. above, the Medical Expense Limit is the most "we" will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

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

SECTION VI – DEDUCTIBLE LIABILITY INSURANCE

Applicable to Section I, Coverage Parts A and B and all coverage endorsements attached to this policy.

1. "Our" obligation under the "bodily injury" liability, "property damage" liability, "personal injury" liability and "advertising injury" liability coverages to pay damages, expenses or costs on "your" behalf applies only to the amount of damages, expenses or costs in excess of any deductible amounts stated in the Declarations as applicable to such coverages, and the Limits of Insurance applicable to each "occurrence" for such coverages will be reduced by the amount of such deductible. Aggregate limits for such coverages shall not be reduced by the application of such deductible amount.
2. The deductible amounts shown on the Declarations apply as follows:

- a. PER CLAIM BASIS – if the deductible is on a per claim basis, the deductible amount applies:
 - (1) Under Coverage Parts A and B and all coverage endorsements, respectively;
 - (a) To all damages and defense and related payments (as per Section III) because of "bodily injury," "personal injury" and/or "advertising injury" sustained by one person, or
 - (b) To all damages and defense and related payments (as per Section III) because of "property damage" sustained by one person or organization,as the result of any one "occurrence."
 - (2) Under Coverage Parts A and B and all coverage endorsements combined, to all damages and defense and related payments (as per Section III) because of "bodily injury," "personal injury," "advertising injury" and/or "property damage" sustained by one person or organization as the result of any one "occurrence."
- b. PER "OCCURRENCE" BASIS – if the deductible is on a per "occurrence" basis, the deductible amount applies:
 - (1) Under Coverage Parts A and B and all coverage endorsements, respectively,
 - (a) To all damages and defense and related payments (as per Section III) because of "bodily injury," "personal injury" and/or "advertising injury" as the result of any one "occurrence," or
 - (b) To all damages and defense and related payments (as per Section III) because of "property damage" as the result of any one "occurrence."
 - (2) Under Coverage Parts A and B and all coverage endorsements combined, to all damages and defense and related payments (as per Section III) because of "bodily injury," "personal injury," "advertising 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."
 - (3) The terms of this insurance, including those with respect to:
 - (a) "our" right and duty to defend any "suits" seeking those damages; and
 - (b) "your" duties in the event of an "occurrence," claim or "suit"apply irrespective of the application of the deductible amount.
 - (4) "We" may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, "you" shall promptly reimburse "us" for such part of the deductible amount "we" have paid.

SECTION VII – CONDITIONS

All coverages provided by or included in this policy and all endorsements attached to this policy are subject to the following conditions. Read them carefully.

1. Bankruptcy / Insolvency

The insolvency, bankruptcy, receivership of the "Insured" or the "Insured's" estate or any refusal or inability to pay by the "Insured" or the "Insured's" estate and/or the insolvency, bankruptcy, receivership or any refusal or inability to pay by any other insurance company and/or by any other underwriter shall not operate to:

- a. Relieve "us" of "our" obligations under this policy;
- b. Increase "our" liability under this policy;
- c. Increase "our" share of liability under this policy;

In no event shall "we" assume the responsibilities of the "Insured" or the "Insured's" estate and/or obligations and/or the obligations of any other insurance company and/or any other underwriter.

2. Cancellation / Non-Renewal

Unless state insurance laws provide otherwise:

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to "us" advance written notice of cancellation.
- b. "We" may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) Ten (10) days before the effective date of cancellation if "we" cancel for nonpayment of premium; or
 - (2) Thirty (30) days before the effective date of cancellation if "we" cancel for any other reason.
- c. "We" will mail or deliver "our" notice to the first Named Insured's last mailing address known to "us."
- d. Notice of cancellation will state the effective date of cancellation. The "policy period" will end on that date.
- e. If this policy is cancelled, "we" will send the first Named Insured any premium refund due. If "we" cancel, the refund will be pro-rata. If the first Named Insured cancels, the refund may be less than pro-rata. The cancellation will be effective even if "we" have not made or offered a refund.



