

**CITY CLERK
ORIGINAL**

C-9149
08/12/2014

**CITY OF GLENDALE
GLENDALE REGIONAL PUBLIC SAFETY TRAINING CENTER
Facilities Use Agreement**

This Facilities Use Agreement ("Agreement") is entered into between the City of Glendale, an Arizona municipal corporation ("CITY") and the Maricopa Association of Governments, a(n) *political subdivision of the State of Arizona* ("USER"), and collectively "Parties," is effective only for the date, location and type of use listed below.

1. PURPOSE/EVENT USER has a nonexclusive right to occupy and use the Glendale Regional Public Safety Training Center ("Center") for the following purpose and no other: MAG Training

2. REQUESTED USE AND FEES. CITY grants to USER the right to use the Center and any authorized surrounding parking lots or staging areas located in the vicinity of the Center for and in consideration of the rents and costs listed below:

- a) Date(s): August 12, 2014
- b) Room(s): Lecture Hall - 219, Classrooms - 109, 130, 222, 233
- c) Equipment: \$0
- d) Rent: \$2,797.50 plus 3.4% tax
- e) Costs: \$0
- f) Total Due: \$2,892.62
- g) Deposit: \$0
- h) Balance: \$2,892.62

3. RESERVATION. Return of this Agreement properly signed along with a deposit of 50% of the total due listed above and proof of insurance as required under paragraph 17 below, constitutes a reservation for the planned date(s) of use. Payment in full of the balance is due before use begins. All payment instruments should be made payable to the City of Glendale. The CITY reserves the right to require further assurances of the method of payment.

4. CANCELLATION OF RESERVATION. Upon cancellation of the reservation by the USER with notice to the CITY of 14 or more calendar days prior to the planned use, USER will receive a full refund of any deposit, rent or other costs paid to the CITY. Upon cancellation of the reservation by the USER with less than 14 calendar days notice, CITY retains the deposit but the USER will be refunded any monies over and above the deposit amount. Upon cancellation of the reservation by the CITY, the USER will receive a full refund of any monies paid to the CITY in connection with the reservation. USER understands that CITY assumes no liability for cancellation of a reservation but that CITY will engage in reasonable efforts with the USER to secure a new reservation.

5. TERMINATION BY CITY The CITY may terminate this Agreement at its convenience after commencement of use. If the CITY terminates this Agreement, it will prorate USER's rent. If the CITY terminates this Agreement, USER agrees to forego any and all claims for damages against CITY and further agrees to waive any and all rights which might arise by reason of the terms of this use and USER shall have no recourse of any kind against CITY.

6 USE INTERRUPTION CITY retains the right to cause the interruption of any activity in the interests of public safety, and to likewise cause the termination of USER's activities, when in the sole judgment of CITY, the acts are necessary in the interest of public safety. If the interruption is due to an evacuation order, USER may re-enter the Center after release from the order for sufficient time to complete the planned use without additional rental charge so long as the time does not interfere with other CITY uses. If it is not possible to complete the planned use, rental and costs shall be forfeited, prorated, or adjusted, based upon the situation, at the discretion of the CITY. USER waives any claim for damages or compensation from the CITY for use interruption.

7. ARRANGEMENTS AND DETAILS. Center coordination details should be finalized at least ten calendar days prior to the starting day of the use with Chuck Montgomery, GRPSTC Director, at 623-772-7108. If coordination is not conducted or is insufficient, then CITY may determine USER facility needs based upon available information. Changes requested within ten days of the starting date of use are subject to additional costs.

8 SERVICES INCLUDED All Center integrated equipment, chairs, tables, general house lighting, heating, air conditioning, restrooms and custodial service is included within this Agreement.

9. ADDITIONAL SERVICES, STAFF AND EQUIPMENT Other services, staff and equipment, in addition to that arranged above, may be available at additional cost. Additional services, staff and equipment must be coordinated with the CITY's point of contact listed in paragraph 7 above.

