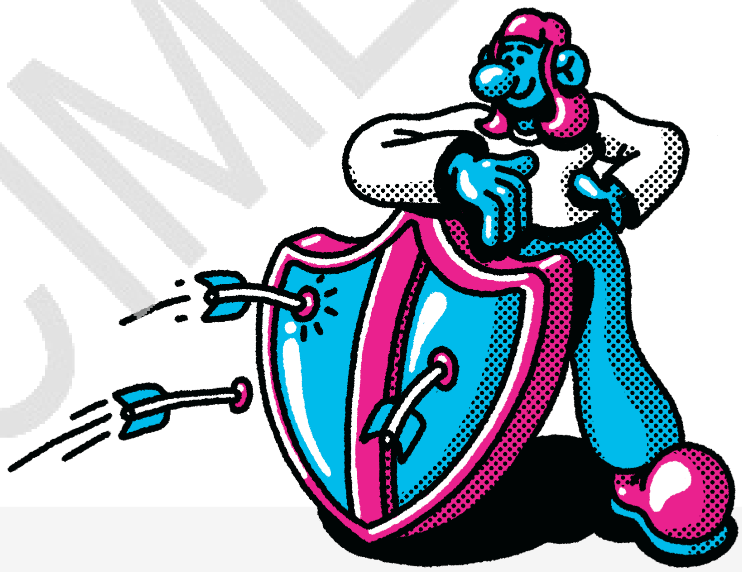
POLICY DOCUMENTS

HELLO!

Enclosed you will find the policy documents that make up your insurance contract. Please read through all of these documents. If you have any questions or need to update any of your information, please contact us.



A few key insurance terms to help navigate these documents

- Declarations: States that your business is the named insured and specifies limits.
- Policy: The formal contract issued by the insurance company.
- Endorsements: Included "extras" in the policy.
- Exclusions: What is not covered in the policy.

Need to file a claim?

We are here to assist and protect your interests. Please report a claim as soon as an incident occurs, even if you're not at fault.

Login to the customer portal or contact support and share your details about the claim.

support@nextinsurance.com (855) 222 - 5919 nextinsurance.com PO Box 60787, Palo Alto, CA 94306

SIGNATURE PAGE

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.

(signature) Secretary	(signature) President

Figure: 28 TAC §1.601(a)(2)(B)

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company or HMO first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company or HMO. If you don't, you may lose your right to appeal.

State National Insurance Company, Inc.
To get information or file a complaint with your insurance company or HMO:

Call: Next First Insurance Agency, Inc.

Toll-free: 1-855-222-5919

Email: support@nextinsurance.com
Mail: P.O. Box 60787
Palo Alto, CA 94306

The Texas Department of Insurance
To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439
File a complaint: www.tdi.texas.gov
Email: ConsumerProtection@tdi.texas.gov
Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

¿Tiene una queja o necesita ayuda?

Si tiene un problema con una reclamación o con su prima de seguro, llame primero a su compañía de seguros o HMO. Si no puede resolver el problema, es posible que el Departamento de Seguros de Texas (Texas Department of Insurance, por su nombre en inglés) pueda ayudar.

Aun si usted presenta una queja ante el Departamento de Seguros de Texas, también debe presentar una queja a través del proceso de quejas o de apelaciones de su compañía de seguros o HMO. Si no lo hace, podría perder su derecho para apelar.

State National Insurance Company, Inc.
Para obtener información o para presentar una queja ante su compañía de seguros o HMO:

Llame a: Next First Insurance Agency, Inc.

Teléfono gratuito: 1-855-222-5919

Correo electrónico: support@nextinsurance.com
Dirección postal: P.O. Box 60787
Palo Alto, CA 94306

El Departamento de Seguros de Texas
Para obtener ayuda con una pregunta relacionada con los seguros o para presentar una queja ante el estado:

Llame con sus preguntas al: 1-800-252-3439
Presente una queja en: www.tdi.texas.gov
Correo electrónico: ConsumerProtection@tdi.texas.gov
Dirección postal: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

STATE NATIONAL INSURANCE COMPANY, INC.

(a stock insurance company)

1900 L Don Dodson Dr. Bedford,
Texas 76021
(800) 877-4567

Administered by:

Next First Insurance Agency, Inc

PO Box 60787
Palo Alto, CA 94306
(855) 222-5919

COMMON POLICY DECLARATIONS

POLICY NUMBER: NXTC9737Q4-00-GL

Named Insured and Mailing Address: Specimen Test
Restaurant Coverage
256 Adamtowne Dr
El Paso, TX 79928

Policy Period: From: 04/30/2024 To: 04/30/2025
at 12:01 AM standard time at the mailing address shown above

DESCRIPTION OF BUSINESS: Restaurant

IN RETURN FOR THE PAYMENT OF PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

	PREMIUM
BOILER AND MACHINERY COVERAGE PART	$
COMMERCIAL AUTOMOBILE COVERAGE PART	$
COMMERCIAL CRIME COVERAGE PART	$
COMMERCIAL GENERAL LIABILITY COVERAGE PART	$ 1,248.00
COMMERCIAL INLAND MARINE COVERAGE PART	$
COMMERCIAL PROPERTY COVERAGE PART	$
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART	$ 166.00
FARM COVERAGE PART	$
LIQUOR LIABILITY COVERAGE PART	$ 360.00
POLLUTION LIABILITY COVERAGE PART	$
PROFESSIONAL LIABILITY COVERAGE PART	$
COMMERCIAL UMBRELLA/ EXCESS COVERAGE PART	$ 240.00
PRIVACY AND NETWORK LIABILITY COVERAGE PART	$ 168.00
TOTAL:	$ 2,182.00

Premium shown is payable: $ ____________ at inception.

These Declarations, together with the Common Policy Conditions, and the Coverage Form(s) and endorsement(s), complete the above numbered policy.

SCHEDULE OF POLICY FORMS AND ENDORSEMENTS

Listed below are the forms and endorsements attached to this policy at the time of issue:

Title	Form Number and Edition Date
Signature Page	NXT-0001 IL 1017
Common Policy Declarations	NXT-GL-0003.4-0123
Designated Operations Limitation	NXT-IL-2001.1-0322
Calculation of Premium	NXT-0006 IL 0920
Common Policy Conditions	IL 00 17 11 98
Nuclear Energy Liability Exclusion Endorsement (Broad Form)	IL 00 21 09 08
Texas Changes - Duties	IL 01 68 03 12
Texas Changes - Cancellation and Nonrenewal Provisions for Casualty Lines and Commercial Package Policies	IL 02 75 11 13
Insured Requested Cancellation	NXT-0005 IL 0620
Privacy Notice	NXT-0002 IL 0218

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED OPERATIONS LIMITATION

SCHEDULE

Coverage Parts Modified: EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART PRIVACY AND NETWORK LIABILITY COVERAGE PART LIQUOR LIABILITY COVERAGE PART
Project Or Operation: See attached schedule

A. This endorsement modifies the insurance provided under the Coverage Parts indicated in the Schedule.

B. The following is added to the Conditions section:

Designated Operations

This insurance applies only to "loss" arising out of the project or operations shown in the Schedule.

POLICY NUMBER: NXTC9737Q4-00-GL

SCHEDULE OF PROJECT OR OPERATION

Activities related to operating a restaurant.

Restaurant operations do not include:
1. Activities related to operating an outdoor play area that is ungated or accessible through means other than through the restaurant.
2. Activities related to or arising out of the production of alcohol, including operations as a winery, brewery, distillery or similar business.
3. Operations as an importer or wholesale distributor of alcohol.
4. Operations as a bar, tavern, sports bar, night club, cabaret, discotheque, gentlemans club or similar business.
5. Operations as a membership club, such as a golf, civic, fraternal, or social club.
6. Selling or serving alcoholic beverages without a valid license, permit or training required to do so.
7. Arranging or operating sporting activities on or off premises.
8. Operations as a hookah bar or cigar bar.
9. Activities related to an "employee's" use of an "auto" for food deliveries.

Does not include the sale of food-based products over the internet other than:
1. Sales on platforms that facilitate local food delivery
2. Small-scale or craft production of not more than 5,000 units per year under a private label owned by the Named Insured and not intended for resale

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under all Coverage Parts included in this policy.

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was bound. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   - **a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   - **b.** 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. 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.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. 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.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   - **a.** Make inspections and surveys at any time;
   - **b.** Give you reports on the conditions we find; and
   - **c.** Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake 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.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "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.

2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

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

"Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – DUTIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added to the **Duties** Condition:

We will notify the first Named Insured in writing of:

1. An initial offer to settle a claim made or "suit" brought against any insured ("insured") under this coverage. The notice will be given not later than the 10th day after the date on which the offer is made.
2. Any settlement of a claim made or "suit" brought against the insured ("insured") under this coverage. The notice will be given not later than the 30th day after the date of the settlement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL PROVISIONS FOR CASUALTY LINES AND COMMERCIAL PACKAGE POLICIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
FARM COVERAGE PART – FARM LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement also modifies insurance provided under the following when written as part of a Commercial Package Policy:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

2. We may cancel this policy:

a. By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.

However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the first Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.

b. For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:

(1) If this policy has been in effect for 60 days or less, we may cancel for any reason except that, under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

(2) If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:

(a) Fraud in obtaining coverage;

(b) Failure to pay premiums when due;

(c) An increase in hazard within the control of the insured which would produce an increase in rate;

(d) Loss of our reinsurance covering all or part of the risk covered by the policy; or

(e) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

c. For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 or on one- and two-family dwellings:

(1) If this policy has been in effect for less than 90 days, we may cancel coverage for any reason.

(2) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel coverage, only for the following reasons:

(a) If the first Named Insured does not pay the premium or any portion of the premium when due;

(b) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;

(c) If the Named Insured submits a fraudulent claim; or

(d) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

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

Nonrenewal

1. We may elect not to renew this policy except that, under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

2. This paragraph, **2.,** applies unless the policy qualifies under Paragraph **3.** below.

If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:

a. The first Named Insured; and

b. Each unit-owner to whom we issued a certificate or memorandum of insurance.

We will mail or deliver such notice to each last mailing address known to us.

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

5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

POLICY NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INSURED REQUESTED CANCELLATION

This endorsement modifies insurance provided under all Coverage Parts included in this policy.

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

Any requirement to provide written notice of cancellation can also be satisfied by the first Named Insured giving verbal notice to the Company. In such case, the date of cancellation shall be the date requested by the first Named Insured.

STATE NATIONAL INSURANCE COMPANY, INC.
(a stock insurance company)

1900 L Don Dodson Dr.
Bedford, Texas 76021
(800) 877-4567

Administered by:

Next Insurance, Inc.
PO Box 60787
Palo Alto, CA 94306
(855) 222-5919

COMMERCIAL GENERAL LIABILITY DECLARATIONS

CERTAIN COVERAGES IN THE POLICY MAY BE WRITTEN ON A CLAIMS-MADE BASIS. PLEASE READ YOUR POLICY CAREFULLY.

POLICY NUMBER: NXTC9737Q4-00-GL

Named Insured and Mailing Address: Specimen Test
Restaurant Coverage
256 Adamtowne Dr
El Paso, TX 79928

Policy Period: From: 04/30/2024 To: 04/30/2025
at 12:01 AM standard time at the mailing address shown above

DESCRIPTION OF BUSINESS

Insured is:

______ Individual / Sole Proprietor

______ Partnership/Joint Venture

X ______ Limited Liability Company

______ Trust

______ Other - Corporation

Business of Insured:	Restaurant

LIMITS OF INSURANCE

Each Occurrence Limit	$1,000,000.00	
Damages to Premises Rented to You Limit	$100,000.00	Any one premises
Medical Expense Limit	$15,000.00	Any one person
Personal & Advertising Injury Limit	$1,000,000.00	Any one person or organization
General Aggregate Limit	$2,000,000.00	
Products/Completed Operations Aggregate Limit	$2,000,000.00	

CLASSIFICATION AND PREMIUM							
LOCATION NUMBER	CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
				Prem/ Ops	Prod/Comp Ops	Prem/ Ops	Prod/Comp Ops
	16901		GROSS_SALES	$1,183.66	$64.34		

State Tax Or Other (if applicable) $0.00

TOTAL PREMIUM (SUBJECT TO AUDIT) $1248.0

PREMIUM SHOWN IS PAYABLE:

At Inception $__________

At Each Anniversary $__________

(If policy period is more than one year and premium is paid in annual installments)

AUDIT PERIOD (IF APPLICABLE)

X Annually ________ Semi-Annually ________ Quarterly ________ Monthly

SCHEDULE OF POLICY FORMS AND ENDORSEMENTS

These Declarations, together with the Common Policy Conditions, and the Coverage Form(s) and endorsement(s), complete the above numbered policy.

Listed below are the forms and endorsements attached to this policy at the time of issue:

Title	Form Number and Edition Date
Complaint Notice	NXT-N01-IL-TX 1220
Commercial General Liability Declarations	NXT-0337 BM GL 0619
Commercial General Liability Coverage Form	CG 00 01 04 13
Exclusion - Access or Disclosure of Confidential or Personal Information and Data-Related Liability - With Limited Bodily Injury Exception	CG 21 06 05 14
Exclusion - Unmanned Aircraft	CG 21 09 06 15
Communicable Disease Exclusion	CG 21 32 05 09
Limitation Of Coverage To Designated Premises, Project Or Operation	CG 21 44 04 17
Employment-Related Practices Exclusion	CG 21 47 12 07
Total Pollution Exclusion Endorsement	CG 21 49 09 99
Fungi or Bacteria Exclusion	CG 21 67 12 04
Exclusion of Certified Acts of Terrorism	CG 21 73 01 15
Silica or Silica-Related Dust Exclusion	CG 21 96 03 05
Exclusion - Damage to Work Performed by Subcontractors on Your Behalf	CG 22 94 10 01
Products Completed Operations Hazard Redefined	CG 24 07 01 96
Expanded Damage to Rented Premises Coverage	NXT-GL-2139.1-0322
Exclusion - Asbestos Exclusion	NXT-0080 BM GL 0218
Professional Services Liability Exclusion	NXT-0086 BM GL 0218
Blanket Additional Insured	NXT-0115 BM GL 0218
Unintentional E&O, Knowledge of Occurrence, Notice of Occurrence	NXT-0235 BM GL 0218
Additional Insured Automatic Status	NXT-0308 BM GL 0619
Texas Changes	CG 01 03 06 06
Texas Changes - Conditions Requiring Notice	CG 31 07 02 00
Exclusion - Cannabis Products	CG 40 26 12 20
Exclusion - Assault and Battery - Texas	NXT-0053 BM GL TX 04 18
Exclusion - Lead Exclusion	NXT-0079 BM GL 0218
Sports and Entertainment Devices SLE Exclusion	NXT-0336 BM GL 0218
Policyholder Lead Exclusion Notice - Texas	NXT-N01 BM GL TX 04 18
Policyholder Electromagnetic Field Exclusion Notice - Texas	NXT-N02 BM GL TX 04 18
Policyholder Subsidence Exclusion Notice - Texas	NXT-N03 BM GL TX 0518
Policyholder PCB Exclusion Notice - Texas	NXT-N04 BM GL TX 0518
Policyholder Drywall Exclusion Notice - Texas	NXT-N05 BM GL TX 0518
Notice of Terrorism	NXT-0073 BM GL 0418
OFAC Notice	SNC-IL-0719-OFAC-N (SNIC)
Trade or Economic Sanctions	SNC-IL-0719-TOES-E (SNIC)

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

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

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

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

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

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

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

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

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

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

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

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

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Contractual Liability

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

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

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

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

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

c. Liquor Liability

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

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

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

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

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

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

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

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

d. Workers' Compensation And Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

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

(a) Employment by the insured; or

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

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

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

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

f. Pollution

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

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

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

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

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

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

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

(i) Any insured; or

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

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

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

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

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

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

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

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

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

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

(a) Less than 26 feet long; and

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

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

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

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

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

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

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

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

k. Damage To Your Product

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

l. Damage To Your Work

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

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

m. Damage To Impaired Property Or Property Not Physically Injured

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

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

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

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

n. Recall Of Products, Work Or Impaired Property

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

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

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

o. Personal And Advertising Injury

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

p. Electronic Data

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

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

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

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

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

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

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

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

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

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

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

b. Material Published With Knowledge Of Falsity

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

c. Material Published Prior To Policy Period

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

d. Criminal Acts

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

e. Contractual Liability

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

f. Breach Of Contract

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

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

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

h. Wrong Description Of Prices

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

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

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

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

j. Insureds In Media And Internet Type Businesses

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

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

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

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

k. Electronic Chatrooms Or Bulletin Boards

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

l. Unauthorized Use Of Another's Name Or Product

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

m. Pollution

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

n. Pollution-related

Any loss, cost or expense arising out of any:

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

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

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

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

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

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

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

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

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

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

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

c. Injury On Normally Occupied Premises

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

d. Workers' Compensation And Similar Laws

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

e. Athletics Activities

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

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage **A.**

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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

These payments will not reduce the limits of insurance.