- f. In the event of cancellation of this policy, the earned premium shall be calculated in accordance with the cancellation provision contained above and shall be based upon the estimated annual premium, advance premium, or minimum premium, whichever is greater. "We" shall also have the option (but not an obligation) of conducting an audit to determine the actual earned premium.
- g. If "we" decide not to renew this policy, "we" will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.
- h. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. Changes

This policy contains all the agreements between "you" and "us" concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with "our" consent. This policy's terms can be amended or waived only by endorsement issued by "us" and made a part of this policy.

4. Duties In The Event of "Occurrence," Claim or "Suit"

- a. "You" must see to it that "we" are notified as soon as practicable after "you" become aware of an "occurrence" or an offense that may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any "Insured," "you" must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify "us" as soon as practicable.

"You" must see to it that "we" receive written notice of the claim or "suit" as soon as practicable.
- c. "You" and any other involved "Insured" must:
 - (1) Immediately send "us" copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"
 - (2) Authorize "us" to obtain records and other information;

- (3) Cooperate with "us" in the investigation, settlement or defense of the claim or "suit;" and
 - (4) Assist "us", upon "our" request, in the enforcement of any right against any person or organization that may be liable to the "Insured" because of injury or damage to which this insurance may also apply.
- d. No "Insureds" 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.

5. Examination of "Your" Books and Records

The "Company" shall be permitted but not obligated to inspect the "Insured's" property and operations at any time. Neither the "Company's" right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the "Insured" or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulation.

The "Company" may examine and audit the "Insured's" books and records at any time during the "policy period" and extensions thereof and within seven (7) years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

6. In Rem

Subject to the terms and conditions of the policy, it is agreed that any loss, otherwise covered by this policy, shall be considered covered thereby even though asserted by an action *in rem* instead of action *in personam*.

7. Inspections and Surveys

"We" have the right but are not obligated to:

- a. Make inspections and surveys at any time;
- b. Give "you" reports on the conditions "we" find; and
- c. Recommend changes. "We" maintain the right to require that recommendations are complied with and if they are not, "we" have the right to cancel the policy.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. "We" do not make safety inspections. "We" do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public and "we" do not warrant that conditions:

- a. Are safe or healthful; or
- b. Comply with laws, regulations, codes or standards.

This condition applies not only to "us," but also to any loss control, surveying, rating, advisory, rate service or similar organization that makes insurance inspections, surveys, reports or recommendations.

8. Premiums

The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums "we" pay.

9. Legal Action Against "Us"

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

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

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 that are not payable under the terms of this policy or that are in excess of the applicable Limits 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.

10. Other Insurance or Protection

If other collectible insurance with any other insurer is available to the "Insured" covering a loss also covered hereunder, this insurance shall be in excess of, and shall not contribute with, such other insurance. Excess insurance attaching over the Limits of Insurance expressed in this policy is permitted without prejudice to this insurance and the existence of such insurance shall not reduce any liability under this policy.

11. Preservation of "Your" Rights

"You" will endeavor to:

- a. Preserve all rights against any and all:
 - (1) Independent contractors and/or subcontractors working for "you" or on "your" behalf;
 - (2) "Leased workers";
 - (3) "Employee provider firms," and

(4) Lessees and/or tenants of property or equipment that "you" own or for which "you" are responsible.

all of which are referred to below as "entities."

- b. Require the "entities" to maintain, in full force and effect, liability insurance with coverage and limits at least equal to the coverage and limits of this policy, as well as workers' compensation insurance. The "entities" shall require their liability insurer(s) to name "you" as an additional insured and shall waive all rights of subrogation against "you" and "your" "principal." The liability insurance provided by the "entities" shall be endorsed to designate it to be primary to all other insurance issued in "your" favor and in favor of "your" "principal."
- c. Require the "entities" to provide proof of the insurance as required above prior to any of the "entities" beginning to work for "you." The "entity" shall also require their insurer(s) to provide "you" with thirty (30) days written notice of cancellation or material change of their insurance.