10 DAMAGE TO FACILITIES AND EQUIPMENT. USER is responsible for damage to Center facilities and equipment as well as any damage caused by USER's guests, agents or contractors. USER shall take all precautions to maintain the Center in good repair and restore and return the Center back to the CITY upon termination of this Agreement in as good condition as it was provided to USER, ordinary wear excepted. If USER does not maintain the Center as required by this Agreement, the CITY may do all things necessary to restore the Center to the prior condition with all costs being charged to the USER.

11. ATTACHMENTS. No pins, staples, nails or similar fasteners nor adhesive tapes may be applied to any surface unless approved in advance by the CITY.

12. PUBLIC SAFETY USER agrees that at all times it will conduct its authorized activities with full regard to public safety and will observe and abide by all applicable municipal, state and federal laws and regulations as well as requests by CITY and duly authorized governmental agencies responsible for public safety. CITY also reserves the right to eject or cause to be ejected from the Center any person engaging in objectionable conduct, including, but not limited to: disruption of other Center operations; exposing property or persons to risk of damage or injury, unreasonable noise; or any illegal conduct. Neither the CITY, nor any of its officers, agents or employees is liable to USER for any damages or injuries sustained by USER through CITY's exercise of its right to eject.

13 PROPERTY LIABILITY. CITY assumes no responsibility whatsoever for any property placed by USER in the Center. USER expressly releases and discharges CITY from any and all liabilities for any loss, injury or damages to property which may or do arise out of or be related to the use of the Center under this Agreement. Any additional security or other protective service desired by USER must be arranged for by special agreement with the CITY and USER is responsible for all costs connected with any additional services.

14 COMPETENCY OF PERSONNEL USER certifies that all employees, agents or others assisting or performing on behalf of USER in the Center are knowledgeable in the use and operation of the Center equipment and facilities authorized under this Agreement.

15. PROPERTY LEFT BEHIND The CITY assumes no responsibility for personal items, equipment or other items that remain in the Center after the expiration of this Agreement. Items left will be maintained for a period of 14 calendar days. If not claimed within 14 days, the items are subject to disposal at the CITY'S discretion. The CITY reserves the right to charge storage for items left in the Center.

16. ACCESS. The CITY reserves the right to control and manage the Center and to enforce all necessary and proper rules for its management and operation. Authorized CITY employees will have free access at all times to all spaces occupied by USER.

17. INSURANCE. Comprehensive Liability Insurance is required for use of the Center. USER's insurance coverage must be primary insurance and non-contributory with respect to all other available sources. Insurance certificates must meet the following conditions: a) provide at least \$1 million combined single limit per occurrence of Comprehensive Liability Insurance from an insurance company with a Standard & Poor's rating of at least "BB"; b) if an Aggregate Policy, the combined limit must be at least \$2 million; c) name the City of Glendale as additional insured by endorsement; and d) specify the dates inclusive of the use requested.

18. INDEMNIFICATION. USER shall indemnify, defend and hold harmless the CITY and its officers, agents, contractors, volunteers, and employees from and against any and all claims, actions, liabilities, damages, losses, or expenses including court costs, attorneys' fees, and costs of claim processing, investigation and litigation (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss of or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of USER or any of its owners, officers, directors, agents, employees, invitees or contractors, arising out of or related to USER's occupancy and use of the Center. It is the specific intention of the Parties that the CITY shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the CITY, be indemnified by USER from and against any and all claims. It is agreed that USER will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration for the use and occupancy of the Center, USER agrees to waive all rights of subrogation against the CITY and its officers, officials, agents and employees for losses arising from the use, occupancy or condition of the Center unless the rights arise due to the negligent or willful acts or omissions of the CITY.

19. ASSIGNMENT USER may not assign or transfer the authorized use under this Agreement without the written consent of the CITY.

20. COOPERATION. USER and CITY mutually agree to provide reasonable notice and opportunity to address or cure the performance of the terms or issues related to the use authorized under this Agreement. USER acknowledges that certain situations involving safety of personnel and waste or risk of damage to the Center may provide little or no opportunity for notice or cure before CITY action.