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

a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

b. This insurance applies to such liability assumed by the insured;

c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

f. The indemnitee:

(1) Agrees in writing to:

(a) Cooperate with us in the investigation, settlement or defense of the "suit";

(b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

(c) Notify any other insurer whose coverage is available to the indemnitee; and

(d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

(a) Obtain records and other information related to the "suit"; and

(b) Conduct and control the defense of the indemnitee in such "suit".

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

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

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

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

d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

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

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

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or

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

(2) "Property damage" to property:

(a) Owned, occupied or used by;

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

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

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

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

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

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

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

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

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

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

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

SECTION III – LIMITS OF INSURANCE

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

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

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

a. Medical expenses under Coverage **C;**

b. Damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

c. Damages under Coverage **B.**

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

a. Damages under Coverage **A;** and

b. Medical expenses under Coverage **C**

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

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

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

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

(1) How, when and where the "occurrence" or offense took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

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

(1) Immediately record the specifics of the claim or "suit" and the date received; and

(2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

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

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

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

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

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

3. Legal Action Against Us

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

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

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

4. Other Insurance

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

a. Primary Insurance

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

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

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

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

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

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

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

c. Method Of Sharing

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

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

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

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

6. Representations

By accepting this policy, you agree:

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

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

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

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

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

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

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

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

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

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

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

4. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

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

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

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

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

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

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

b. You have failed to fulfill the terms of a contract or agreement;

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

9. "Insured contract" means:

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

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

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

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

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

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

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

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

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

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

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

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

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

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

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

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

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

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

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

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

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

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

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

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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

16. "Products-completed operations hazard":

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

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

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

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

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

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

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

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

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

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

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

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

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

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

21. "Your product":

a. Means:

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

(a) You;

(b) Others trading under your name; or

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

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

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

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

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

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

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion **2.g. Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

(1) Unmanned Aircraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** 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 that is an "unmanned aircraft".

(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft

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

This Paragraph **g.(2)** 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 (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

(a) A watercraft while ashore on premises you own or rent;

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

(i) Less than 26 feet long; and

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

(c) 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;

(d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

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

(i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(ii) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

B. The following exclusion is added to Paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". 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 offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

a. The use of another's advertising idea in your "advertisement"; or

b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

C. The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;

2. Manufactured; or

3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

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

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

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

a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;

b. Testing for a communicable disease;

c. Failure to prevent the spread of the disease; or

d. Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Premises:
Project Or Operation: SEE ATTACHED SCHEDULE
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 01,** the provisions under this Paragraph **A.** apply:

1. Paragraph **1.b.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

(1) The "bodily injury" or "property damage":

(a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(b) Arises out of the project or operation shown in the Schedule;

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

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

2. Paragraph **1.b.** under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

(1) The offense arises out of your business:

(a) Performed on the premises shown in the Schedule; or

(b) In connection with the project or operation shown in the Schedule; and

(2) The offense was committed during the policy period.

However, with respect to Paragraph **1.b.(1)(a)** of this Insuring Agreement, if the "personal and advertising injury" is caused by:

(1) False arrest, detention or imprisonment; or

(2) 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;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph **1.a.** under **Section I – Coverage C – Medical Payments** is replaced by the following:

a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

(1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(2) Arises out of the project or operation shown in the Schedule;

provided that:

(a) The accident takes place during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

B. If this endorsement is attached to Commercial General Liability Coverage Form **CG 00 02,** the provisions under this Paragraph **B.** apply:

1. Paragraph **1.b.** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

b. This insurance applies to "bodily injury" and "property damage" caused by an "occurrence" that takes place in the "coverage territory" only if:

(1) The "bodily injury" or "property damage":

(a) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(b) Arises out of the project or operation shown in the Schedule;

(2) The "bodily injury" or "property damage" did not occur before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

(3) A claim for damages because of the "bodily injury" or "property damage" is first made against any insured, in accordance with Paragraph **1.c.** of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section **V** – Extended Reporting Periods.

2. Paragraph **1.b.** under **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

b. This insurance applies to "personal and advertising injury" caused by an offense committed in the "coverage territory" but only if:

(1) The offense arises out of your business:

(a) Performed on the premises shown in the Schedule; or

(b) In connection with the project or operation shown in the Schedule;

(2) The offense was not committed before the Retroactive Date, if any, shown in the Declarations or after the end of the policy period; and

(3) A claim for damages because of the "personal and advertising injury" is first made against any insured, in accordance with Paragraph **1.c.** of this Insuring Agreement, during the policy period or any Extended Reporting Period we provide under Section **V –** Extended Reporting Periods.

However, with respect to Paragraph **1.b.(1)(a)** of this Insuring Agreement, if the "personal and advertising injury" is caused by:

(1) False arrest, detention or imprisonment; or

(2) 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;

then such offense must arise out of your business performed on the premises shown in the Schedule and the offense must have been committed on the premises shown in the Schedule or the grounds and structures appurtenant to those premises.

3. Paragraph **1.a.** under **Section I – Coverage C – Medical Payments** is replaced by the following:

a. We will pay medical expenses as described below for "bodily injury" caused by an accident that takes place in the "coverage territory" if the "bodily injury":

(1) Occurs on the premises shown in the Schedule or the grounds and structures appurtenant to those premises; or

(2) Arises out of the project or operation shown in the Schedule;

provided that:

(a) The accident takes place 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.

POLICY NUMBER: NXTC9737Q4-00-GL **COMMERCIAL GENERAL LIABILITY**

SCHEDULE OF PROJECT OR OPERATION

Activities related to operating a restaurant.

Restaurant operations do not include:
1. Activities related to operating an outdoor play area that is ungated or accessible through means other than through the restaurant.
2. Activities related to or arising out of the production of alcohol, including operations as a winery, brewery, distillery or similar business.
3. Operations as an importer or wholesale distributor of alcohol.
4. Operations as a bar, tavern, sports bar, night club, cabaret, discotheque, gentlemans club or similar business.
5. Operations as a membership club, such as a golf, civic, fraternal, or social club.
6. Selling or serving alcoholic beverages without a valid license, permit or training required to do so.
7. Arranging or operating sporting activities on or off premises.
8. Operations as a hookah bar or cigar bar.
9. Activities related to an "employee's" use of an "auto" for food deliveries.

Does not include the sale of food-based products over the internet other than:
1. Sales on platforms that facilitate local food delivery
2. Small-scale or craft production of not more than 5,000 units per year under a private label owned by the Named Insured and not intended for resale

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a)**, **(b)** or **(c)** above occurs before employment, during employment or after employment of that person;

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

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

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

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

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

(a) Request, demand, 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".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

2. Exclusions

This insurance does not apply to:

Fungi Or Bacteria

a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

a. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".

b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

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

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

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

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.

2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – DAMAGE TO WORK PERFORMED BY SUBCONTRACTORS ON YOUR BEHALF

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **l.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

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 ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRODUCTS/COMPLETED OPERATIONS HAZARD REDEFINED

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Description of Premises and Operations:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to "bodily injury" or "property damage" arising out of "your products" manufactured, sold, handled or distributed:

1. On, from or in connection with the use of any premises described in the Schedule, or

2. In connection with the conduct of any operation described in the Schedule, when conducted by you or on your behalf,

Paragraph **a.** of the definition of "Products-completed operations hazard" in the DEFINITIONS Section is replaced by the following:

"Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" that arises out of "your products" if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXPANDED DAMAGE TO RENTED PREMISES COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Solely with respect to the coverage provided by this endorsement, the policy is amended as follows:

A. The final Paragraph under **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **f.** and **i.** do not apply to "property damage" by fire to premises while rented to you or temporarily occupied by you with permission of the owner. Exclusions **c.**, **d.**, **e.**, **g.**, **h.**, and **j.** through **n.** do not apply to "property damage" to premises rented to you or temporarily occupied by you with permission of the owner. A separate Damage To Premises Rented To You Limit of Insurance applies to coverage under this Paragraph as described in Section **III** – Limits of Insurance.

B. Paragraph **6.** of **Section III – Limits Of Insurance** is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises while rented to you or temporarily occupied by you with permission of the owner.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASBESTOS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to **SECTION I** - **COVERAGES**, **Coverage A Bodily Injury and Property Damages Liability**, paragraph **2. Exclusions** and to **SECTION I – COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**, paragraph **2. Exclusions**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of "asbestos".

As used in this exclusion, "Asbestos" means the material in any form.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PROFESSIONAL SERVICES LIABILITY

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following is added to **SECTION I – COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph **2. Exclusions** and **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**, paragraph **2. Exclusions**:

(1) Injuries, damages, claims, "suits", actions or proceedings arising out of any "wrongful act" committed by the insured, or by any person for whom the insured is legally liable, and arising out of the rendering or failure to render "professional services" in the conduct of the insured's business; or

(2) Any costs resulting directly from any "wrongful act" committed by the insured, or by any person for whom the insured is legally liable, and arising out of the rendering or failure to render "professional services" in the conduct of the insured's business.

B. Solely with respect to this endorsement, the following are added to **SECTION V – DEFINITIONS**:

“Professional services" means services including, but not limited to, consulting, offering advice or making recommendations while in the conduct of the insured's business.

"Wrongful act" means any alleged act, error or omission, committed solely in the performance of “professional services”.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

1. **Lessor of Leased Equipment**

Any person or organization from whom you lease equipment when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an insured only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.

No such person or organization is an insured under this section:

a. Upon expiration or termination of their contract or agreement with you for such leased equipment ends;

b. For any "bodily injury" or "property damage" caused by an "occurrence" which takes place after expiration or termination of their contract or agreement with you; or

c. For any "personal and advertising injury" caused by an "offense" which takes place after expiration or termination of their contract or agreement with you.

2. **Managers or Lessors of Premises**

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

No such person or organization is an insured under this section for any:

a. For "bodily injury" or "property damage" caused by an "occurrence" which takes place after you cease to be a tenant in that premises.

b. Structural alterations, new construction or demolition operations performed by or on behalf of such person or organization.

3. **Grantor of Franchise**

Any person or organization (referred to below as grantor of a franchise) with whom you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy, but only with respect to "bodily injury" or "property damage" arising out of " liability as grantor of a franchise to you

B. With respect to the insurance afforded to these additional insureds, the following is added to **SECTION III LIMITS OF INSURANCE**:

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

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.

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

C. With respect to the provisions of this endorsement, the following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, paragraph **4. Other Insurance**:

Regardless of whether other insurance is available to an additional insured on a primary basis, this insurance will be primary and noncontributory if a written contract between you and the additional insured specifically requires that this insurance be primary.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNINTENTIONAL ERRORS AND OMISSION
KNOWLEDGE OF OCCURRENCE
NOTICE OF OCCURRENCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following are added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

Unintentional Errors and Omissions

Any unintentional error or omission in the description of, or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or adversely affect coverage for those premises or operations. However, you must report such error or omission to us as soon as practicable after its discovery.

Knowledge of Occurrence

Notwithstanding any other provision(s) in this policy to the contrary, and solely as respects any loss reporting requirements under this policy, it is understood that knowledge of "occurrence" by the agent, servant, or employee of the insured or any other person shall not in itself constitute knowledge by the insured, unless the risk manager or risk management department or substantially similar position or department received notice from said agent, servant, employee or any other person.

Notice of Occurrence

Your rights under this coverage part will not be prejudiced if you fail to give us notice of an "occurrence", offense or claim and that failure is solely due to your reasonable belief that the "bodily injury", "property damage" or "personal and advertising injury" is not covered under this coverage part. However, you shall give written notice of such "occurrence", offense or claim to us as soon as you are aware that this insurance may apply to such "occurrence", offense or claim.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – AUTOMATIC STATUS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION II - WHO IS AN INSURED is amended to include as an additional insured any person or organization when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy.

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

1. Your acts or omissions; or

2. The acts or omissions of those acting on your behalf

with respect to:

a. Premises you own, rent, lease, or occupy; or

b. Your ongoing operations performed for that insured.

B. The insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and

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

C. The Limits of Insurance applicable to the additional insured are the lesser of those specified in:

1. The written contract or agreement; or
2. The Declarations for this policy, whichever is less.

Such are included in, and not in addition to, the Limits of Insurance shown in the Declarations.

D. Regardless of whether other insurance is available to an additional insured on a primary basis, this insurance will be primary and noncontributory if a written contract between you and the additional insured specifically requires that this insurance be primary.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. With regard to liability for Bodily Injury, Property Damage and Personal And Advertising Injury, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CONDITIONS REQUIRING NOTICE

This endorsement modifies insurance provided under the following:

OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

With regard to liability for Bodily Injury and Property Damage, unless we are prejudiced by the insured's or your failure to comply with the requirement, no provision of this Coverage Part requiring you or any insured to give notice of "occurrence", claim or "suit", or forward demands, notices, summonses or legal papers in connection with a claim or "suit" will bar coverage under this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CANNABIS PRODUCTS

This endorsement modifies insurance provided under the following:

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

A. This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of any of "your products" that are "cannabis".

B. The following definition is added to the **Definitions** section:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **B.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

b. Any compound, by-product, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph **B.2.a.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ASSAULT AND BATTERY - TEXAS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following is added to **SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY,** Paragraph **2. Exclusions**:

Assault and Battery
"Bodily injury" or "property damage" arising from, or caused in whole or in part by, an "assault and battery."
This exclusion applies regardless of the degree of culpability or intent and without regard to:

(1) Whether the "assault and battery" is caused or committed, or threatened to be caused or committed, each of the foregoing whether actual, alleged, directly, or indirectly:
   (a) At the instruction or direction of, or is instigated by, the insured, or the insured's officers, "employees," "volunteer workers," agents, or servants;
   (b) By the insured's customers, patrons, or guests;
   (c) By any other person on, at, or near the premises owned or occupied by the insured, whether or not such person's presence is lawful; or
   (d) By any other person or entity, by any means or cause whatsoever;

(2) The failure or negligence, each of the foregoing whether actual or alleged, of the insured, or the insured's officers, "employees," "volunteer workers", agents, or servants, in the hiring, employment, investigation, training, supervision, retention, placement, or control of any person involved or in connection with any "assault and battery," whether or not such person was or is an officer, "employee," "volunteer worker," agent, or servant of the insured; or

(3) The act, error, or failure to act, each of the foregoing whether actual or alleged, of the insured, the insured's officers, "employees," "volunteer workers," agents, or servants, or any other person for whom or entity that the insured was or is legally responsible, to:
   (a) Prevent, bar, suppress, or halt an "assault and battery" by any person;
   (b) Provide an environment safe from an "assault and battery" by any person; or
   (c) Warn of the dangers of the environment that could contribute to an "assault and battery" by any person.

Without limiting the foregoing and for the avoidance of doubt, this exclusion also applies to bar any and all claims by any person, entity, firm, or organization, for any of the following in connection with "bodily injury" or "property damage" arising from, or caused in whole or in part by, an "assault and battery":

(a) Emotional injury or distress;
(b) One or more of loss of society, companionship, services, consortium, and income;
(c) Reimbursement for any and all expenses or wages, paid or incurred by any person, entity, firm, or organization; or

(d) Any obligation to share damages with or repay a person who, or an entity that, must pay damages because of the "bodily injury" or "property damage."

B. SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Paragraph **2. Exclusions,** exclusion **a. Expected Or Intended Injury** is replaced by the following:

a. **Expected Or Intended Injury**

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

C. The following is added to **SECTION I - COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph **2. Exclusions**:

Assault and Battery

"Personal and advertising injury" arising from, or caused in whole or in part by, an "assault and battery." This exclusion applies regardless of the degree of culpability or intent and without regard to:

(1) Whether the "assault and battery" is caused or committed, or threatened to be caused or committed, each of the foregoing whether actual, alleged, directly, or indirectly:
  (a) At the instruction or direction of, or is instigated by, the insured, or the insured's officers, "employees," "volunteer workers," agents, or servants;
  (b) By the insured's customers, patrons, or guests;
  (c) By any other person on, at, or near the premises owned or occupied by the insured, whether or not such person's presence is lawful; or
  (d) By any other person or entity, by any means or cause whatsoever;

(2) The failure or negligence, each of the foregoing whether actual or alleged, of the insured, or the insured's officers, "employees," "volunteer workers", agents, or servants, in the hiring, employment, investigation, training, supervision, retention, placement, or control of any person involved or in connection with any "assault and battery," whether or not such person was or is an officer, "employee," "volunteer worker," agent, or servant of the insured; or

(3) The act, error, or failure to act, each of the foregoing whether actual or alleged, of the insured, the insured's officers, "employees," "volunteer workers," agents, or servants, or any other person for whom or entity that any insured was or is legally responsible, to:
  (a) Prevent, bar, suppress, or halt an "assault and battery" by any person;
  (b) Provide an environment safe from an "assault and battery" by any person; or
  (c) Warn of the dangers of the environment that could contribute to an "assault and battery" by any person.

Without limiting the foregoing and for the avoidance of doubt, this exclusion also applies to bar any and all claims by any person, entity, firm, or organization, for any of the following in connection with "personal and advertising injury" arising from, or caused in whole or in part by, an "assault and battery":

  (a) Emotional injury or distress;
  (b) One or more of loss of society, companionship, services, consortium, and income;
  (c) Reimbursement for any and all expenses or wages, paid or incurred by any person, entity, firm, or organization; or
  (d) Any obligation to share damages with or repay a person who, or an entity that, must pay damages because of the "personal and advertising injury."

D. **SECTION I - COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**, Paragraph **2. Exclusions,** exclusion **a. Knowing Violation Of Rights Of Another** is replaced by the following:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" expected or intended from the standpoint of, or caused by or at the direction of, the insured. This exclusion applies regardless of the presence or absence of knowledge that the act would violate the rights of another and would inflict "personal and advertising injury."

E. The following is added to **SECTION V - DEFINITIONS**:

"Assault and battery" means one or more of the following:

a. Any assault, battery, intimidation, fight, altercation, misconduct, or similar incident or act of violence;
b. Harmful or offensive contact between or among two or more persons;

c. Apprehension of harmful or offensive contact between or among two or more persons;
d. Threats or abuse by words, acts, gestures, or deeds. For the purposes of this endorsement, abuse means an act which is committed with the intent to cause harm;
e. Acts including, but not limited to, one or more of sexual abuse, sexual harassment, sexual molestation, sexual assault, and sexual battery; and
f. Any act or omission in connection with the prevention or suppression of any conduct described in subparagraph(s) **a., b., c., d.,** or **e.** above.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – LEAD

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to **SECTION I** - **COVERAGES**, **Coverage A Bodily Injury and Property Damages Liability**, paragraph **2. Exclusions** and to **SECTION I – COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**, paragraph **2. Exclusions**

"Bodily injury" or "property damage" or "personal and advertising injury" arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of "lead"

As used in this exclusion, "Lead" means the element in any form.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSIONS APPLICABLE TO SPORTS/LEISURE/ENTERTAINMENT ACTIVITIES AND DEVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

I. EXCLUSIONS

Any exclusion for which an "X" appears is added to **SECTION I – COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, paragraph **2. Exclusions** and to **SECTION I – COVERAGES, COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**, paragraph **2. Exclusions**:

x___**Amusement Device**

"Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of any "amusement device".

For purposes of this exclusion, "amusement device" means any device or equipment a person rides, uses or otherwise employs in the participation of an activity for enjoyment, including, but not limited to, any of the following:

1. Mechanical or non-mechanical ride or riding device;
2. Slide or water slide (including any ski or tow used with a water slide);
3. Moon Bounces, "Moon Walks, "Space Walks", and similar inflatable games and device;
4. Gymnastic equipment;
5. Laser tag, bungee jumping, Sumo wrestling, human spheres, water slides and similar interactive games and device;
6. Advertising balloons, rooftop balloons, helium blimps and similar device.

This exclusion applies irrespective of in what manner an insured may be held liable in any capacity.

___**Animal**

"Bodily injury", "property damage" or "personal and advertising injury":

1. Arising out of contact with; or
2. Caused by or resulting from

any animal, reptile, bird, fish, insect or animal organism other than human owned by, leased or loaned to, or in the care, custody or control of any insured.

x___**Bungee**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the ownership, operation, maintenance or use of any bungee operation or equipment whether owned, operated, maintained or used by you, any other insured or any other person or entity.

___**Concert or Special Event**

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

1. The promotion of;
2. The hosting of;
3. The providing a venue for

a concert, show, exhibition, fair, sporting contents, social gathering or other similar activity or theatrical event.

x___**Firearms, Fireworks and Other Pyrotechnic Devices**

"Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of:

1. Firearms, including handguns, revolvers, pistols, rifles, shotguns, air guns, semi-automatic weapons and similar devices;
2. Fireworks, including firecrackers, Roman Candles, pinwheels skyrockets, ground displays, flares, smoke bombs and similar devices that produce, when ignited or activated, sound, smoke, motion or a combination of these

by any Insured or by any person for which any Insured may be held liable in any capacity.

x___**Gymnastics**

"Bodily injury", "property damage" or "personal and advertising injury" arising from arising out of parkour, urban gymnastics, freestyle gymnastics, freestyle acrobatics and similar activities, including but not limited to, wall runs, wall flips or wall spins.

___**Inflatable Promotional Device**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the ownership, operation, maintenance or use of any "inflatable promotional device"; provided, however, this exclusion does not apply to "inflatable promotional devices" you do not own, operate, or maintain.

___**Injury or Death to Animals**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of injury or death to any animal.

x___**Inverted Aerial Maneuver**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the attempt to perform or performance of any inverted aerial maneuver by a skier from a jump:

1. Built by you or on your behalf; or
2. Built on your premises with your permission or knowledge.

x ___**Mosh Pits**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of activity associated with or occurring in “mosh pits”.

x___**Object Propelled**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of any object propelled, projected, kicked or thrown, whether intentionally or unintentionally:

1. Into the crowd by or at the direction of a "participant" or insured;
2. By a “participant” or an insured during an event, including but not limited to any performer throwing objects, himself, herself or another person into the audience, backstage or side-stage area.

___**Participant**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the involvement of a participant in any activity, event or exhibition, including, but not limited to, any contest, exhibition, physical training, sport, event, athletic activity, martial arts or stunt.

___**Performer**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the involvement of any performer during any activity, event or exhibition, including, but not limited to any stunt, concert, show or theatrical event.

x ___**Ring or Cage Sports**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of participation in ring or cage sports. Ring or cage sports include, but are not limited to, conventional boxing, full contact or no-holds-barred fighting/confrontations, sparring and practicing or preparing for such activities.

x ___**Rodeo**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of any rodeo activity, including, but not limited to, bronco or bull riding, steer roping, team

roping, barrel racing or horseback riding.

x ___**Sports Trainers**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of or resulting directly or indirectly, in whole or in part from the rendering of or failure to render professional services by any "sports trainer" or any act, error, omission, malpractice or mistake of a professional nature committed by any "sports trainer".

x ___**Structure Collapse**

"Bodily injury", "property damage" or "personal and advertising injury" arising from or resulting, directly or indirectly, from the partial or total collapse of any bleacher, grandstand, benches, deck, stairs, steps, platform, boxes or other structures, owned, maintained or used by any insured, whether such structure is permanent or temporary.

x ___**Stunting Activity or Special Effects**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of any “stunting activity” or special effects or any practice or preparation for any such “stunting activity” or special effects.

x ___**Trampolines**

Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of any trampoline or similar device. This exclusion also applies to any claim alleging negligence or breach of contract by supplying and then failing to maintain a trampoline or supervise its use.

x ___**Trampolines (Limited)**

Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of any trampoline or similar device. This exclusion also applies to any claim alleging negligence or breach of contract by supplying and then failing to maintain a trampoline or supervise its use. However, this exclusion does not apply to rebounders which are 4 feet or less in diameter and whose surface is no more than two (2) feet above the floor level.

x
___**Wall Climbing**

Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of any rock climbing walls, Velcro walls and similar scaling device.

x
___**Wall Climbing (Limited)**

Bodily injury", "property damage" or "personal and advertising injury" arising from the ownership, maintenance, operation, sponsorship, set-up or take-down or other use of any rock climbing walls, Velcro walls and similar scaling device in excess of ten (10) feet in height.

II. DEFINITION

For purposes of this endorsement, the following definitions are added to **SECTION V - DEFINITIONS**:

A. "Inflatable promotional device" means any inflatable device or equipment used for advertising or promotional purposes, including but not limited to, any hot air balloon or inflatable signage.

B. “Mosh pit” means the area in front of the stage where attendees are allowed to freely gather during a performance and/or event.

C. "Participant" means any person while instructing, supervising, training or practicing for, participating in or while otherwise involved in any sports or athletic activity, contest, or exhibition. "Participant" does not include any spectator.

D. "Sports trainer" means a trainer employed by the insured or working on the insured's behalf who carries out the practice of prevention and/or rehabilitation of injuries incurred by athletes.

E. "Stunting Activity", means any feat or activity requiring special strength, skill, equipment, device or daring.

All other terms and conditions of the policy remain unchanged.

POLICYHOLDER LEAD EXCLUSION NOTICE – TEXAS

NO COVERAGE IS PROVIDED BY THIS NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND ALL OF THE ENDORSEMENTS FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

THIS NOTICE IS DESIGNED TO ALERT YOU TO THE LEAD EXCLUSIONS THAT ARE INCLUDED IN YOUR POLICY.

If the Lead Exclusion endorsement, NXT-0079 BM GL, is included in your policy, then the following applies:

The Lead Exclusion in your policy excludes coverage for:

"Bodily injury" or "property damage" or "personal and advertising injury" arising out of the actual, alleged, suspected or threatened ingestion of, inhalation of, contact with, exposure to, existence of, or presence of "lead".

As used in the exclusion, "Lead" means the element in any form.

If the General Liability: Extension endorsement, NXT-0096 BM GL, is included in your policy, then the following applies:

The Lead Exclusion applicable to the coverage provided in this endorsement excludes coverage for:

Any "product recall" arising out of, related to, or resulting from inclusion of lead in your product.

If the Various Materials exclusion endorsement, NXT-0209 BM GL, is included in your policy, then the following applies:

Lead is included as an "excluded material" in this endorsement, therefore, there is no coverage for lead as follows:

(1) "Bodily injury", "property damage", or "personal and advertising injury" arising, directly or indirectly, out of, caused by, resulting from, contributed to, or aggravated by, in whole or in part, any lead.

The exclusion applies whether "bodily injury" or "property damage" occurs in whole or in part through the actual or alleged or threatened inhalation of, injection of, contact with, exposure to, existence of, use of, removal of, manufacture of, transportation of, storage of, disposal of, or presence of any lead, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such "bodily injury" or "property damage".

(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, lead; 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 lead.

If the Contractors Errors and Omissions Coverage endorsement, NXT-0313 BM GL, is included in your policy, then the following applies:

The Lead Exclusion applicable to the coverage provided in this endorsement excludes coverage for:

Any liability of any nature arising out of, attributable to, or any way related to lead in any form or transmitted in any manner, including 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, remediate, contain, treat, detoxify, neutralize or in any way respond to or assess the effects of lead; or,

(2) "Claim" or "suit" by or on behalf of any governmental authority for damages resulting from the testing for, monitoring, cleaning up, removing, remediating, containing, treating, detoxifying, neutralizing or in any way responding to or assessing the effects of lead.

POLICYHOLDER ELECTROMAGNETIC HAZARD EXCLUSION NOTICE – TEXAS

NO COVERAGE IS PROVIDED BY THIS NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND ALL OF THE ENDORSEMENTS FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

THIS NOTICE IS DESIGNED TO ALERT YOU TO THE ELECTROMAGNETIC HAZARD EXCLUSIONS THAT ARE INCLUDED IN YOUR POLICY.

If the Electromagnetic Hazard Exclusion endorsement, NXT-0022 BM GL, is included in your policy, then the following applies:

The Electromagnetic Hazard Exclusion in your policy excludes coverage for:

(1) Damages, whether tangible or intangible in nature, arising out of the "electromagnetic hazard".

(2) Any loss, cost or expense that arise out of any:

a. Request, demand, order, or statutory or regulatory requirement that any insured identify, abate, test for, sample, monitor, remove, contain, treat, neutralize or mitigate or in any way respond to or assess the effects of the "electromagnetic hazard";

b. Any claim or suit for damages because of identifying, abating, testing for, sampling, monitoring, clean up of; removing, covering, containing, treating, neutralizing or mitigating, or in any way responding to or assessing the effects of the "electromagnetic hazard"; or

c. Request, demand, order, or statutory or regulatory requirement claim or suit seeking the modification, repair, replacement or improvement of any property as a result of the effects of an "electromagnetic hazard".

"Electromagnetic hazard" means an exposure or threat of exposure to the actual or alleged properties of radiation or energy from electromagnetic sources of all frequencies and intensities, including but not limited to:

(1) Radio frequency radiation or energy;

(2) Electric fields or waves;

(3) Magnetic fields or waves; or

(4) Electromagnetic fields or waves.

"Electromagnetic hazard" includes the presence or suspected presence of any of the foregoing listed in **(1)** through **(4)** above at any time.

If Various Materials Exclusion endorsement, NXT-0209 BM GL, is included in your policy, then the following applies:

Electromagnetic radiation and electromagnetic fields are included as "excluded materials" in this endorsement, therefore, there is no coverage for electromagnetic radiation and electromagnetic fields as follows:

(1) "Bodily injury", "property damage", or "personal and advertising injury" arising, directly or indirectly, out of, caused by, resulting from, contributed to, or aggravated by, in whole or in part, any "excluded materials".

This exclusion applies whether "bodily injury" or "property damage" occurs in whole or in part through the actual or alleged or threatened inhalation of, injection of, contact with, exposure to, existence of, use of, removal of, manufacture of, transportation of, storage of, disposal of, or presence of any "excluded material", regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such “bodily injury” or “property damage”.

(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, "excluded materials"; 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 "excluded materials".

POLICYHOLDER SUBSIDENCE EXCLUSION NOTICE – TEXAS

NO COVERAGE IS PROVIDED BY THIS NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND ALL OF THE ENDORSEMENTS FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

THIS NOTICE IS DESIGNED TO ALERT YOU TO THE SUBSIDENCE EXCLUSIONS THAT ARE INCLUDED IN YOUR POLICY.

If the Earth Movement Exclusion endorsement, NXT-0074 BM GL, is included in your policy, then the following applies:

Subsidence is included as "earth movement" in this endorsement, therefore, there is no coverage for subsidence as follows:

> "Bodily injury", "property damage" or "personal and advertising injury" which was directly or indirectly, based upon or contributed to in whole or in part, arising out of, resulting from, or in any matter related to "earth movement" whether or not any such "earth movement" is combined with any other causes.

If the Flood Exclusion endorsement, NXT-0123 BM GL, is included in your policy, then the following applies:

The subsidence exclusion applicable to coverage provided in this endorsement excludes coverage for:

> "Bodily injury" or "property damage" arising out of:
>
> > Any collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding the cyclical levels which result in the rising or overflowing or breaking of any boundary of natural or man-made lakes, reservoirs, ponds, brooks, rivers, streams, harbors, oceans or any other body of water or watercourse, whether driven by wind or not.

POLICYHOLDER POLYCHLORINATED BIPHYENYL (PCB) EXCLUSION NOTICE – TEXAS

NO COVERAGE IS PROVIDED BY THIS NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND ALL OF THE ENDORSEMENTS FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

THIS NOTICE IS DESIGNED TO ALERT YOU TO THE POLYCHLORINATED BIPHYENYL (PCB) EXCLUSION THAT IS INCLUDED IN YOUR POLICY.

If the Various Materials exclusion endorsement, NXT-0209 BM GL, is included in your policy, then the following applies:

Polychlorinated biphenyl (PCB) is included as an “excluded material” in this endorsement, therefore, there is no coverage for polychlorinated biphenyl (PCB) as follows:

(1) "Bodily injury", "property damage", or "personal and advertising injury" arising, directly or indirectly, out of, caused by, resulting from, contributed to, or aggravated by, in whole or in part, any lead.

The exclusion applies whether “bodily injury” or “property damage” occurs in whole or in part through the actual or alleged or threatened inhalation of, injection of, contact with, exposure to, existence of, use of, removal of, manufacture of, transportation of, storage of, disposal of, or presence of any lead, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such “bodily injury” or “property damage”.