12. Representations

By accepting this insurance policy, "you" agree: (a) the statements in the Declarations are accurate and complete; (b) those statements are based upon representations "you" made to "us"; and (c) "we" have issued this policy in reliance upon "your" representations.

13. Separation of Insureds

Except with respect to the Limits of Insurance, which are in no way increased, and any rights or duties specifically assigned to the first Named Insured in this insurance policy, which are in no way expanded, this insurance applies: (a) as if each Named Insured were the only Named Insured; and (b) separately to each "Insured" against whom claim is made or "suit" is brought.

14. Transfer of Rights of Recovery Against Others to "Us"

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

15. Transfer of "Your" Rights and Duties Under This Policy

"Your" rights and duties under this policy may not be transferred without "our" written consent except in the case of death of an individual Named Insured.

If "you" die, "your" rights and duties will be transferred to "your" legal representative but only while acting within the scope of duties as "your" legal representative. Until "your" legal representative is appointed, anyone having proper temporary custody of "your" property will have "your" rights and duties but only with respect to that property.

16. "Watercraft" Liability / Protection & Indemnity

During the term of this policy "you" agree to separately insure all "your" owned "watercraft" for limits not less than \$1,000,000 or hull value (whichever greater) for protection and indemnity (P&I) and/or collision and tower's liability risks, as applicable. The terms for such insurance shall not be less broad than those provided by industry standard P&I forms, including "contractual liability coverage extension," and industry standard collision and tower's liability provisions.

17. Financial Responsibility – OPA

This policy does not constitute evidence of financial responsibility under the Oil Pollution Act of 1990 or any similar federal, state or local law. It is a condition of this policy that it shall not be submitted to the United States Coast Guard or any federal, state or local agency as evidence of financial responsibility. "We" do not consent to be guarantors.

18. Attachment of Liability / Settlement

It is expressly understood and agreed that no liability shall attach under this insurance until the liability of the "Insured" has been determined by final judgment against the "Insured" or by agreement between the "Insured" and the plaintiff with the prior written consent of the "Company." In the event the "Insured" fails or refuses to settle any claim, as authorized by the "Company," the liability of the "Company" to the "Insured" shall be limited to the amount for which settlement could have been made.

19. Protection of Interests / No Admission of Liability

In respect of any accident or "occurrence" likely to give rise to a claim under this insurance, the "Insured" is obligated to and shall take such steps to protect its (and the "Company's") interests as would reasonably be taken in absence of this or similar insurance. This insurance shall be void and of no force or effect in respect of any accident or "occurrence" in the event the "Insured" makes or has made any admission of liability either before or after such accident or "occurrence" or in the event the "Insured" interferes in any negotiations of the "Company" for settlement or in any legal proceedings in respect of any claim for which the "Company" is or may be liable under this insurance.

20. Forum Selection

It is agreed that any "suit" commenced in connection with, relating to or arising out of this contract of insurance shall be brought in the United States District Court for the Southern District of New York or, in the absence of subject matter jurisdiction, in the Supreme Court of the State and County of New York.

21. Choice of Law

All disputes arising hereunder shall be governed and controlled by federal common law and, in the absence thereof, by New York law, without regard to choice of law principles.

22. Headings and Captions

The headings and captions herein are for reference purposes only and shall not be deemed to form part of this policy.

23. Severability

Should any provision of this policy be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal or invalid provision shall be deemed not to be part of this policy.