21. SCHEDULING OF OTHER EVENTS CITY may schedule and contract with other parties for uses that are adjacent to, in close proximity of or similar in nature to the use authorized under this Agreement so long as the other uses do not unreasonably affect the use authorized under this Agreement. The CITY may schedule and contract for these events during USER's planned use without notice to USER, unless otherwise specified in writing by the CITY

22. JURISDICTION. The laws of the State of Arizona shall govern this Agreement.

23. NOTICES. Any notice permitted or required under this Agreement must be delivered personally or by United States Postal Service, certified mail with return receipt requested to the addresses as shown below. Notice is considered received upon date of delivery.

24. CONFLICTS. This Agreement is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511

25. PROHIBITIONS. USER certifies, to the extent applicable under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

26. ENTIRE AGREEMENT. The Parties agree that all agreements are fully set forth above and that no oral statement or representations of any kind have been made upon which either party may rely. This provision does not limit the CITY from imposing any reasonable additional rules or regulations that may be necessary for the implementation of this Agreement or that would be in the best interests of the operation of the Center.

27. AUTHORITY The individual signing below on behalf of USER certifies that the individual is authorized to enter this Agreement and to bind USER to all of its terms and conditions.

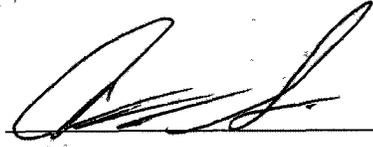
The Parties have caused this Agreement to be executed as shown on the following page.

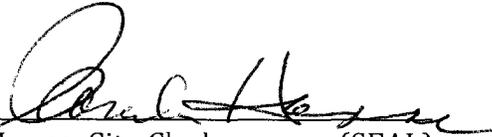
CITY: CITY OF GLENDALE
Glendale Regional Public Safety
Training Center
11550 West Glendale Avenue
Glendale, Arizona 85307
Attn: Center Director

USER: MARICOPA ASSOCIATION OF
GOVERNMENTS
302 N. 1ST Ave., Suite 300
Phoenix, Arizona 85003

Dennis Smith
MAG Executive Director

Signature: 
Date: 8/27/14

Signature: 
Date: 05/21/14

ATTEST:

Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Michael D. Bailey, City Attorney



(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

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

(1) Causing or contributing to the intoxication of that person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies:

(1) if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages; or

(2) To any "special event" at which you, your "employees", or your volunteer workers sell alcoholic beverages or sell tickets or coupons which may be exchanged for alcoholic beverages.

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of

(a) Employment by the insured; or

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

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

**Pollution**

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building.

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

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

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor

However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them.

This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor

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

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

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

(2) Any loss, cost or expense arising out of any



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

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

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

- (1) An aircraft not owned in whole or in part by any insured that is hired, chartered or loaned to you with a crew;
- (2) A watercraft while ashore on premises you own or rent;
- (3) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;

- (4) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (5) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (6) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

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

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

i. War Or Terrorism

"Bodily injury" or "property damage" arising, directly or indirectly, out of:

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

regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

However, with respect to "terrorism", this exclusion only applies if one or more of the following are attributable to an incident of "terrorism":



- (1) The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property.

For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or

- (2) Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
- (a) Physical injury that involves a substantial risk of death, or
 - (b) Protracted and obvious physical disfigurement; or
 - (c) Protracted loss of or impairment of the function of a bodily member or organ; or
- (3) The "terrorism" involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- (4) The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- (5) Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Paragraphs (1) and (2), immediately preceding, describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether the Terrorism Exclusion will apply to that incident. When the Terrorism Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part.

In the event of any incident of "terrorism" that is not subject to the Terrorism Exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.