(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, lead; 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 lead.

POLICYHOLDER DRYWALL EXCLUSION NOTICE – TEXAS

NO COVERAGE IS PROVIDED BY THIS NOTICE NOR CAN IT BE CONSTRUED TO REPLACE ANY PROVISIONS IN YOUR POLICY. YOU SHOULD READ YOUR POLICY AND ALL OF THE ENDORSEMENTS FOR COMPLETE INFORMATION ON THE COVERAGES YOU ARE PROVIDED. IF THERE IS ANY CONFLICT BETWEEN YOUR POLICY AND THIS NOTICE, THE PROVISIONS OF YOUR POLICY SHALL PREVAIL.

THIS NOTICE IS DESIGNED TO ALERT YOU TO THE DRYWALL EXCLUSION THAT IS INCLUDED IN YOUR POLICY.

If the Foreign Drywall Contaminants Exclusion endorsement, NXT-0314 BM GL, is included in your policy, then the following applies:

The Foreign Drywall Contaminants Exclusion in your policy excludes coverage for:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, caused by, or contributed to by the discharge, dispersal, seepage, migration, release, escape, inhalation, ingestion, existence, or presence of one or more "foreign drywall contaminants" at any time. This exclusion only applies if the injury and/or damage is caused by, or is a result of, the emission of fumes, odors, vapors, and/or leaching of substances from building materials, drywall or drywall components.

2. Any damages or any loss, cost or expense arising out any (i) claim or suit by or on behalf of any governmental authority or any other alleged responsible party, or because of (ii) request, demand, order or statutory or regulatory requirement that any insured or any other person or entity should be responsible for:

   a. Assessing the presence, absence or amount or effects of "foreign drywall contaminants";

   b. Identifying, sampling or testing for, detecting, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, abating, disposing of or mitigating "foreign drywall contaminants".

3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with any of the subsections above; or

4. Any obligation to share damages with or repay someone else in connection with any of the subsections above.

   As used in this exclusion, "Foreign drywall contaminants" are described as chemicals or compounds that can be in a solid, liquid or gaseous form. They can be contained in or applied to certain drywall (also known as gypsum board, plasterboard, sheetrock and wallboard) or drywall components. They also can be found or created when such drywall or drywall components come into contact with other elements. They allegedly or actually cause damage to property, corrode materials, emit noxious odors, cause health problems and/or otherwise act as a contaminant or irritant. They include but are not limited to, the following: butanethial, carbon disulfide, carbonyl sulfide, hydrogen sulfide, mercaptan, methylthio pyridine, sulfuric acid, sulfurous acid, sulfur dioxide and strontium sulfide. This includes drywall manufactured anywhere other than the United States of America (including its territories and possessions), Puerto Rico and Canada.

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, you have a right to purchase insurance coverage for losses resulting from acts of terrorism. *As defined in Section 102(1) of the Act*: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation 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.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. 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 PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT 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 IN ANY ONE CALENDAR YEAR EXCEEDS $100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED $100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Risk Insurance Coverage

	I hereby elect to purchase terrorism coverage for a prospective premium of $ 4.80 .
X	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature

State National Insurance Company, Inc.
Insurance Company

Specimen Test
Print Name

NXTC9737Q4-00-GL
Policy Number

04/30/2024
Date

STATE NATIONAL INSURANCE COMPANY, INC.
(a stock insurance company)

1900 L Don Dodson Dr.
Bedford, Texas 76021
(800) 877-4567

Administered by:

Next Insurance, Inc.
PO Box 60787
Palo Alto, CA 94306
(855) 222-5919

EMPLOYMENT-RELATED PRACTICES LIABILITY DECLARATIONS

THIS COVERAGE IS PROVIDED ON A CLAIMS-MADE AND REPORTED BASIS AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO "CLAIMS" FIRST MADE AGAINST YOU DURING THE COVERAGE PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD AND REPORTED TO US IN ACCORDANCE WITH THE PROVISIONS OF THIS COVERAGE PART. "DEFENSE EXPENSES" REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY. COVERAGE UNDER THIS COVERAGE PART, INCLUDING PAYMENT OF "DEFENSE EXPENSES", IS SUBJECT TO THE INSURED'S PAYMENT OF THE DEDUCTIBLE. PLEASE READ THE ENTIRE FORM CAREFULLY.

POLICY NUMBER:	NXTC9737Q4-00-GL	
NAMED INSURED AND MAILING ADDRESS:	Specimen Test Restaurant Coverage 256 Adamtowne Dr El Paso, TX 79928	
POLICY PERIOD:	From: 04/30/2024	To: 04/30/2025
At 12:01 A.M. standard time at the mailing address shown above		

LIMITS OF LIABILITY AND DEDUCTIBLE:		
Limit of Insurance	$ 50,000.00	Aggregate
Deductible	$ 5,000.00	Each Claim

SUB-LIMITS OF LIABILITY AND DEDUCTIBLES:	
Non-Employee Liability Sub-Limit	$ 25,000.00
Wage Practices Defense Costs Sub-Limit	$ 0.00

COVERAGE PREMIUM:	$ 166.00	Surcharge/Tax/Other: $ 0.00

RETROACTIVE DATE:	04/30/2024
If no date is entered, the Retroactive Date is the same as the effective date of this Coverage Part.	

SUPPLEMENTAL EXTENDED REPORTING PERIOD OPTION(S):	
12 months at ___ % of Full Annual Premium	24 months at ___ % of Full Annual Premium
36 months at 200 % of Full Annual Premium	48 months at ___ % of Full Annual Premium
60 months at ___ % of Full Annual Premium	Unlimited at ___ % of Full Annual Premium

FORM AND ENDORSEMENTS THAT APPLY:	
Form Title	**Form Number and Edition Date**
Employment-Related Practices Liability Declarations Employment-Related Practices Liability Coverage Form Non-Employee Coverage Extension Nuclear Energy Liability Exclusion Endorsement Texas Changes	NXT-EP-0001.1-0322 NXT-EP-1001.1-0322 NXT-EP-2001.1-0322 NXT-EP-2004.1-0322 NXT-EP-2005.1-TX-0322

These Employment-Related Practices Liability Declarations, together with the Common Policy Conditions, Employment-Related Practices Liability Coverage Form and Endorsements, if any, shall constitute this Employment-Related Practices Liability Coverage Part, which in turn forms a part of the Policy Number shown above.

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE

A. Insuring Agreement

1. We will pay those sums the insured becomes legally obligated to pay as damages resulting from an "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 because of an "injury" to which this insurance does not apply. We may, at our discretion, investigate any incident that may result in "injury". We may, with your written consent, settle any "claim" that may result. But:

a. The amount we will pay for damages and "defense expenses" is limited as described in Section **III** – Limit Of Insurance and in Section **IV** – Deductible;

b. The coverage and duty to defend provided by this policy will end when we have used up the applicable Limit of Insurance for "defense expenses" or the payment of judgments or settlements.

c. This insurance does not apply to the sums described in Paragraph **B.** Exclusions, Sub-Paragraph **6.** Equity-Based And Future Compensation.

No other obligation or liability to pay sums, such as civil or criminal fines, imposed on you or any other insured, or to perform acts or services is covered unless explicitly provided for under Supplementary Payments.

2. This insurance applies to "injury" only if:

a. The "injury" arises out of an offense that takes place in the "coverage territory";

b. The “injury” is not the subject of notice given to any prior insurer;

c. The “injury” was not known by any insured prior to the “coverage period”.

d. No insured was aware of incidents or events which occurred prior to the “coverage period” and that they reasonably believe may give rise to a “claim”.

e. The offense out of which the “injury” arose did not commence before the Retroactive Date, if any, shown in the Employment-Related Practices Liability Declarations or after the end of the “coverage period”; and

f. A “claim” because of the “injury” is first made against any insured, in accordance with Paragraph **3.** Below, during the “coverage period” or the Section **VI** – Extended Reporting Period, if provided.

3. A “claim” will be deemed to have been made at the earlier of the following times:

a. When notice of such “claim” is received by any insured and reported to us in writing; or

b. When a “claim” against an insured is made directly to us in writing.

A “claim” received by the insured during the “coverage period” and reported to us within 30 days after the end of the “coverage period” will be considered to have been reported within the “coverage period”. However, this 30 day grace period does not apply to “claims” that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such “claims”.

4. All “claims” arising out of an “injury” to the same person, including damages claimed by any person for care, loss of services or death resulting at any time from the “injury”, will be deemed to have been made at the time the first of such “claims” is made, regardless of the number of “claims” subsequently made.

B. Exclusions

This insurance does not apply to:

1. Criminal, Fraudulent Or Malicious Acts

An insured’s liability arising out of criminal, fraudulent or malicious acts or omissions by that insured.

This exclusion does not affect our duty to defend, in accordance with Paragraph **A.1.** above, an insured prior to determining, through the appropriate legal processes, that that insured is responsible for a criminal, fraudulent or malicious act or omission. However, our duty to defend will immediately terminate upon admission by the insured of their responsibility for such a criminal, fraudulent or malicious act or omission.

2. Contractual Liability

“Injury” for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement, including without limitation any contract or agreement between an insured and an independent contractor of the insured. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

3. Workers Compensation And Similar Laws

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

4. Violation Of Laws Applicable To Employers

A violation of your responsibilities or duties required by any other federal, state or local statutes, rules or regulations, and any rules or regulations promulgated therefor or amendments thereto, except for the following: Title VII of the Civil Rights Act of 1964 and amendments thereto, the Americans With Disabilities Act, the Age Discrimination in Employment Act, the Equal Pay Act, the Pregnancy Discrimination Act of 1978, the Immigration Reform Control Act of 1986 and the Family and Medical Leave Act of 1993 or any other similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions. This exclusion applies, without limitation, to violations of the Fair Labor Standards Act or any other similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties governing wage, hour or payroll practices.

However, this insurance does not apply to “injury” arising out of your failure to comply with any of the accommodations for the disabled required of you by, or any expenses incurred as the result of physical modifications made to accommodate any person pursuant to, the Americans With Disabilities Act, or any amendments thereto, or any similar state or local statutes, rules or regulations to the extent that they prescribe responsibilities or duties concerning the same acts or omissions.

This Exclusion **4**. does not apply to any “claim” for retaliatory treatment by an insured against any person making a “claim” pursuant to such person’s rights under any statutes, rules or regulations.

5. Strikes And Lockouts

"Injury" to any "employee" arising out of a labor dispute, or to an “employee” who has been temporarily or permanently replaced due to any labor dispute.

6. Equity-Based And Future Compensation

Any equity-based compensation including stock or stock option grants the insured becomes obligated to pay as damages resulting from an “injury” or any future compensation for a person the insured hires, reinstates or promotes related to the resolution of a “claim”.

C. Supplementary Payments

We will pay, with respect to any "claim" we investigate or settle, or any "suit" against an insured we defend:

1. 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.

2. 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 Limit of Insurance nor be subject to Section **IV** – Deductible.

SECTION II – WHO IS AN INSURED

A. If you are:

1. An individual, you and your spouse are insureds.

2. A partnership or joint venture, you are an insured. Your partners or members are also insureds.

3. A limited liability company, you are an insured. Your members and managers are also insureds.

4. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are also insureds.

B. Your “employees” who hold managerial or supervisory positions are insureds, unless otherwise excluded in this policy. Your former “employees” are also insureds, unless otherwise excluded in this policy, but only with respect to offenses committed while in your employ.

C. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. You must notify us of such acquisition or formation as soon as practicable. However, coverage under this provision:

1. Is afforded only until the 90th day after you acquire or form the organization, or until the end of the “coverage period”, whichever is earlier; and

2. Does not apply to 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 Employment-Related Practices Liability Declarations.

SECTION III – LIMIT OF INSURANCE

A. The Limit of Insurance shown in the Employment-Related Practices Liability Declarations and the rules below fix the most we will pay regardless of the number of:

1. Insureds;

2. "Claims" made or "suits" brought; or

3. Persons, organizations or government agencies making "claims" or bringing "suits".

B. The Limit of Insurance is the most we will pay for the sum of:

1. All damages; and

2. All "defense expenses"

because of the total of all "claims" first made against an insured during the “coverage period”.

The Limit of Insurance of this Coverage Part applies separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the “coverage period” shown in the Employment-Related Practices Liability Declarations, unless the “coverage 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 Limit of Insurance.

SECTION IV – DEDUCTIBLE

A. We will not pay for our share of damages and "defense expenses" until the amount of damages and "defense expenses" exceeds the Deductible shown in the Employment-Related Practices Liability Declarations. We will then pay the amount of damages and "defense expenses" in excess of the Deductible, up to the Limit of Insurance.

Example No. 1

Deductible: $5,000

Limit of Insurance: $100,000

Damages and "Defense Expenses": $75,000

The Deductible will be subtracted from the amount of damages and "defense expenses" in calculating the amount payable:

$75,000 - $5,000 = $70,000 Amount Payable

Example No. 2

Deductible: $5,000

Limit of Insurance: $100,000

Damages and "Defense Expenses": $120,000

The Deductible will be subtracted from the amount of damages and "defense expenses" ($120,000 - $5,000 = $115,000). Since the amount of the damages and "defense expenses" minus the Deductible exceeds the Limit of Insurance, the Coverage Part will pay the full Limit of Insurance ($100,000).

B. A single Deductible of the amount shown in the Employment-Related Practices Liability Declarations applies to all "claims" arising out of:

1. The same "injury"; or

2. A series of incidents, circumstances or behaviors which arise from a common cause

regardless of the number of persons, organizations or government agencies making such "claims".

C. We may pay any part or all of the Deductible amount to effect settlement of any "claim" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us.

D. The Deductible will be waived if no insured is found liable for “injuries” in a “claim” upon final settlement or adjudication of a “suit”.

SECTION V – CONDITIONS

A. Bankruptcy

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

B. Consent To Settle

If we recommend a settlement to you which is acceptable to the claimant, but to which you do not consent, the most we will pay as damages in the event of any later settlement or judgment is the amount for which the "claim" could have been settled, to which you did not give consent, less any Deductible amount.

C. Duties In The Event Of A "Claim" Or An Incident That May Result In "Injury"

1. If a "claim" is received by any insured, you must:

a. Immediately record the specifics of the "claim" and the date received; and

b. Notify us, in writing, as soon as practicable.

2. You and any other involved insured must:

a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";

b. Authorize us to obtain records and other information; and

c. Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit".

d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury" or damage to which this insurance may also apply.

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

4. If you have knowledge of an incident which may result in "injury" and for which a "claim" has not yet been received, you must notify us, in writing, as soon as practicable. Notice of an incident is not notice of a "claim".

D. Legal Action Against Us

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

1. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
2. To sue us 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.

We will also not be liable for the insured's share of any payment due because of a settlement or judgment for which the insured is responsible under Section **IV** – Deductible.

E. Other Insurance

If other valid and collectible insurance is available to the insured, our obligations are limited as follows:

1. **Primary Insurance**

   This insurance is primary. We will not seek contribution from any other insurance available to you or the involved insured unless the other insurance is specifically designed to provide coverage because of liability arising out of an "injury". Then we will share with that other insurance by the method described below.

2. **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.

The method chosen for the handling of other valid insurance will not affect your responsibility to share with us as specified under Section **IV** – Deductible.

F. Premium Audit

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

G. Representations

By accepting this Coverage Part, you agree that:

1. The statements in the Employment-Related Practices Liability Declarations are accurate and complete;
2. Those statements are based upon representations you made to us; and
3. We have issued this Coverage Part in reliance upon your representations.

H. Separation Of Insureds

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

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom "claim" is made.

I. Transfer Of Rights Of Recovery Against Others To Us

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

J. If You Are Permitted To Select Defense Counsel

If, by mutual agreement or court order, the insured is given the right to select defense counsel and the Limit of Insurance has not been used up, the following provisions apply:

1. We retain the right, at our discretion, to:

a. Settle, approve or disapprove the settlement of any "claim"; and

b. Appeal any judgment, award or ruling at our expense.

2. You and any other involved insured must:

a. Continue to comply with Section **V** – Paragraph **C.,** Duties In The Event Of A "Claim" Or An Incident That May Result In "Injury" Condition as well as the other provisions of this Coverage Part; and

b. Direct defense counsel of the insured to:

(1) Furnish us with the information we may request to evaluate those "suits" for coverage under this Coverage Part; and

(2) Cooperate with any counsel we may select to monitor or associate in the defense of those "suits".