SECTIONS VIII – DEFINITIONS

1. **"Advertising injury"** means injury arising out of one or more of the following offenses:
 - a. 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;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyright, title or slogan

2. **"Asbestos"** means all forms of actinolite, amosite, anthophyllite, chrysotile, crocidolite, tremolite, asbestos containing materials, asbestos products, asbestos fibers, asbestos dust, asbestos waste, or any goods, products, or structures containing asbestos.
3. **"Auto"** means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment."
4. **"Bodily injury"** means physical injury, sickness, or disease sustained by any person that occurs during the "policy period," including death at any time resulting therefrom.
5. **"Completed operations hazard"** means "bodily injury" or "property damage" arising out of operations or reliance upon a representation or warranty made at any time with respect thereto, but only if the "bodily injury" or "property damage" occurs after such operations have been completed or abandoned and occurs away from premises owned by or rented to the Named "Insured." Operations include materials, parts or equipment furnished in connection therewith. Operations shall be deemed completed at the earliest of the following times:
 - a. when all operations to be performed by or on behalf of the "Insured" under any applicable contract have been completed; or
 - b. when all operations to be performed by or on behalf of the "Insured" at the site of the operations have been completed; or
 - d. when the portion of the work out of which the "bodily injury" and "property damage" arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Operations that may require further service, maintenance work, correction, repair or replacement because of any defect or deficiency but that are otherwise complete shall be deemed completed.

6. **"Contractual liability coverage extension"** means coverage for "bodily injury" or "property damage" for which "you" are obligated to pay damages or expense by reason of the assumption of liability in a contract or agreement with respect to owned "watercraft" including the captain and crew and any other persons whilst working on, from or in the service of owned "watercraft."
7. **"Coverage territory"** means:
 - a. The United States of America (including its territories and possessions), international waters of the Gulf of Mexico, Puerto Rico and Canada.
 - b. For all other parts of the world:

- (1) "We" shall have the right but not the duty to investigate, defend or settle "bodily injury" or "property damage" claims; but
 - (2) If "we" do not exercise such right, "you" shall, under "our" supervision, make or have made such investigation and defense as is reasonably necessary. Subject to "our" prior written authorization, "you" may also effect settlement. Subject to all other provisions of the policy, "we" shall reimburse "you" for the reasonable costs of such actions and pay damages determined in a "suit" on the merits or in a settlement "we" agree to.
8. **"Covered operations"** means only those operations for which specific premium charges are indicated in the Declarations or any endorsement hereto. Liabilities incurred by any "Insured" in any other capacity are not covered.
9. **"Demurrage"** shall be deemed to include detention, loss of time, loss of freight, loss of charter, loss of use and/or similar and/or substituted expenses.
10. **"Employee"** includes a "leased worker." "Employee" does not include a "temporary worker" or a borrowed servant or a borrowed employee.
11. **"Employee provider firm"** means any entity, firm or affiliate whose principal business is providing "workers," as distinct from providing non-personnel services, to another entity to perform activities in furtherance of the business, trade or profession of the other entity at the business premises of or at locations designated by the other entity. As used in this definition, the term "workers" means any natural person in the course or scope of employment.
12. **"Executive officer"** means a person holding any of the officer positions created by "your" charter, constitution, by-laws or any similar governing document.
13. **"Gross Charges" or "Gross Sales" or "Gross Receipts,"** when used as a term for rating or as an exposure basis in the Declarations or an endorsement, means the total of all charges (including intercompany charges) "you" make or intend to make (where or not these charges have been collected) for:
 - a. All goods or products, sold or distributed;
 - b. All operations performed by "you" or on "your" behalf;
 - c. All pass through charges; and
 - d. Rentals.
14. **"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.

15. **"Insured contract"** means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to "you" or temporarily occupied by "you" with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement; and

Nothing contained in an "insured contract" shall serve to increase the coverage or limits otherwise provided by this policy or its endorsements.

16. **"Insured location"** means a location listed as an "insured location" in the Declarations or any endorsement hereto.

17. **"Lead"** means all lead, lead dust, lead-based products, lead-containing materials, lead-containing waste, or any goods, products, or structures containing lead.

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

19. **"Loading(ed) or unloading(ed)"** 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, rail car or "auto,"
- b. While it is in or on an aircraft, watercraft, rail car or "auto"; or
- c. While it is being moved from an aircraft, watercraft, rail car or "auto" to the place where it is finally delivered;

However, "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."