Multiple incidents of "terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

j. Damage to Property

"Property damage" to:

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

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, while rented to you or temporarily occupied by you with permission of the owner, and arising out of fire, lightning, explosion or sprinkler leakage. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits of Insurance

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

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

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

**k. Damage To Your Product**

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

n. Recall Of Products, Work Or Impaired Property

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

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

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

o. Personal And Advertising Injury

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

p. Hazardous Special Events

"Bodily injury" and "property damage" arising out of any "special event" involving:

(1) Any fair, rodeo, carnival, amusement park or device, circus, haunted house, street party, zoo, rappelling, whitewater rafting, arena, grandstand, hall, theater, or similar facility or activity;

(2) Athletic events or activities, whether professional, semi-professional or amateur;

(3) Racing, speed, demolition or stunting activities or timed events of any kind; or

(4) Fireworks or pyrotechnics;

unless that "special event" is specifically described in the Declarations or an endorsement to this Coverage Part.

q. Organic Pathogens

Any loss, cost or expense which would not have been incurred in whole or in part but for a.

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any "organic pathogen"; 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, any "organic pathogen".

r. Asbestos

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

(a) The inhalation or ingestion of or prolonged physical exposure to asbestos or to goods or products containing asbestos;

(b) The use of asbestos in constructing or manufacturing any good, product or structure;

(c) The removal of asbestos from any good, product or structure; or

(d) The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos; or

**(2) Payment for**

- (a) The investigation or defense of any loss, injury or damage;
- (b) Any cost, fine or penalty; or
- (c) Any expense or claim or "suit" related to (1)(a) through (1)(d) above.

s. Abuse Or Molestation

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

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (2) The negligent:
 - (a) Employment;
 - (b) Investigation,
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph (1) above.

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

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**1. Insuring Agreement**

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

(1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C

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

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

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

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

b. Material Published With Knowledge Of Falsity

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

c. Material Published Prior To Policy Period

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

d. Criminal Acts

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

**e. Contractual Liability**

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

f. Breach Of Contract

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

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

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

h. Wrong Description Of Prices

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

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

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

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

j. Insureds in Media And Internet Type Businesses

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

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

However, this exclusion does not apply to Paragraphs 15.a., b. and c. of "personal and advertising injury" under the Definitions Section

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

k. Electronic Chatrooms Or Bulletin Boards

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

l. Unauthorized Use Of Another's Name Or Product

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

m. Pollution

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

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand 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".

o. Organic Pathogens

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, any "organic pathogen"; 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, any "organic pathogen".

p. Asbestos

- (1) "Personal and advertising injury" arising out of:
- (a) The inhalation or ingestion of or prolonged physical exposure to asbestos or to goods or products containing asbestos;
 - (b) The use of asbestos in constructing or manufacturing any good, product or structure;
 - (c) The removal of asbestos from any good, product or structure, or
 - (d) The manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos, or
- (2) Payment for:
- (a) The investigation or defense of any loss, injury or damage;
 - (b) Any cost, fine or penalty; or
 - (c) Any expense or claim or "suit" related to (1)(a) through (1)(d) above

q. Abuse Or Molestation

"Personal and advertising injury" arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or
- (2) The negligent:
- (a) Employment;
 - (b) Investigation,
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention
- of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph (1) above.

r. War Or Terrorism

"Personal and advertising injury" arising, directly or indirectly, out of.

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

regardless of any other cause or event that contributes concurrently or in any sequence to the injury

However, with respect to "terrorism", this exclusion only applies if one or more of the following are attributable to an incident of "terrorism":

- (1) The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
- (2) Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - (a) Physical injury that involves a substantial risk of death, or
 - (b) Protracted and obvious physical disfigurement; or
 - (c) Protracted loss of or impairment of the function of a bodily member or organ; or
- (3) The "terrorism" involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
- (4) The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or



- (5) Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Paragraphs (1) and (2), immediately preceding, describe the thresholds used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether the Terrorism Exclusion will apply to that incident. When the Terrorism Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Part.

In the event of any incident of "terrorism" that is not subject to the Terrorism Exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Coverage Part.