3. If we defend you under a reservation of rights, both your and our counsel will be required to maintain records pertinent to your "defense expenses". These records will be used to determine the allocation of any "defense expenses" for which you may be solely responsible, including defense of an allegation not covered by this insurance.

K. Transfer Of Duties When Limit Of Insurance Is Used Up

1. If we conclude that, based on "claims" which have been reported to us and to which this insurance may apply, the Limit of Insurance is likely to be used up in the payment of judgments or settlements for damages or the payment of "defense expenses", we will notify the first Named Insured, in writing, to that effect.

2. When the Limit of Insurance has actually been used up in the payment of judgments or settlements for damages or the payment of "defense expenses", we will:

a. Notify the first Named Insured in writing, as soon as practicable, that such a limit has actually been used up and that our duty to defend the insured against "suits" seeking damages subject to that limit has also ended;

b. Initiate, and cooperate in, the transfer of control, to any appropriate insured, of all "suits" for which the duty to defend has ended for the reason described in Paragraph **2.a.** above and which are reported to us before that duty to defend ended; and

c. Take such steps, as we deem appropriate, to avoid a default in, or continue the defense of, such "suits" until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.

3. When **2.a.** above has occurred, the first Named Insured, and any other insured involved in a "suit" seeking damages subject to that limit, must:

a. Cooperate in the transfer of control of "suits"; and

b. Arrange for the defense of such "suit" within such time period as agreed to between the appropriate insured and us. Absent any such agreement, arrangements for the defense of such "suit" must be made as soon as practicable.

4. We will take no action with respect to defense for any "claim" if such "claim" is reported to us after the applicable Limit of Insurance has been used up. It becomes the responsibility of the first Named Insured, and any other insured involved in such a "claim", to arrange defense for such "claim".

5. The first Named Insured will reimburse us as soon as practicable for expenses we incur in taking those steps we deem appropriate in accordance with Paragraph **2.** Above.

6. The exhaustion of the applicable Limit of Insurance and the resulting end of our duty to defend will not be affected by our failure to comply with any of the provisions of this Condition.

L. 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 Employment-Related Practices Liability Declarations written notice of the nonrenewal at least 30 days before the end of the "coverage period", or earlier if required by the state law or regulation controlling the application of this Coverage Part. If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION VI – EXTENDED REPORTING PERIOD

A. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the effective date of such cancellation or nonrenewal and lasts for sixty (60) days. The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims". The Basic Extended Reporting Period does not reinstate or increase the limits of liability.

B. You will have the right to purchase a Supplemental Extended Reporting Period from us if:

1. This Coverage Part is cancelled or not renewed for any reason; or

2. We renew or replace this Coverage Part with insurance that:

a. Has a Retroactive Date later than the date shown in the Employment-Related Practices Liability Declarations of this Coverage Part; or

b. Does not apply to "injury" on a claims-made basis.

C. A Supplemental Extended Reporting Period, as specified in Paragraph **B**. above, lasts the amount of time indicated in the Employment-Related Practices Liability Declarations and is available only by endorsement and for an additional charge.

D. The Supplemental Extended Reporting Period starts with the end of the "coverage period". It does not extend the "coverage period" or change the scope of coverage provided. It applies only to "claims" to which the following applies:

1. The "claim" is first made during the Supplemental Extended Reporting Period;

2. The "injury" occurs before the end of the "coverage period"; and

3. The offense out of which the "injury" arose did not commence before the Retroactive Date, if any.

E. You must give us a written request for the Supplemental Extended Reporting Period Endorsement within sixty (60) days after the end of the "coverage period" or the effective date of cancellation, whichever comes first.

F. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due and any premium or deductible you owe us for coverage provided under this Coverage Part. Once in effect, the Extended Reporting Period may not be cancelled.

G. The additional premium will be the percentage of the full annual premium for this coverage indicated in the Employment-Related Practices Liability Declarations. The additional premium will not exceed 200% of the annual premium for this Coverage Part. At the commencement of the Supplemental Extended Reporting Period, the entire premium thereof shall be deemed fully earned and non-refundable.

H. When the Supplemental Extended Reporting Period Endorsement is in effect, we will provide a Supplemental Limit of Insurance for any "claim" first made during the Extended Reporting Period.

The Supplemental Limit of Insurance will be equal to the dollar amount shown in the Employment-Related Practices Liability Declarations in effect at the end of the "coverage period".

Paragraph **B.** of Section **III** – Limit Of Insurance will be amended accordingly.

SECTION VII – DEFINITIONS

A. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

B. "Claim" means a "suit" or written demand for monetary damages made by or for the injured person for damages because of alleged "injury", including a written demand that an insured toll or waive a statute of limitations. A “claim” includes, without limitation, a written demand for reinstatement of employment.

“Claims” do not include labor disputes which are subject to a written collective bargaining agreement.

C. "Coverage period” means the period from the Effective Date to the Expiration Date set forth in the Employment-Related Practices Liability Declarations or any earlier cancellation date.

D. “Coverage territory” means:

1. The United States of America (including its territories or possessions) and Canada; or

2. All parts of the world if the insured’s responsibility to pay damages is determined in a “suit” on the merits brought in the territory described in Paragraph **1.** above or in a settlement we agree to.

E. “Defense expenses” means payments allocated to a specific “claim” we investigate, settle or defend, for its investigation, settlement or defense, including:

1. Fees and salaries of attorneys and paralegals we retain, including attorneys and paralegals who are our “employees”.

2. Fees of attorneys the insured retains when, by our mutual agreement or court order (or when required by administrative hearing or proceeding), the insured is given the right to retain defense counsel to defend against a “claim”.

3. All other litigation or administrative hearing expenses, including fees or expenses of expert witnesses hired either by us or by the defense attorney retained by an insured.

4. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the “claim”, including actual loss of earnings up to $250 a day because of time off from work.

5. Costs taxed against the insured in the “suit”.

“Defense expenses” do not include salaries and expenses of our “employees” or the insured’s “employees” (other than those described in Paragraphs **1.** And **4.** above), or any expenses incurred by the insured prior to the submission of a “claim”.

F. “Discrimination” means violation of a person’s civil rights with respect to such person’s race, color, national origin, religion, gender, gender identity or presentation, marital status, age, sexual orientation or preference, physical or mental condition, military status, or any other protected class or characteristic established by any federal, state or local statutes, rules or regulations.

G. “Employee” includes a “leased worker” and a “temporary worker” but does not include an independent contractor or volunteer or intern.

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

I. "Injury" means injury to your "employee" arising out of one or more of the following offenses:

1. Demotion or failure to promote, negative evaluation, reassignment or discipline of your current "employee" or wrongful refusal to employ;

2. Wrongful termination, meaning the actual or constructive termination of an "employee":

a. In violation or breach of applicable law or public policy; or

b. Which is determined to be in violation of a contract or agreement, other than any employment contract or agreement, whether written, oral or implied, which stipulates financial consideration if such financial consideration is due as the result of a breach of the contract;

3. Wrongful denial of training, wrongful deprivation of career opportunity, or breach of employment contract;

4. Negligent hiring, training, retention or supervision which results in any of the other offenses listed in this definition;

5. Retaliatory action against an "employee" because the "employee" has:

a. Declined to perform an illegal or unethical act;

b. Filed a complaint or whistle blower claim with a governmental authority or a "suit" against you or any other insured in which damages are claimed;

c. Testified against you or any other insured at a legal proceeding; or

d. Notified a proper authority of any aspect of your business operation which is illegal;

6. Coercing an "employee" to commit an unlawful act or omission within the scope of that person's employment;

7. Work-related harassment;

8. Employment-related libel, slander, invasion of privacy, defamation or humiliation; or

9. Other work-related verbal, physical, mental or emotional abuse arising from "discrimination".

"Injury" does not include:

1. any "bodily injury" other than mental anguish or emotional distress associated with a "claim" covered under this Coverage Part;

2. any "property damage"; or

3. any false arrest, detention, imprisonment, malicious prosecution, wrongful eviction, or wrongful entry.

J. "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".

K. "Property damage" means:

1. Physical injury to tangible property, including all resulting loss of use of that property; or

2. 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.

L. "Suit" means a civil proceeding in which damages because of "injury" to which this insurance applies are alleged, including:

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

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

3. Any administrative proceeding or hearing conducted by a governmental agency (federal, state or local) having the proper legal authority over the matter in which such damages are claimed.

M. "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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-EMPLOYEE COVERAGE EXTENSION

This endorsement modifies insurance provided under the following:
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

Solely with respect to the coverage provided by this endorsement, the policy is amended as follows:

SCHEDULE

	Independent contractors
X	Customers and clients
X	Volunteers
X	All other non-employees

A. If customers and clients is indicated with an "X" in the Schedule, the following is added to Paragraph **B.** Exclusions of Section **I** – Employment-Related Practices Liability Coverage:

Trade Practices

Any "claim" arising out of actual or alleged false, deceptive or unfair trade practices, price discrimination, unfair competition, restraint of trade or other violation of any anti-trust or price-fixing rule.

B. If customers and clients is indicated with an "X" in the Schedule, Paragraph **B.** Exclusions, Sub-Paragraph **7.** Accommodation Expenses of Section **I** – Employment-Related Practices Liability Coverage does not apply.

C. Any "claim" arising out of actual or alleged false, deceptive or unfair trade practices, price discrimination, unfair competition, restraint of trade or other violation of any anti-trust or price-fixing rule.

D. The following is added to Paragraph **B.** of Section **III** – Limit of Insurance:

However, the most we will pay for damages and "defense expenses" for "claims" arising out of "non-employee discrimination" is the Non-Employee Liability Sub-Limit shown in the Declarations.

E. The following is added to Paragraph **G.** of Section **VII** – Definitions:

"Injury" also means injury to:

1. If independent contractors is indicated with an "X" in the Schedule, "independent contractors";

2. If customers and clients is indicated with an "X" in the Schedule, customers or clients; and

3. If volunteers is indicated with an "X" in the Schedule, volunteers, including without limitation interns

arising out of "discrimination" directed at them by any insured.

If all other non-employees is indicated with an "X" in the Schedule, "injury" also means "non-employee discrimination" or harassment directed at a non-"employee" by any insured in the course of that insured's work for you.

F. The following definitions are added to Section **VII** – Definitions:

"Independent contractor" means a person who is self-employed and engaged by the insured to provide services under a written contract or agreement.

"Non-employee discrimination" means "discrimination" toward a person who is not an "employee" of the insured.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

1. The insurance does not apply:

A. To liability:

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. To liability resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The liability 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.

2. As used in this endorsement:

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

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

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

"Spent fuel" means any fuel element or fuel com- ponent, solid or liquid, which has been used or ex posed to radiation in a "nuclear reactor".

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

"Nuclear facility" means:

A. Any "nuclear reactor";

B. Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

C. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

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

"Property damage" includes all forms of radioactive contamination of property.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the following:
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART

Solely with respect to the coverage provided by this endorsement, the policy is amended as follows:

A. Paragraph **A.3.** of Section **I** – Employment-Related Practices Liability Coverage is replaced by the following:

Insuring Agreement

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

a. When notice of such "claim", after being received by any insured, is reported to us in writing; or

b. When a “claim” against an insured is made directly to us in writing.

A "claim" received by the insured during the “coverage period” and reported to us within 30 days after the end of the “coverage period” will be considered to have been reported within the “coverage period”. However, this 30-day grace period does not apply to "claims" that are covered under a subsequent extended reporting period or replacement policy in the same company or company group, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

LIQUOR LIABILITY DECLARATIONS

Insurance Company: **State National Insurance Company, Inc.** (a stock insurance company) **1900 L Don Dodson Dr.** **Bedford, TX 76021** **(800) 877-4567**	**Producer / Administrator:** **Next Insurance, Inc.** **PO Box 60787** **Palo Alto, CA 94306** **(855) 222-5919**

NAMED INSURED
MAILING ADDRESS
Specimen Test
Restaurant Coverage
256 Adamtowne Dr
El Paso, TX 79928

POLICY PERIOD: FROM 04/30/2024 TO 04/30/2025 AT 12:01 A.M. TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

LIMITS OF INSURANCE		
EACH COMMON CAUSE LIMIT	$ 1,000,000.00	
AGGREGATE LIMIT		$ 2,000,000.00

RETROACTIVE DATE (CG 00 34 ONLY)

THIS INSURANCE DOES NOT APPLY TO " INJURY" WHICH OCCURS BEFORE THE RETROACTIVE DATE, IF ANY, SHOWN BELOW.

RETROACTIVE DATE: 04/30/2024

(ENTER DATE OR "NONE" IF NO RETROACTIVE DATE APPLIES)

DESCRIPTION OF BUSINESS

FORM OF BUSINESS:

☐ INDIVIDUAL ☐ PARTNERSHIP ☐ JOINT VENTURE

☒ LIMITED LIABILITY COMPANY ☐ ORGANIZATION, INCLUDING A CORPORATION (BUT NOT INCLUDING A PARTNERSHIP, JOINT VENTURE OR LIMITED LIABILITY COMPANY)

BUSINESS DESCRIPTION: Restaurant

ALL PREMISES YOU OWN, RENT OR OCCUPY	
LOCATION NUMBER	ADDRESS OF ALL PREMISES YOU OWN, RENT OR OCCUPY
1	Restaurant Coverage 256 Adamtowne Dr El Paso, TX 79928

CLASSIFICATION AND PREMIUM				
CLASSIFICATION	**CODE NO.**	**PREMIUM BASE**	**RATE**	**ADVANCE PREMIUM**
Restaurants	58161	$ 45.0	$ 8.00	$ 360.00

STATE TAX OR OTHER (if applicable) $ 0.00

TOTAL PREMIUM (SUBJECT TO AUDIT) $ 360.00

PREMIUM SHOWN IS PAYABLE:

AT INCEPTION $ ______

AT EACH ANNIVERSARY $ ______

(IF POLICY PERIOD IS MORE THAN ONE YEAR AND PREMIUM IS PAID IN ANNUAL INSTALLMENTS)

AUDIT PERIOD (IF APPLICABLE)	☒ ANNUALLY	☐ SEMI-ANNUALLY	☐ QUARTERLY	☐ MONTHLY

ENDORSEMENTS	
ENDORSEMENTS ATTACHED TO THIS POLICY:	
Title	Form Number and Edition Date
Liquor Liability Declarations	CG DS 03 07 98
Liquor Liability Coverage Form	CG 00 33 04 13
Liquor Liability - Bring Your Own Alcohol Establishments	CG 24 06 04 13
Limitation of Coverage to Insured Premises	CG 28 06 01 96

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: 04/30/2024	By: Ann Ryan
(Date)	(Authorized Representative)

NOTE

OFFICERS' FACSIMILE SIGNATURES MAY BE INSERTED HERE, ON THE POLICY COVER OR ELSEWHERE AT THE COMPANY'S OPTION.

LIQUOR LIABILITY COVERAGE FORM

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

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

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

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

SECTION I – LIQUOR LIABILITY COVERAGE

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "injury" to which this insurance applies if liability for such "injury" is imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage. 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 "injury" to which this insurance does not apply. We may, at our discretion, investigate any "injury" and settle any claim or "suit" that may result. But:

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

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

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

b. This insurance applies to "injury" only if:

(1) The "injury" occurs during the policy period in the "coverage territory"; and

(2) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "injury" or claim, knew that the "injury" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "injury" occurred, then any continuation, change or resumption of such "injury" during or after the policy period will be deemed to have been known prior to the policy period.

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

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

(1) Reports all, or any part, of the "injury" to us or any other insurer;

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

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

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

b. Workers' Compensation And Similar Laws

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

c. **Employer's Liability**

"Bodily injury" to:

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

(a) Employment by the insured; or

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

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

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

d. **Liquor License Not In Effect**

"Injury" arising out of any alcoholic beverage sold, served or furnished while any required license is not in effect.

e. **Your Product**

"Injury" arising out of "your product". This exclusion does not apply to "injury" for which the insured or the insured's indemnitees may be held liable by reason of:

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

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

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

f. **Other Insurance**

Any "injury" with respect to which other insurance is afforded, or would be afforded but for the exhaustion of the limits of insurance.

This exclusion does not apply if the other insurance responds to liability for "injury" imposed on the insured by reason of the selling, serving or furnishing of any alcoholic beverage.

g. **War**

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

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

1. All expenses we incur.
2. 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.
3. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.
4. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
5. 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.
6. 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.
7. Expenses incurred by the insured for first aid administered to others at the time of an event to which this insurance applies.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

   a. An individual, you and your spouse are insureds.

   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 "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" is an insured for:

(1) "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;

(b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph **(a)** above; or

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(a)** or **(b)** above.