20. **"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, rent, or occupy or premises or locations of others from which "you" conduct "your work" or operations;
 - 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 primary for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing;
 - (c) Street cleaning.
 - (2) Cherry pickers and similar devices mounted on "auto" 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.
- g. Vehicles being driven by "you" over the road as cargo during "loading or unloading" in "your" operations as a stevedore and/or terminal operator.
21. **"Occupational disease"** means "bodily injury" arising from occupational and/or industrial diseases contracted by an "employee" of any "Insured" and arising out of and in the course of the employee's employment by any "Insured" during the "policy period."
22. **"Occurrence"** means a sudden and unexpected event or an accident to which this insurance applies that results in "bodily injury" or "property damage" during the "policy period." Continuous or repeated exposure to substantially the same general conditions, unless excluded, is considered to be one "occurrence."

23. **"Personal injury"** means injury, other than "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; or
 - e. Oral or written publication of material that violates a person's right of privacy.
24. **"Policy period"** means the period commencing on the effective date shown in the Declarations. The "policy period" ends on the earlier of the expiration date or the date of cancellation of this policy. "Bodily injury" and "property damage" to which this insurance applies must occur during the "policy period."
25. **"Pollutants"** means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acid, alkalis, chemicals and waste regardless of where found. Waste includes, but is not limited to, material to be recycled, reconditioned or reclaimed.
26. **"Pollution"** means the actual alleged or threatened discharge, dispersal, seepage, migration, release, or escape of "pollutants," whether accidental, fortuitous or intentional and whether or not damaging to the environment.
27. **"Polychlorinated biphenyl"** shall mean any product that is known as polychlorinated biphenyl, contains polychlorinated biphenyl, or any derivative thereof, that has the same chemical formulary as polychlorinated biphenyl, is a derivative of polychlorinated biphenyl, or is generally known in the chemical trade as having a like formulation, structure, or function as polychlorinated biphenyl regardless of the name under which it is manufactured, sold or distributed.
28. **"Principal"** is any person or entity for whom "you" are performing "your work."
29. **"Products hazard"** includes "bodily injury" and "property damage" arising out of "your products" or reliance upon a representation or warranty made at any time with respect thereto, but only if the "bodily injury" or "property damage" occurs away from the premises owned by or rented to the Named Insured and after physical possession of such products has been relinquished to others.
30. **"Property damage"** means:

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

For the purposes of this policy, 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, DVDs, tapes, drives, cells, data processing devices or any other media that are used with electronically controlled equipment.

31. **"Suit"** means a civil proceeding in which damage because of "bodily injury," "property damage," "personal injury" 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 do submit with "our" consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "Insured" submits with "our" consent.
32. **"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.
33. **"Throughput"** when used as a term for rating or as an exposure basis in the Declarations means the total amount of product measured in gallons or barrels (at 42 gallons per barrel) that leaves "your" premises (as scheduled in the Declarations) or pipeline during the "policy period."
34. **"Tobacco"** shall include, without limitation and regardless whether or not manufactured, sold, or distributed by "you", tobacco, raw, cured, cut or otherwise; cigars; cigarettes; and any other tobacco products or products containing tobacco; filler tobacco; pipe tobacco; chewing tobacco; snuff; smoke-less tobacco; tobacco smoke, environmental tobacco smoke; second-hand smoke; and any residues or by-products of tobacco use, consumption, inhalation, manufacture, or store. "Tobacco" shall also include the paper, wrappers, tips filters, and all other components of cigarettes and cigars; pipes and pouches containing "tobacco"; and any chemical, mineral, additive, or other product or component customarily, ordinarily, or intentionally sprayed on, applied to, found within, or used in conjunction with "tobacco."
35. **"Watercraft"** means any type of watercraft that "you" own, operate, charter, lease, rent or borrow. The term "watercraft" as used in this definition includes, but is not necessarily limited to, all "watercraft," vessels or similar structures:
 - a. Whether or not they are capable of moving under their own power; and/or

- b. Designed to float on its own bottom, but whether or not it is floating, sunken affixed to or resting on the bottom or shore by means of spuds, legs, anchors, mooring lines or similar means.