Multiple incidents of "terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

COVERAGE C MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent,
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:
- (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within one year of the date of the accident, and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

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

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

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

c. Injury On Normally Occupied Premises

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

d. Workers Compensation And Similar Laws

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

e. Athletics Activities

To a person injured while taking part in athletics.

f. Products-Completed Operations Hazards

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.



ADDITIONAL COVERAGE - LIMITED ORGANIC PATHOGEN LIABILITY

The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay under this Additional Coverage regardless of the number of insureds, claims made or "suits" brought, or persons or organizations making claims or bringing "suits".

Coverage A Exclusion q. – Organic Pathogens and Coverage B Exclusion o. – Organic Pathogens do not apply, but:

1. Subject to the General Aggregate Limit or the Products-Completed Operations Aggregate, whichever applies, the Organic Pathogen Aggregate Limit is the most we will pay under this Additional Coverage for the sum of damages because of "bodily injury", "property damage", and "personal and advertising injury" arising out of "organic pathogens".
2. Subject to 1. above, the Organic Pathogen Each Occurrence Limit is the most we will pay for the sum of damages because of "bodily injury", "property damage", and "personal and advertising injury" arising out of "organic pathogens" in any one "occurrence"

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$1000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
 - e. All costs taxed against the insured in the "suit".

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance. These payments will not reduce the limits of insurance.
2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";



- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
- (2) Provides us with written authorization to:
- (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

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

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

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

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

2. Each of the following is also an insured:

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

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;



- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part
- e. Any person officially representing you while participating in amateur athletic activities that you sponsor. However, none of these persons is an insured for:
- (1) "Bodily injury" to:
- (a) You, your partners or members (if you are a partnership or joint venture), or your members (if you are a limited liability company); or
- (b) Your "employee", your "volunteer worker" or a co-participant in the athletic activity; or
- (2) "Property damage" to property:
- (a) Owned, occupied or used by, or
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), any member (if you are a limited liability company), or any co-participant in the athletic activity.
- f. Any person or organization from whom you lease or rent premises, or upon whose premises a "special event" is held, if you are required to add such person or organization as an insured under this policy by an "insured contract" that is
- (1) A written contract; or
- (2) An oral agreement or contract where a Certificate of Insurance has been issued showing that person or organization as an insured.
- However, such person or organization:
- (1) Is an insured only with respect to that person's or organization's vicarious liability for "actual damages":
- (a) Solely caused by you or by "your work"; and
- (b) Arising out of the ownership, maintenance or use of that portion of the premises leased, rented or occupied by you while you are a tenant in the premises or using it for a "special event".
- (2) Is not an insured:
- (a) With respect to structural alterations, new construction or demolition operations performed by or on behalf of that person or organization; or
- (b) If that person or organization caused or contributed to the "occurrence" resulting in liability



g. Any other person or organization with whom you have a written "insured contract" that requires you to add such person or organization as an insured under this policy, but only with respect to that person's or organization's vicarious liability for "actual damages" solely caused by you or by "your work" and arising out of:

- (1) Your premises;
- (2) Your ongoing operations, other than the manufacture or assembly of goods or products, performed for that person or organization,
- (3) That person's or organization's financial control of you;
- (4) The maintenance, operation, or use by you of equipment leased to you by that person or organization; or
- (5) A permit issued to you by a state or political subdivision.

The Limits of Insurance applicable to Paragraphs f. and g. above are the lesser of those specified in the "insured contract" or in the Declarations.

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 or 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 an insured if there is no other similar insurance available to that organization. However,

a. Coverage under this provision is afforded only until the 120th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:



- a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C because of all "bodily injury" and "property damage" arising out of any one "occurrence"
6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to:
- a. Any one premises, while rented to you or temporarily occupied by you with permission of the owner; and
 - b. Personal property of others in your care, custody or control, while at premises rented to you or temporarily occupied by you with permission of the owner;
- arising out of any one "occurrence" involving fire, lightening, explosion, or sprinkler leakage.
- In the case of fire, the Damage to Premises Rented to You Limit is the greater of:
- a. The Damage to Premises Rented to You Limit shown in the Declarations; or
 - b. \$500,000.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.
8. In the event claim is made or "suit" is brought against more than one insured as a result of a single "occurrence", we will apply the Limits of Insurance to the following in the order listed:
- a. You;
 - b. Your "executive officers", directors, and "employees"; and
 - c. Any other insureds in any order that we choose.