(2) "Property damage" to property:

(a) Owned or occupied by; or

(b) Rented or loaned;

to that "employee", any of your other "employees", by any of your partners or members (if you are a partnership or joint venture), or by any of your members (if you are a limited liability company).

b. 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.

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

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

a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and

b. Coverage does not apply to "injury" that occurred 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 Aggregate Limit is the most we will pay for all "injury" as the result of the selling, serving or furnishing of alcoholic beverages.

3. Subject to the Aggregate Limit, the Each Common Cause Limit is the most we will pay for all "injury" sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

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

SECTION IV – LIQUOR 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 Injury, Claim Or Suit

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

(1) How, when and where the "injury" took place;

(2) The names and addresses of any injured persons and witnesses; and

(3) The nature and location of any "injury".

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" to which this insurance may also apply.

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

3. Legal Action Against Us

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

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

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

4. Other Insurance

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

a. Primary Insurance

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 **b.** below.

b. Method Of Sharing

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

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

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

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

6. **Representations**

By accepting this policy, you agree:

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

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. **Separation Of Insureds**

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

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. **Transfer Of Rights Of Recovery Against Others To Us**

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

9. **When We Do Not Renew**

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

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

SECTION V – DEFINITIONS

1. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

2. "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" occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the "injury" arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above; or

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business;

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

3. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

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

5. "Injury" means damages because of "bodily injury" and "property damage", including damages for care, loss of services or loss of support.

6. "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".

7. "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.

8. "Suit" means a civil proceeding in which damages because of "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.

9. "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.

10. "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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIQUOR LIABILITY – BRING YOUR OWN ALCOHOL ESTABLISHMENTS

This endorsement modifies insurance provided under the following:

LIQUOR LIABILITY COVERAGE PART

The following is added to Paragraph **1. Insuring Agreement** of **Section I – Liquor Liability Coverage:**

1. Insuring Agreement

An insured who permits any person to bring any alcoholic beverage on their premises, for consumption on the premises, whether or not a fee is charged for such activity, will also be considered selling, serving or furnishing alcoholic beverages.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO INSURED PREMISES

This endorsement modifies insurance provided under the following:

LIQUOR LIABILITY COVERAGE PART

SCHEDULE

Description and Location of "Insured Premises":

Restaurant Coverage
256 Adamtowne Dr
El Paso, TX 79928

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. This insurance only applies to damages arising out of your "insured premises".

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

"Insured premises" means:

1. The premises shown in the Schedule; and

2. Any premises you acquire during the policy period for use in manufacturing, distributing, selling, serving or furnishing alcoholic beverages if:

a. You notify us within 30 days after the acquisition, and

b. You have no other valid and collectible insurance applicable to the loss.

COMMERCIAL EXCESS LIABILITY DECLARATIONS

POLICY NUMBER: NXTC9737Q4-00-GL

Named Insured and Mailing Address: Specimen Test
Restaurant Coverage
256 Adamtowne Dr
El Paso, TX 79928

Policy Period: **From:** 04/30/2024 **To:** 04/30/2025
at 12:01 AM standard time at your mailing address shown above

DECRIPTION OF BUSINESS: Restaurant

IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

LIMITS OF INSURANCE

Each Occurrence Limit	**$** 1,000,000.00
Aggregate Limit	**$** 1,000,000.00
Other:	**$**

PREMIUMS:

Commercial Excess Liability Premium	**$**240.00
TRIA Premium	**$**0.00
State Tax Or Other (if applicable)	**$**0.00
Total Advance Annual Premium	**$**240.00

AUDIT:

☐ NON-AUDITABLE ☒ AUDITABLE

Audit Period (If Applicable) ☒ **Annually** ☐ **Semiannually** ☐ **Quarterly** ☐ **Monthly**

THESE DECLARATIONS, TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

FORMS AND ENDORSEMENTS ATTACHED TO THIS COVERAGE

NXT-XLIA-0001.1-0423	Commercial Excess Liability Declarations
CX 00 01 04 13	Commercial Excess Liability Coverage Form
CX 21 01 09 08	Broad Form Nuclear Exclusion Endorsement
CX 02 13 11 13	Texas Changes - Cancellation And Nonrenewal

SCHEDULE OF CONTROLLING UNDERLYING INSURANCE

Commercial General Liability [X] **Occurrence** [ ] **Claims-made**

Company: State National Insurance Company, Inc

Policy Number: NXTC9737Q4-00-GL

Policy Period: 04/30/2024 **To:** 04/30/2025

Limits of Insurance:

Each Occurrence	**$** 1,000,000.00
Personal And Advertising Injury	**$** 1,000,000.00
Products-Completed Operations Aggregate	**$** 2,000,000.00
General Aggregate	**$** 2,000,000.00

Commercial Auto Liability

Company:

Policy Number:

Policy Period:

Limits of Insurance:

Combined Single Limit	**$**	**Each Accident**

Employers Liability

Company:

Policy Number:

Policy Period:

Limits of Insurance:

Bodily Injury By Accident	**$**	**Each Accident**
Bodily Injury By Disease	**$**	**Each Employee**
Bodily Injury By Disease	**$**	**Policy Limit**

Other Coverages [ ] **Occurrence** [ ] **Claims-made**

Company:

Policy Number:

Policy Period:

Limits of Insurance:

$

$

COMMERCIAL EXCESS LIABILITY COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks in this Coverage Part have special meaning. Refer to Section **IV** – Definitions. Other words and phrases that are not defined under this Coverage Part but defined in the "controlling underlying insurance" will have the meaning described in the policy of "controlling underlying insurance".

The insurance provided under this Coverage Part will follow the same provisions, exclusions and limitations that are contained in the applicable "controlling underlying insurance", unless otherwise directed by this insurance. To the extent such provisions differ or conflict, the provisions of this Coverage Part will apply. However, the coverage provided under this Coverage Part will not be broader than that provided by the applicable "controlling underlying insurance".

There may be more than one "controlling underlying insurance" listed in the Declarations and provisions in those policies conflict, and which are not superseded by the provisions of this Coverage Part. In such a case, the provisions, exclusions and limitations of the "controlling underlying insurance" applicable to the particular "event" for which a claim is made or suit is brought will apply.

SECTION I – COVERAGES

1. Insuring Agreement

a. We will pay on behalf of the insured the "ultimate net loss" in excess of the "retained limit" because of "injury or damage" to which insurance provided under this Coverage Part applies.

We will have the right and duty to defend the insured against any suit seeking damages for such "injury or damage" when the applicable limits of "controlling underlying insurance" have been exhausted in accordance with the provisions of such "controlling underlying insurance".

When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other suit seeking damages for "injury or damage".

However, we will have no duty to defend the insured against any suit seeking damages for which insurance under this policy does not apply.

At our discretion, we may investigate any "event" that may involve this insurance and settle any resultant claim or suit, for which we have the duty to defend.

But:

(1) The amount we will pay for "ultimate net loss" is limited as described in Section **II** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Coverage Part. However, if the policy of "controlling underlying insurance" specifies that limits are reduced by defense expenses, our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of defense expenses, judgments or settlements under this Coverage Part.

b. This insurance applies to "injury or damage" that is subject to an applicable "retained limit". If any other limit, such as, a sublimit, is specified in the "controlling underlying insurance", this insurance does not apply to "injury or damage" arising out of that exposure unless that limit is specified in the Declarations under the Schedule of "controlling underlying insurance".

c. If the "controlling underlying insurance" requires, for a particular claim, that the "injury or damage" occur during its policy period in order for that coverage to apply, then this insurance will only apply to that "injury or damage" if it occurs during the policy period of this Coverage Part. If the "controlling underlying insurance" requires that the "event" causing the particular "injury or damage" takes place during its policy period in order for that coverage to apply, then this insurance will apply to the claim only if the "event" causing that "injury or damage" takes place during the policy period of this Coverage Part.

d. Any additional insured under any policy of "controlling underlying insurance" will automatically be an additional insured under this insurance. If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance required by the contract, less any amounts payable by any "controlling underlying insurance".

Additional insured coverage provided by this insurance will not be broader than coverage provided by the "controlling underlying insurance".

2. Exclusions

The following exclusions, and any other exclusions added by endorsement, apply to this Coverage Part. In addition, the exclusions applicable to any "controlling underlying insurance" apply to this insurance unless superseded by the following exclusions, or superseded by any other exclusions added by endorsement to this Coverage Part.

Insurance provided under this Coverage Part does not apply to:

a. Medical Payments

Medical payments coverage or expenses that are provided without regard to fault, whether or not provided by the applicable "controlling underlying insurance".

b. Auto

Any loss, cost or expense payable under or resulting from any of the following auto coverages:

(1) First-party physical damage coverage;

(2) No-fault coverage;

(3) Personal injury protection or auto medical payments coverage; or

(4) Uninsured or underinsured motorists coverage.

c. Pollution

(1) "Injury or damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

(2) Any loss, 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.

This exclusion does not apply to the extent that valid "controlling underlying insurance" for the pollution liability risks described above exists or would have existed but for the exhaustion of underlying limits for "injury or damage".

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.

SECTION II – 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 number of vehicles involved;

c. Persons or organizations making claims or bringing suits; or

d. Limits available under any "controlling underlying insurance".

2. The Limits of Insurance of this Coverage Part will apply as follows:

a. This insurance only applies in excess of the "retained limit".

b. The Aggregate Limit is the most we will pay for the sum of all "ultimate net loss", for all "injury or damage" covered under this Coverage Part.

However, this Aggregate Limit only applies to "injury or damage" that is subject to an aggregate limit of insurance under the "controlling underlying insurance".

c. Subject to Paragraph **2.b.** above, the Each Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" under this insurance because of all "injury or damage" arising out of any one "event".

d. If the Limits of Insurance of the "controlling underlying insurance" are reduced by defense expenses by the terms of that policy, any payments for defense expenses we make will reduce our applicable Limits of Insurance in the same manner.

3. If any "controlling underlying insurance" has a policy period that is different from the policy period of this Coverage Part then, for the purposes of this insurance, the "retained limit" will only be reduced or exhausted by payments made for "injury or damage" covered under this insurance.

The Aggregate Limit of this Coverage Part applies separately to each consecutive annual period of this Coverage Part and to any remaining period of this Coverage Part 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 III – CONDITIONS

The following conditions apply. In addition, the conditions applicable to any "controlling underlying insurance" are also applicable to the coverage provided under this insurance unless superseded by the following conditions.

1. Appeals

If the "controlling underlying insurer" or insured elects not to appeal a judgment in excess of the amount of the "retained limit", we may do so at our own expense. We will also pay for taxable court costs, pre- and postjudgment interest and disbursements associated with such appeal. In no event will this provision increase our liability beyond the applicable Limits of Insurance described in Section **II** – Limits Of Insurance.

2. Bankruptcy

a. Bankruptcy Of Insured

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

b. Bankruptcy Of Controlling Underlying Insurer

Bankruptcy or insolvency of the "controlling underlying insurer" will not relieve us of our obligations under this Coverage Part.

However, insurance provided under this Coverage Part will not replace any "controlling underlying insurance" in the event of bankruptcy or insolvency of the "controlling underlying insurer". The insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect and recoverable.

3. Duties In The Event Of An Event, Claim Or Suit

a. You must see to it that we are notified as soon as practicable of an "event", regardless of the amount, which may result in a claim under this insurance. To the extent possible, notice should include:

(1) How, when and where the "event" 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 "event".

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 insured involved must:

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

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

(3) Cooperate with us in the investigation or settlement of the claim or defense against the suit; and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury or damage" to which this insurance may also apply.

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

4. First Named Insured Duties

The first Named Insured is the person or organization first named in the Declarations and is responsible for the payment of all premiums. The first Named Insured will act on behalf of all other Named Insureds for giving and receiving of notice of cancellation or the receipt of any return premium that may become payable.

At our request, the first Named Insured will furnish us, as soon as practicable, with a complete copy of any "controlling underlying insurance" and any subsequently issued endorsements or policies which may in any way affect the insurance provided under this Coverage Part.

5. Cancellation

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) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

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

6. Changes

This Coverage Part contains all the agreements between you and us concerning the insurance afforded. The first Named Insured is authorized by all other insureds to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement.

7. Maintenance Of/Changes To Controlling Underlying Insurance

Any "controlling underlying insurance" must be maintained in full effect without reduction of coverage or limits except for the reduction of aggregate limits in accordance with the provisions of such "controlling underlying insurance" that results from "injury or damage" to which this insurance applies.

Such exhaustion or reduction is not a failure to maintain "controlling underlying insurance". Failure to maintain "controlling underlying insurance" will not invalidate insurance provided under this Coverage Part, but insurance provided under this Coverage Part will apply as if the "controlling underlying insurance" were in full effect.

The first Named Insured must notify us in writing, as soon as practicable, if any "controlling underlying insurance" is cancelled, not renewed, replaced or otherwise terminated, or if the limits or scope of coverage of any "controlling underlying insurance" is changed.

8. Other Insurance

a. This insurance is excess over, and shall not contribute with any of the other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

When this insurance is excess, if no other insurer defends, we may undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

b. When this insurance is excess over other insurance, we will pay only our share of the "ultimate net loss" that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of the insurance provided under this Coverage Part; and

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

9. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. If this policy is auditable, the premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period, we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit premium 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.

10. Loss Payable

Liability under this Coverage Part does not apply to a given claim unless and until:

a. The insured or insured's "controlling underlying insurer" has become obligated to pay the "retained limit"; and

b. The obligation of the insured to pay the "ultimate net loss" in excess of the "retained limit" has been determined by a final settlement or judgment or written agreement among the insured, claimant, "controlling underlying insurer" (or a representative of one or more of these) and us.

11. Legal Action Against Us

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

a. To join us as a party or otherwise bring us into a suit asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

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

12. Transfer Of Defense

a. Defense Transferred To Us

When the limits of "controlling underlying insurance" have been exhausted, in accordance with the provisions of "controlling underlying insurance", we may elect to have the defense transferred to us. We will cooperate in the transfer of control to us of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

b. Defense Transferred By Us

When our limits of insurance have been exhausted our duty to provide a defense will cease.

We will cooperate in the transfer of control of defense to any insurer specifically written as excess over this Coverage Part of any outstanding claims or suits seeking damages to which this insurance applies and which would have been covered by the "controlling underlying insurance" had the applicable limit not been exhausted.

In the event that there is no insurance written as excess over this Coverage Part, we will cooperate in the transfer of control to the insured and its designated representative.

13. When We Do Not Renew

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

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

SECTION IV – DEFINITIONS

The definitions applicable to any "controlling underlying insurance" also apply to this insurance. In addition, the following definitions apply.

1. "Controlling underlying insurance" means any policy of insurance or self-insurance listed in the Declarations under the Schedule of "controlling underlying insurance".

2. "Controlling underlying insurer" means any insurer who provides any policy of insurance listed in the Declarations under the Schedule of "controlling underlying insurance".

3. "Event" means an occurrence, offense, accident, act, or other event, to which the applicable "controlling underlying insurance" applies.

4. "Injury or damage" means any injury or damage, covered in the applicable "controlling underlying insurance" arising from an "event".

5. "Retained limit" means the available limits of "controlling underlying insurance" applicable to the claim.

6. "Ultimate net loss" means the total sum, after reduction for recoveries, or salvages collectible, that the insured becomes legally obligated to pay as damages by reason of:

a. Settlements, judgments, binding arbitration; or

b. Other binding alternate dispute resolution proceeding entered into with our consent.

"Ultimate net loss" includes defense expenses if the "controlling underlying insurance" specifies that limits are reduced by defense expenses.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(BROAD FORM)

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions:**

2. Exclusions

NUCLEAR ENERGY LIABILITY

a. Under any Liability Coverage, to "injury or damage":

(1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

b. Under any Liability Coverage, to "injury or damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "injury or 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.

c. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

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

"Injury or damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

A. Paragraph **5.b.** of the **Cancellation** Provisions of **Section III – Conditions** is replaced by the following:

b. We may cancel this policy:

(1) By mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.

However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the first Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.

(2) For the following reasons, if this policy does not provide coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001 :

(a) If this policy has been in effect for 60 days or less, we may cancel for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

(b) If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:

(i) Fraud in obtaining coverage;

(ii) Failure to pay premiums when due;

(iii) An increase in hazard within the control of the insured which would produce an increase in rate;

(iv) Loss of our reinsurance covering all or part of the risk covered by the policy; or

(v) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

(3) For the following reasons, if this policy provides coverage to a governmental unit, as defined under 28 TEX. ADMIN. CODE, Section 5.7001:

(a) If this policy has been in effect for less than 90 days, we may cancel this policy for any reason.