Owned "watercraft," however, does not include "watercraft" that is chartered by and/or loaned or rented to the "Insured" with crew for the sole purpose of transporting "employees" as passengers.

36. **"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 warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and the providing of or failure to provide warning or instructions.

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

37. **"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 warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and the providing of or failure to provide warning or instructions.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED ENDORSEMENT

In consideration of the premium charged and subject to all terms, conditions and warranties contained in this policy, it is agreed that:

1. **Section IV - WHO IS AN INSURED** is amended to include as an additional insured any person or organization who is declared as an additional insured by certificate or by endorsement hereunder, provided that a Named Insured is required to add such additional insured by:
 - a. A written contract; or
 - b. An oral agreement or contract where a Certificate of Insurance has been issued showing that person or organization as an additional insured; but the oral agreement or written contract must be:
 - (1) An "insured contract"
 - (2) Currently in effect or becoming effective during the term of this policy; and
 - (3) Executed or agreed to prior to an "occurrence" that gives rise to a claim or "suit"

Such person or organization is an additional Insured only with respect to liability arising out of work and/or operations performed in connection with the relevant contract or agreement with said additional insured.

2. Where a contract or agreement for the lease or rental of premises obligates you to add the manager or lessor of such premises as an additional insured, such manager and/or lessor is an additional insured only with respect to their liability arising out of the maintenance, operation or use by you of that lease premises. This insurance does not apply to:
 - a. Any "occurrence" which takes place after you have ceased to lease or rent the premises
 - b. Structural alteration, new construction or demolition operations performed by or on behalf of such additional insured.
3. Where a contract or agreement for the lease or rental of equipment obligates you to add the lessor of such equipment as an additional insured, such lessor is an additional insured only with respect to its liability arising out of the maintenance, operation or use by you of that leased equipment. This insurance does not apply to:
 - a. Any "occurrence" which takes place after the equipment lease expires.
4. When an additional insured is a partner or member of a partnership, joint venture, or limited liability company, this policy will only respond for liabilities insured hereunder for an amount not exceeding the additional insured's participation in such partnership, joint venture or limited company.

5. The inclusion of an additional insured under this insurance does not:
 - a. Increase any of the limits of insurance set forth in **Section V – LIMITS OF INSURANCE**.
 - b. Obligate us to send notice of cancellation or change of coverage to an additional insured.
 - c. Apply to an “insured contract” entered into by the additional insured.
6. Insurance afforded to an additional insured under this policy shall not exceed the coverage and/or limits required by the contract or agreement between you and any additional insured.

ALL OTHER POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MASTER POLICY ENDORSEMENT

It is hereby understood and agreed that this policy is a master policy. As such, the Named Insured(s) shall be as declared by certificate, and “Signal Program – Master Policy” is not a Named Insured hereunder.

It is further agreed that this policy shall automatically provide coverage for Named Insured(s) that are declared by certificate. Such certificates shall be provided to this Company on a monthly basis.

Each certificate shall be issued in consideration of \$380 in premium. Premiums shall be reported to the Company on a monthly basis.

The premium charged at inception is a deposit. It is agreed that the David Agency shall provide monthly reports, which will schedule certificate holders to be added to coverage under the master policy. Such reports shall include the premium to be charged for each. Upon receipt of such reports, the Company will book premiums shown therein. The premium deposit collected at policy inception shall be subtracted from any reported premium.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT

Subject to all other terms, conditions and warranties of the policy, it is understood and agreed that:

- 1) Section I – Coverages, Coverage B, Personal and Advertising Injury Liability, is deleted in its entirety.
- 2) Section I – Coverages, Coverage C, Medical Payments, is deleted in its entirety.
- 3) Section V – Limits, clause 3 is deleted.
- 4) Section V – Limits, clause 5 is deleted.
- 5) Section V – Limits, clause 6 is deleted.
- 6) Section V – Limits, clause 4 is deleted and replaced with,
“Subject to 2. above, the “Limit Any One Occurrence” shown in the declarations is the most that “we” will pay for the sum of;
 - a. Damages under Coverage A, and;
 - b. Defense and related payments (as per Section III).”
- 7) Section VI – Deductible Liability Insurance is deleted in its entirety.
- 8) Section VII – Conditions, clause 16, “Watercraft” Liability / Protection & Indemnity, is deleted.