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

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

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

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable. You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.



- d. Your obligation to notify us under Paragraphs a. through c. above is satisfied if you send us written notice as soon as practicable after any of your "executive officers", directors, partners, insurance managers, or legal representatives becomes aware of, or should have become aware of, the "occurrence", offense, claim or "suit".
- e. If you report an "occurrence" or offense to your Workers' Compensation insurer which later becomes a claim under this Coverage Part, failure to report the "occurrence" or offense to us at the time of the "occurrence" or offense will not be considered a breach of this Condition if you notify us as soon as practicable after you become aware that the "occurrence" or offense has become a liability claim.
- f. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

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

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

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

4. Other Insurance

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

a. Primary Insurance

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

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire, Lightning, Explosion or Sprinkler Leakage insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner;
 - (d) That is liability insurance purchased by any person or organization qualifying as an insured under Paragraph 2.f. or 2.g. of Section II - Who Is An Insured, unless a written contractual arrangement specifically requires this insurance to be primary;
 - (e) If the loss arises out of the maintenance or use of aircraft or watercraft; or
 - (f) If the loss arises out of the maintenance or use "autos" to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.



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

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

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

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

c. Method Of Sharing

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

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

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured named in the Declarations.

The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

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

7. Separation Of Insureds

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

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

8. Transfer Of Rights Of Recovery

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. If required by written "insured contract", we will waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of:

- (1) Your ongoing operations, or



- (2) "Your work" done under a contract for that person or organization and included in the "products-completed operations hazard".

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 90 days before the expiration date.

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

10. Motor Vehicle Laws

- a. When this Coverage Part is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided by the Coverage Part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. With respect to "mobile equipment" to which this insurance applies, we will provide any liability, uninsured motorists, underinsured motorists, no-fault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a 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".

3. "Bodily injury" means:

- a. Physical injury, sickness or disease sustained by a person, including death resulting from any of these at any time; and
- b. Mental injury, mental anguish, humiliation or shock sustained by a person, if directly resulting from physical injury, sickness or disease sustained by that person.

4. "Coverage territory" means:

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

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

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:



- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

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

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

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

- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

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

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

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

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

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

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

- b. While it is in or on an aircraft, watercraft or "auto"; or

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

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;



- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
- (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers,
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos".
- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions
14. "Organic pathogen" means any bacterium, virus, fungus, mold or mildew, or any of their mycotoxins, spores, scents or other by-products.
15. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution or abuse of process;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Oral, written, televised, videotaped or electronic publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral, written, televised, videotaped or electronic publication of material that violates a person's right of privacy;
 - f. The misappropriation of another's advertising idea;
 - g. Infringing upon another's copyright, trade dress, title or slogan in your "advertisement"; or
 - h. Mental injury, mental anguish, humiliation or shock directly resulting from an offense listed in Paragraphs a. through g. above.
16. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
17. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed.



- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project. Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products completed operations are subject to the General Aggregate Limit.
18. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
- As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
19. "Special event" means any event:
- a. The purpose of which is to raise funds for you, or to recognize the accomplishments of your organization, your "employees", or your "volunteer workers";
 - b. Which you, or a person or organization with whom you have entered into a contract or agreement, organize, promote, administer, sponsor or conduct; and
 - c. Which takes place on premises owned by you, or on premises while rented or leased to you or to the person or organization described in Paragraph b. above.
20. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
21. "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.
22. "Terrorism" means activities against persons, organizations or property of any nature:
- a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or



- (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- 23 "Volunteer worker" means a person who is your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed by you.
24. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions
 - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
25. "Your work".
- a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.