(b) If this policy has been in effect for 90 days or more, or if it is a renewal or continuation of a policy issued by us, we may cancel this policy, only for the following reasons:

(i) If the first Named Insured does not pay the premium or any portion of the premium when due;

(ii) If the Texas Department of Insurance determines that continuation of this policy would result in violation of the Texas Insurance Code or any other law governing the business of insurance in Texas;

(iii) If the Named Insured submits a fraudulent claim; or

(iv) If there is an increase in the hazard within the control of the Named Insured which would produce an increase in rate.

B. Paragraph **13. When We Do Not Renew** of **Section III – Conditions** is replaced by the following:

NONRENEWAL

1. We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

2. This Paragraph, **2.,** applies unless the policy qualifies under Paragraph **3.** below.

If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:

a. The first Named Insured; and

b. Each unit-owner to whom we issued a certificate or memorandum of insurance.

We will mail or deliver such notice to each last mailing address known to us.

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

5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

State National Insurance Company, Inc.

Policy Holder Privacy Statement

As a policyholder of State National Insurance Company, Inc., you may remember that you purchased your State National Insurance Company, Inc. policy from an insurance agent. Please understand that the agent from whom you purchased your State National Insurance Company, Inc. policy is not affiliated with State National Insurance Company, Inc., but rather is a separate legal entity. In the process of purchasing your State National Insurance Company, Inc. policy, you may have provided your insurance agent with various information, including nonpublic personal information about yourself. You did not provide any such information directly to State National Insurance Company, Inc., but on occasion we may receive such information from your insurance agent. This statement is intended to explain and disclose State National Insurance Company, Inc.'s policies and practices regarding the collection, disclosure and protection of such information.

State National Insurance Company, Inc. will provide customers like yourself with a copy of our privacy policy at the beginning of our relationship and annually thereafter, unless and until our relationship ends. As our products and services continue to evolve, it may be necessary to review and revise our privacy policies, in which case we will provide you with an updated privacy notice.

I. Financial Information Collected.

During the ordinary course of our business, State National Insurance Company, Inc. may – as explained above – collect information about you from the following sources:

- Information the insurance agent receives from you on applications or other forms;
- Information about your transactions (including claims) with us, our affiliates and others; and
- Information we receive from other agents, brokers, administrators, insurance support agencies, legal counsel, consumer reporting agencies and government reporting agencies.

II. Financial Information Disclosed.

We do not disclose any information about our customers or former customers to anyone, except as permitted by law to service your business.

III. Parties To Whom Information is Disclosed.

We do not disclose any information about our customers or former customers to anyone, except as permitted by law to service your business.

IV. Confidentiality and Security of Information.

We restrict access to information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to guard your information.

V. Access to and Correction of Your Information.

You may write to us if you have any questions about the information that we may have in our records about you. We will respond within 30 business days from the date such request is received to your inquiry. If you wish, you may review this information in person or receive a copy at a reasonable charge. You can notify us in writing if you believe any information should be corrected, amended, or deleted and we will review your request. We will either make the requested change or explain why we did not do so. If we do not make the requested change, you may submit a short written statement identifying the disputed information, which will be included in all future disclosures of your information.

We value your business. This statement is for your information. No response is necessary.

Secretary

President

STATE NATIONAL INSURANCE COMPANY, INC.
(a stock insurance company)

1900 L Don Dodson Dr.
Bedford, Texas 76021
(800) 877-4567

Administered by:

Next Insurance, Inc.
PO Box 60787
Palo Alto, CA 94306
(855) 222-5919

PRIVACY AND NETWORK LIABILITY DECLARATIONS

THIS COVERAGE IS PROVIDED ON A CLAIMS-MADE AND REPORTED BASIS AND, SUBJECT TO ITS PROVISIONS, APPLIES ONLY TO "CLAIMS" FIRST MADE AGAINST YOU DURING THE COVERAGE PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD AND REPORTED TO US IN ACCORDANCE WITH THE PROVISIONS OF THIS COVERAGE PART. "DEFENSE COSTS" REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY. COVERAGE UNDER THIS COVERAGE PART, INCLUDING PAYMENT OF "DEFENSE COSTS", IS SUBJECT TO THE INSURED'S PAYMENT OF THE RETENTION. PLEASE READ THE ENTIRE FORM CAREFULLY.

POLICY NUMBER:	NXTC9737Q4-00-GL	
NAMED INSURED AND MAILING ADDRESS:	Specimen Test Restaurant Coverage 256 Adamtowne Dr El Paso, TX 79928	
ENDORSEMENT PERIOD:	From: 04/30/2024	To: 04/30/2025
At 12:01 A.M. standard time at the mailing address shown above		

LIMITS OF INSURANCE AND RETENTION:		
Aggregate Limit of Insurance	$ 25,000.00	
Retention Amount	$ 1,000.00	
Business Income And Extra Expense Waiting Period	24	Hours
Business Income And Extra Expense Maximum Restoration Period	90	Days

AGGREGATE SUBLIMIT(S) OF INSURANCE:	
A.1. Cyber Incident Or Information Security Breach Expense – Public Relations Expenses	$5,000.00
A.2. Cyber Extortion Events – Cyber Extortion Expenses	$0.00
A.2. Cyber Extortion Events – Reward Payments (subject to the Cyber Extortion Expenses Sublimit Of Insurance)	$0.00

A.4. Business Income And Extra Expense – Business Income And Extra Expense	$ 10,000.00
B.2. Regulatory Proceeding Liability – Regulatory Defense Costs	$ 10,000.00
B.3. Payment Card Industry Liability – Payment Card Industry Loss	$ 10,000.00
C. Computer And Funds Transfer Fraud – Computer And Funds Transfer Fraud	$ 5,000.00
If a Sublimit of $0 is shown, there is no coverage under the applicable Insuring Agreement	

COVERAGE PREMIUM:	168.00

ADDITIONAL EXTENDED REPORTING PERIOD OPTION(S):	
12 months at ___ % of Full Annual Premium	24 months at ___ % of Full Annual Premium
36 months at 200 % of Full Annual Premium	48 months at ___ % of Full Annual Premium
60 months at ___ % of Full Annual Premium	Unlimited at ___ % of Full Annual Premium

RETROACTIVE DATE AND PRIOR OR PENDING LITIGATION DATE:		
	Retroactive Date	**Pending or Prior Litigation Date**
A. First Party Insuring Agreements	04/30/2024	04/30/2024
B.1. Cyber Incident Or Information Security Breach Liability	04/30/2024	04/30/2024
B.2. Regulatory Proceeding Liability	04/30/2024	04/30/2024
B.3. Payment Card Industry Liability	04/30/2024	04/30/2024
If no date is entered, the Retroactive Date or Prior or Pending Litigation Date is the same as the effective date of this Coverage Part.		

FORM AND ENDORSEMENTS THAT APPLY:	
Form Title	**Form Number and Edition Date**
Privacy and Network Liability Declarations	NXT-CY-0001.1-0322
Privacy and Network Liability Coverage Form	NXT-CY-1001.1-0322
Texas Changes	NXT-CY-2005.1-TX-0322

These Privacy and Network Liability Declarations, together with the Common Policy Conditions, Privacy and Network Liability Coverage Form and Endorsements, if any, shall constitute this Privacy and Network Liability Coverage Part, which in turn forms a part of the Policy Number shown above.

PRIVACY AND NETWORK LIABILITY COVERAGE FORM

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

Throughout this Coverage Part the words "we", "us" and "our" refer to the company providing this insurance.

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

SECTION I – INSURING AGREEMENTS

A. First Party Insuring Agreements

For coverage under First Party Insuring Agreements to apply, the "cyber incident", "cyber extortion event" or "information security breach" must be "discovered" within the "coverage period" or, if applicable, within the Extended Discovery Period, and reported to us as soon as practicable, but in no event later than 60 days after the end of the "coverage period" or, if applicable, the Extended Discovery Period, in accordance with the terms of this Coverage Part.

1. Cyber Incident Or Information Security Breach Expense

We will pay for "cyber incident or information security breach expenses" resulting directly from a "cyber incident" or an "information security breach".

2. Cyber Extortion Events

We will pay for "cyber extortion expenses" resulting directly from a "cyber extortion event".

3. Replacement Or Restoration Of Electronic Data

We will pay for "data restoration expenses" resulting directly from a "cyber incident".

4. Business Income And Extra Expense

We will pay for "business income loss" and "extra expenses" incurred during the "period of restoration" due to an "interruption" resulting directly from a "cyber incident".

B. Liability Insuring Agreements

For coverage under Liability Insuring Agreements to apply, "claims" must be first made against an "insured" during the "coverage period" or during any applicable Extended Reporting Period, and reported to us as soon as practicable, but in no event later than 60 days after the end of the "coverage period" or any applicable Extended Reporting Period, in accordance with the terms of this Coverage Part.

1. Cyber Incident Or Information Security Breach Liability

We will pay for "liability loss" that an "insured" becomes legally obligated to pay and "defense costs" as a result of a "claim" for a "wrongful act" or a series of "interrelated wrongful acts" taking place on or after the Retroactive Date, if any, and before the end of the "coverage period".

2. Regulatory Proceeding Liability

We will pay for "regulatory loss" that the "organization" becomes legally obligated to pay and "defense costs" as a result of a "claim" for a "wrongful act" or a series of "interrelated wrongful acts" taking place on or after the Retroactive Date, if any, and before the end of the "coverage period".

3. Payment Card Industry Liability

We will pay for "payment card industry loss" that the "organization" becomes legally obligated to pay and "defense costs" as a result of a "claim" for a "wrongful act" or a series of "interrelated wrongful acts" taking place on or after the Retroactive Date, if any, and before the end of the "coverage period".

C. Computer And Funds Transfer Fraud

1. For coverage under the Computer And Funds Transfer Fraud Insuring Agreement to apply:

a. the "computer and funds transfer fraud loss" that the "organization" sustains must result directly from an "occurrence";

b. the "computer and funds transfer fraud loss" must be "discovered" by the "insured" during the "coverage period" or any applicable Extended Discovery Period.

c. the "insured" must report the "computer and funds transfer fraud loss" to us as soon as possible but in no event later than 60 days after the end of the “coverage period” or any applicable Extended Discovery Period, in accordance with the terms of this Coverage Part.

2. We will pay for:

a. "Computer and funds transfer fraud loss” resulting directly from a fraudulent:

(1) Entry of “electronic data” or “computer program” into; or

(2) Change of “electronic data” or “computer program” within;

the “organization's computer system”, provided the fraudulent entry or fraudulent change causes “money”, securities or other property to be transferred, paid or delivered; or the “organization's” account at a financial institution to be debited or deleted.

b. "Computer and funds transfer fraud loss” resulting directly from a “fraudulent instruction” directing a financial institution to debit an “organization's” “transfer account” and transfer, pay or deliver “money” or securities from that account.

3. As used in Paragraph **C.2.a.,** fraudulent entry or fraudulent change of “electronic data” or “computer program” shall include such entry or change made by an “employee” acting, in good faith, upon a “fraudulent instruction” received from a computer software contractor who has a written agreement with the “organization” to design, implement or service “computer programs” for the “organization's computer system".

SECTION II – LIMITS OF INSURANCE

A. Aggregate Limit Of Insurance

The most we will pay for all covered “loss” under this Coverage Part is the Aggregate Limit Of Insurance shown in the Declarations. The Aggregate Limit of Insurance shall be reduced by the amount of any payment made under the terms of this Coverage Part including “defense costs”. Upon exhaustion of the Aggregate Limit of Insurance by such payment(s), we will have no further obligations or liability of any kind under this Coverage Part.

B. Sublimit(s) Of Insurance

Subject to the Aggregate Limit of Insurance, the most we will pay under:

1. Insuring Agreement **A.1.** Cyber Incident Or Information Security Breach Expense for all Public Relations Expenses is the Public Relations Expenses Sublimit Of Insurance;

2. Insuring Agreement **A.2.** Cyber Extortion Events for all “cyber extortion expenses” is the Cyber Extortion Expenses Sublimit Of Insurance;

3. Insuring Agreement **A.2.** Cyber Extortion Events for all Reward Payments is the Reward Payments Sublimit of Insurance subject to the Cyber Extortion Expenses Sublimit Of Insurance;

4. Insuring Agreement **A.4.** Business Income And Extra Expense for all “business income loss” and “extra expenses” is the Business Income And Extra Expense Sublimit Of Insurance;

5. Insuring Agreement **B.2.** Regulatory Proceeding Liability for all “regulatory loss” and “defense costs” incurred as a result of a “claim” is the Regulatory Loss Sublimit Of Insurance;

6. Insuring Agreement **B.3.** Payment Card Industry Liability for all "payment card industry loss" and "defense costs" incurred as a result of a "claim" is the Payment Card Industry Loss Sublimit Of Insurance; and

7. Insuring Agreement **C.** Computer And Funds Transfer Fraud for all “computer and funds transfer fraud loss” is the Computer And Funds Transfer Fraud Sublimit Of Insurance;

if any, shown in the Declarations.

These Sublimit(s) of Insurance are part of, and not in addition to, the Coverage Part Aggregate Limit of Insurance. Upon exhaustion of any Sublimit(s) of Insurance by payment of “loss”, we will have no further obligations or liability of any kind with respect to “loss” that is subject to such Sublimit Of Insurance.

SECTION III – RETENTION

A. Under each insuring agreement, except under Insuring Agreement **A.4.** Business Income And Extra Expense, we will only pay for “loss” once the amount of “loss” exceeds the applicable Retention Amount shown in the

Declarations.

B. Under Insuring Agreement **A.4.** Business Income And Extra Expense, we will only pay the amount of "loss" which exceeds the greater of:

1. The Coverage Part Retention Amount shown in the Declarations; or

2. The amount of "loss" incurred during the Waiting Period shown in the Declarations.

In the event coverage resulting from the same "cyber incident", "cyber extortion event", "information security breach", "wrongful act" or any combination of "interrelated wrongful acts" is provided under more than one insuring agreement, only the highest Retention Amount shall apply to all "loss".

SECTION IV – DEFENSE AND SETTLEMENT

The provisions contained within this section apply only to Liability Insuring Agreements:

A. Defense

We shall have the right and duty to defend any covered "claim", including the right to select defense counsel, even if the allegations of such "claim" are groundless, false or fraudulent. However, we shall have the right but not the duty to defend the "insured" against a "claim" covered under Insuring Agreement **B.2.** Regulatory Proceeding Liability. We shall have no duty to defend the "insured" against any "claim" which is not covered under any Liability Insuring Agreement.

B. Settlement

1. We shall have the right to negotiate and settle any "claim", but will not enter into any settlement without the "organization's" consent. If the "organization" withholds consent to a settlement recommended by us and acceptable to the claimant, our duty to defend ends, and the most we will pay for that "claim" is the sum of:

a. The amount for which we could have settled the "claim";

b. "Defense costs" incurred, up to the date of the "organization's" refusal to settle the "claim".

2. We shall not be liable for any "loss", settlement or assumed obligations or admissions to which we have not consented.

3. Regarding Insuring Agreement **B.** Liability Insuring Agreements, we shall pay any post-judgment interest on the amount of any covered judgment that is within the limits specified in Section **II** - Limits of Insurance deducting "defense costs". Such post-judgment interest will be paid in addition to the Limits of Insurance.

SECTION V – RELATED CLAIMS, CYBER INCIDENTS, CYBER EXTORTION EVENTS AND INFORMATION SECURITY BREACHES

All "cyber incidents", "cyber extortion events", "information security breaches" or "claims" for "wrongful acts" or a series of "interrelated wrongful acts" that arises out of the same facts or circumstances will be deemed to be related, and as such will be deemed to have been made or "discovered" the earlier of either the time the first "claim" for "wrongful acts" or a series of "interrelated wrongful acts" was first made or the time the "cyber incident", "cyber extortion event" or "information security breach" was first "discovered".

SECTION VI – COVERAGE EXTENSION

Coverage shall extend to "claims" for "wrongful acts" of an "employee" made against:

A. The lawful spouse or domestic partner of such "employee" solely by reason of such spouse or domestic partner's status as a spouse or domestic partner, or such spouse or domestic partner's ownership interest in property which the claimant seeks as recovery for an actual or alleged "wrongful act" of such "employee";

B. The estate, heirs, legal representatives or assigns of such "employee" if they are deceased, or the legal representatives or assigns of such "employee" if they are legally incompetent, insolvent or bankrupt; or

C. A trust of such "employee" and any legally approved trustees of such trust.

This extension shall not afford coverage for any actual or alleged "wrongful act" committed by or directly involving the spouse or domestic partner, estate, heirs, legal representatives, trustees or assigns but shall apply only to "claims" arising out of any actual or alleged "wrongful acts" committed by or directly involving an "employee".