ALL OTHER POLICY TERMS, CONDITIONS, LIMITATIONS AND EXCLUSIONS REMAIN UNCHANGED.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

“WATERCRAFT DEFINITION AMENDMENT”

It is hereby understood and agreed that Section VIII – Definitions, clause 35, is deleted and replaced by the following:

- “35. **“Watercraft”** means any type of watercraft that "you" own, operate, charter, lease, rent or borrow. The term "watercraft" as used in this definition includes, but is not necessarily limited to, all "watercraft," vessels or similar structures:
- a. Whether or not they are capable of moving under their own power; and/or
 - b. Designed to float on its own bottom, but whether or not it is floating, sunken affixed to or resting on the bottom or shore by means of spuds, legs, anchors, mooring lines or similar means.”

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION FOR LIABILITY ARISING FROM OWNED/LEASED PREMISES

It is hereby understood and agreed that, in the event that your "Gross Receipts" exceed fifty thousand dollars (\$50,000) within the term of this policy, this policy excludes liability arising from premises that are owned or leased by the Named Insured.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Kiting Exclusion

It is hereby understood and agreed that this policy absolutely excludes “Bodily Injury” or “Property Damage” arising out of any activity or sport whereby a person is pulled or propelled by a kite(s). Such as kitesurfing, kiteboarding, kite landboarding and kitebuggying.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Terrorism Risk Insurance Act

All quotes issued to certificate holders will include an offer for terrorism coverage in accordance with the federal Terrorism Risk Insurance Program Act, as amended in 2015. Only in the event that such offer of coverage is accepted by the policy holder, and in consideration of the additional premium paid, it is hereby understood and agreed that coverage for acts of terrorism as defined under the Terrorism Risk Insurance Act, as amended in 2015, is included in your policy, as defined in Section 102(l) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury- in concurrence with the Secretary of Homeland Security, and the Attorney General of the United States- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

ALL OTHER TERMS, CONDITIONS, LIMITATION AND EXCLUSIONS REMAIN UNCHANGED

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Terrorism Exclusion

This Endorsement is issued in accordance with the terms and conditions of the “U.S Terrorism Risk Insurance Act of 2002” as amended as summarized in the disclosure notice.

All quotes issued to certificate holders will include an offer for terrorism coverage in accordance with the federal Terrorism Risk Insurance Program Act. Only in the event that such offer of coverage is rejected, this Policy shall exclude any loss, damage, liability or expense arising from:

1. Terrorism; and/or
2. Steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism.

For the purpose of this clause, “terrorism” means any act(s) of any person(s) or organisation(s) involving:

1. The causing, occasioning or threatening of harm of whatsoever nature and by whatever means;
2. Putting the public or any section of the public in fear,

In circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organisation(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

U.S. ECONOMIC AND TRADE SANCTIONS CLAUSE

Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. treasury department's office of foreign assets control ("OFAC"), such coverage shall be null and void.

Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE DAMAGES EXCLUSION

Notwithstanding anything to the contrary elsewhere herein, coverage is excluded and the underwriters shall not indemnify for fines, penalties, bad faith damages, punitive or exemplary damages, including treble damages or any other damages resulting from multiplication of compensatory damages.

ENDORSEMENT: PER DECLARATIONS

EFFECTIVE: PER DECLARATIONS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSTITUTE CYBER ATTACK EXCLUSION CLAUSE (CL 380) 10/11/03

1. Subject only to clause 2. below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software program, malicious code, computer virus or process or any other electronic system.

2. Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1. shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software program or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.