SECTION VII – EXCLUSIONS

We will not be liable for “loss”:

A. Act Of Nature

Based upon, arising out of or attributable to lightning, earthquake, hail, volcanic action or any other act of nature. However, this exclusion shall not apply to “loss” resulting directly from an “information security breach”.

B. Antitrust

Based upon, arising out of or attributable to any actual or alleged restraint of trade, monopolization, unfair trade, price fixing, violation of the Federal Trade Commission Act, the Sherman Antitrust Act, the Clayton Act, including any amendment thereto or any rule or regulation promulgated under any such statute, or any similar foreign, federal, state or local statute, rule or regulation. However, this exclusion shall not apply to a “claim” alleging unfair or deceptive acts or practices in or affecting commerce under Section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)).

C. Biological, Chemical Or Nuclear Material

Based upon, arising out of or attributable to the dispersal or application of pathogenic or poisonous biological or chemical materials, nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident, however caused.

D. Bodily Injury

Based upon, arising out of or attributable to bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

E. Breach Of Contract And Assumed Liability

Based upon, arising out of or attributable to an “insured’s” assumption of liability by contract or agreement, whether oral or written. However, this exclusion shall not apply to:

1. any liability that an “insured” would have incurred in the absence of such contract or agreement; or
2. a violation of a “payment card service agreement”.

F. Employment-related Practices

Based upon, arising out of or attributable to any actions or activities related to an “insured’s” practices as an employer including, but not limited to, refusal to employ, termination of employment, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution. This exclusion applies:

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

However, this exclusion shall not apply to any “loss” resulting directly from an “information security breach”.

G. Failure Or Interruption Of Services

Based upon, arising out of or attributable to:

1. The failure of, reduction in or surge of power from an external utility service; or
2. Any disruption or failure of communication services including, but not limited to, service relating to Internet access or access to any electronic, cellular or satellite network;

not under the operational control of the “insured”.

H. Fraudulent, Criminal, Malicious, Dishonest Or Intentional Acts

Based upon, arising out of or attributable to any deliberately fraudulent, criminal, malicious or dishonest act, error, omission or any willful violation of any statute or regulation by an “insured”. This exclusion shall not apply to “defense costs” or terminate our duty to defend such “claim” unless and until there is a final, nonappealable judgment or adjudication against an “insured” that establishes such conduct or the “insured” admits to such conduct.

1. This exclusion shall apply to the “organization” only if:

a. The conduct was committed or allegedly committed by an "executive"; or

b. An "executive" knew, or had reason to know, of such conduct by any "employee".

2. This exclusion shall apply only to an "insured" who:

a. Personally committed;

b. Personally participated in;

c. Personally acquiesced to; or

d. Remained passive after having personal knowledge of;

any such acts, errors or omissions.

I. Governmental Proceeding Or Action

Based upon, arising out of or attributable to any action or proceeding brought by or on behalf of any governmental authority or regulatory agency including, but not limited to:

1. The seizure or destruction of property by order of a governmental authority; or
2. Regulatory actions or proceedings brought by or on behalf of the Federal Trade Commission, Federal Communications Commission or other regulatory agency, except when covered under Insuring Agreement **B.2.** Regulatory Proceeding Liability.

However, this exclusion shall not apply to actions or proceedings brought by a governmental authority or a regulatory agency acting solely in its capacity as a customer of the "organization".

J. Insured Versus Insured

Based upon, arising out of or attributable to any "claim" brought or alleged by one "insured" against another, except for a "claim" brought or alleged by an "employee" against an "insured" as a result of an "information security breach".

K. Material Published With Knowledge Of Falsity

Based upon, arising out of or attributable to any oral or written publication of material, if done by an "insured" or at an "insured's" direction with knowledge of its falsity.

L. Patent Or Trade Secret

Based upon, arising out of or attributable to any actual or alleged patent or trade secret violation, including any actual or alleged violation of the Patent Act, the Economic Espionage Act of 1996 or the Uniform Trade Secrets Act, including any amendments thereto or any rules or regulations promulgated under such statutes, or any similar foreign, federal, state or local statutes, rules or regulations.

M. Payment Card Industry

Based upon, arising out of or attributable to any "claim" brought by, or on behalf of, any:

1. "Card company";
2. Issuing bank or any financial institution that issues credit cards to consumers on behalf of "card companies";
3. Payment card processor; or
4. Acquiring bank or any financial institution that maintains the "organization's" bank account;

alleging noncompliance with Payment Card Industry Data Security Standards.

N. Pollution

Based upon, arising out of or attributable to any of the following:

1. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time;
2. Any 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
3. Any "claim" or "suit" brought by or on behalf of any 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. Prior Knowledge

Based upon, arising out of or attributable to any “cyber incident”, “cyber extortion event”, “information security breach”, “interruption”, “wrongful act” or “interrelated wrongful acts” that any “insured” became aware of prior to the effective date of this Coverage Part.

P. Prior Notice

Based upon, arising out of or attributable to the same facts, “cyber incident”, “cyber extortion event”, “information security breach”, “interruption”, “wrongful act” or “interrelated wrongful acts” or in any circumstances of which notice has been given, under any insurance policy which was in effect at any time prior to the effective date of this Coverage Part.

Q. Property Damage

Based upon, arising out of or attributable to physical damage to or destruction of tangible property, including loss of use thereof.

R. Prior Or Pending Litigation

Based upon, arising out of or attributable to:

1. Any “claim”, administrative or regulatory proceeding or investigation filed or commenced against an “insured” on or prior to the Prior Or Pending Litigation Date shown in the Declarations; or

2. The same or substantially the same “wrongful act”, “interrelated wrongful act”, fact or circumstance alleged in or underlying such “claim” or proceeding.

S. Racketeer Influenced And Corrupt Organizations Act

Based upon, arising out of or attributable to any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act (RICO), including any amendments thereto or any rules or regulations promulgated under such statutes, or any similar foreign, federal, state or local statutes, rules or regulations.

T. Recording And Distribution Of Material In Violation Of Law

Based upon, arising out of or attributable to any actual or alleged violation of the:

1. Telephone Consumer Protection Act (TCPA);

2. CAN-SPAM Act of 2003;

3. Fair Debt Collection Practices Act (FDCPA); or

4. Fair Credit Reporting Act (FCRA), including the Fair and Accurate Credit Transactions Act (FACTA);

and any amendments of or additions to such law, or any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, FDCPA or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information. However, this exclusion shall not apply to a “loss” resulting directly from an “information security breach”.

U. Retroactive Date

Based upon, arising out of or attributable to any “wrongful act” or “interrelated wrongful acts” that occurred before the Retroactive Date, if any, shown in the Declarations.

V. Securities

Based upon, arising out of or attributable to:

1. The purchase or sale of or offer to purchase or sell any securities or any violation of the Securities Exchange Act of 1934 or the Securities Act of 1933 and any amendments thereto or any other foreign, federal, state or local statute, or any rule or regulation promulgated under such statutes, that regulates the offering, sale or purchase of securities.

2. Any “claim” brought by any security holder of the “organization”, in their capacity as such, whether directly, by class action, or derivatively on behalf of the “organization".

W. War

Based upon, arising out of or attributable to:

1. War, including undeclared or civil war or civil unrest;

2. Warlike action by military force, including action 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 government authority in hindering or defending against any of these.

Regarding Insuring Agreement **C.** Computer And Funds Transfer Fraud, this insurance does not cover:

A. Acts Committed By Any Employee

"Computer and funds transfer fraud loss" resulting directly or indirectly from any acts committed by any "employees".

B. Authorized Access

"Computer and funds transfer fraud loss" resulting from a fraudulent:

1. Entry of "electronic data" or "computer program" into; or

2. Change of "electronic data" or "computer program" within;

any "computer system" owned, leased or operated by the "organization" by a person or entity with authorized access to that "computer system", except when covered under Insuring Agreement **C.2.** Computer And Funds Transfer Fraud.

C. Confidential Or Personal Information

"Computer and funds transfer fraud loss" resulting directly or indirectly from:

1. The disclosure of the "insured's" or another person's or entity's confidential information or "personal information";

2. The use of another person's or entity's confidential information or "personal information", unless the use of such confidential information or "personal information" results in a loss covered under this Coverage Part; or

3. Damage to confidential information or "personal information".

For the purpose of this exclusion, confidential information or "personal information" includes, but is not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, retirement or health savings account information or any other type of nonpublic information.

D. Credit Card Transactions

"Computer and funds transfer fraud loss" resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

E. Data Security Breach

Fees, costs, fines, penalties and other expenses incurred by the "organization" which are related to the access to or disclosure of another person's or entity's confidential or "personal information" including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

F. Exchanges Or Purchases

"Computer and funds transfer fraud loss" resulting from the giving or surrendering of property in any exchange or purchase.

G. Fraudulent Instructions

"Computer and funds transfer fraud loss" resulting from an "employee" or financial institution acting upon any instruction to:

1. Transfer, pay or deliver "money", securities or other property; or

2. Debit or delete the "organization's" account;

which instruction proves to be fraudulent, except when covered under Insuring Agreement **C.2.a.** or **C.3** Computer And Funds Transfer Fraud**.**

H. Inventory Shortages

"Computer and funds transfer fraud loss", or that part of any "computer and funds transfer fraud loss", the proof of which as to its existence or amount is dependent upon:

1. An inventory computation; or

2. A profit and loss computation.

SECTION VIII – CONDITIONS

A. Assignment

No change in, modification of or assignment of interest under this Coverage Part will be effective without our written consent.

B. Bankruptcy

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

C. Cancellation And Nonrenewal

1. Cancellation

a. The “named insured” shown in the Declarations may cancel this Coverage Part by mailing or delivering to us advance written notice of cancellation.

b. We may cancel this Coverage Part by mailing or delivering to the “named insured” written notice of cancellation at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 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 “named insured's” last mailing address known to us.

d. Notice of cancellation will state the effective date of cancellation. The “coverage period” will end on that date.

e. If this Coverage Part is canceled, we will send the “named insured” any premium refund due. If we cancel, the refund will be prorated. If the “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. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. Nonrenewal

If we decide not to renew this Coverage Part, we will mail or deliver to the “named insured” written notice of the nonrenewal not less than 30 days before the expiration date.

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

D. Changes

This Coverage Part contains all the agreements between the “named insured” and us concerning the insurance afforded. The “named insured” is authorized to make changes in the terms of this Coverage Part with our consent. This Coverage Part's terms can be amended or waived only by endorsement issued by us and made a part of this Coverage Part.

E. Changes In Exposure

1. Acquisition Or Creation Of Another Entity

If before or during the “coverage period” the “organization” acquires:

a. Securities or voting rights in another entity or creates another entity resulting in a “subsidiary"; or

b. Any entity by merger into or consolidation with the “named insured” or an

existing “subsidiary"; the “named insured” must:

(1) Give us written notice of the acquisition or creation of such entity within 60 days after the effective date of such action; and

(2) Pay any additional premium that we may require if we agree in writing to add such entity as a “subsidiary".

The newly acquired or created entity will then be covered under this Coverage Part, but only with respect to:

a. "cyber incidents”, “cyber extortion events”, “information security breaches” or “wrongful acts” ; or

b. The fraudulent entry of "electronic data" or "computer program" into, or change of "electronic data" or "computer program" within, the "organization's computer system" under Paragraph **A.1.a.;** or

c. "Fraudulent instruction" under Paragraph **A.1.b.** or **A.2.** directing a financial institution to debit an "organization's" "transfer account" and transfer, pay or deliver "money" or securities from that account;

which occurred after the effective date of such acquisition or creation.

2. Merger Or Acquisition Of Named Insured

a. If during the "coverage period":

(1) The "named insured" merges into or consolidates with another entity such that the "named insured" is not the surviving entity; or

(2) Another entity, or person or group of entities and/or persons acting in concert, acquires securities or voting rights which result in that entity, person or group's ownership or voting control of more than 50% of the outstanding securities or voting rights representing the present right to vote for the election of directors, trustees or managers (if a limited liability company) of the "named insured";

then coverage under this Coverage Part will continue as described in Paragraph **b.** or **c.** below, as applicable.

b. Under All First Party Insuring Agreements

If the situation described in Paragraph **a.** applies, coverage afforded under this Coverage Part will continue until the end of the "coverage period", but only for "loss" resulting from "cyber incidents", "cyber extortion events" or "information security breaches" which occurred prior to the effective date of such merger, consolidation or acquisition.

c. Under Liability Insuring Agreements

If the situation described in Paragraph **a.** applies, coverage afforded under this Coverage Part will continue until the end of the "coverage period", or the expiration of a Run-Off Coverage Period, shown in the Declarations, if purchased, with respect to "claims" for "wrongful acts" which occurred on or after the Retroactive Date, if any, and prior to the effective date of such merger, consolidation or acquisition.

d. Under Computer And Funds Transfer Fraud Insuring Agreement

If the situation described in Paragraph **a.** applies, coverage afforded under this insurance will continue until the end of the "coverage period", but only for "computer and funds transfer fraud loss" resulting from:

(1) Any fraudulent entry of "electronic data" or "computer program" into, or change of "electronic data" or "computer program" within, the "organization's computer system"**;** or

(2) "Fraudulent instruction" under Paragraph **A.1.b.** or **A.2.** directing a financial institution to debit an "organization's" "transfer account" and transfer, pay or deliver "money" or securities from that account

which occurred prior to the effective date of such merger, consolidation or acquisition under Paragraph **A.1.a.**

The full annual premium for the "coverage period" will be deemed fully earned immediately upon the occurrence of such merger, consolidation or acquisition of the "named insured". The "named insured" must give written notice of such merger, consolidation or acquisition to us within 60 days of such merger, consolidation or acquisition.

3. Cessation Of Subsidiaries

a. If an entity ceases to be a "subsidiary" during the "coverage period", then coverage afforded under this Coverage Part for such former "subsidiary" will continue as described in Paragraph **b.**, **c.** or **d.** below, as applicable.

b. Under All First Party Insuring Agreements

If the situation described in Paragraph **a.** applies, coverage afforded under this Coverage Part will continue until the end of the "coverage period" or, if applicable, the end of the Extended Discovery Period, but only for "loss" resulting from "cyber incidents", "cyber extortion events" or "information security breaches" which occurred prior to the date such entity ceased to qualify as a "subsidiary".

c. Under Liability Insuring Agreements

If the situation described in Paragraph **a.** applies, coverage afforded under this Coverage Part will continue until the end of the "coverage period" or the expiration of a Run-Off Coverage Period, shown in the Declarations, if purchased, with respect to "claims" for "wrongful acts" which occurred on or after the Retroactive Date, if any, and prior to the date such entity ceased to qualify as a "subsidiary".

d. Under the Computer And Funds Transfer Fraud Insuring Agreement

If the situation described in Paragraph **a.** applies, coverage afforded under this Coverage Part will continue until the end of the "coverage period", but only for "computer and funds transfer fraud loss" resulting from:

(1) Any fraudulent entry of "electronic data" or "computer program" into, or change of "electronic data" or "computer program" within, the "organization's computer system" under Insuring Agreement **C.2.a.** Computer And Funds Transfer Fraud Insuring Agreement, which occurred prior to the effective date of such merger, consolidation or acquisition**;** or

(2) "Fraudulent instruction" under Insuring Agreement **C.2.b.** or **C.3.** Computer And Funds Transfer Fraud Insuring Agreement directing a financial institution to debit an "organization's" "transfer account" and transfer, pay or deliver "money" or securities from that account;

Which occurred prior to the date such entity ceased to qualify as a "subsidiary".

F. Confidentiality

Under Insuring Agreement **A.2.** Cyber Extortion Events, "insureds" must make every reasonable effort not to divulge the existence of this coverage.

G. Duties In The Event Of A Loss Under Computer And Funds Transfer Fraud Insuring Agreement

After the "insured" "discovers" a "computer and funds transfer fraud loss" or a situation that may result in loss of or damage to "money", securities or other property under the Computer And Funds Transfer Fraud Insuring Agreement, the "insured" must:

1. Notify us as soon as possible but in no event later than 60 days after the end of the "coverage period" or, if applicable, no later than 60 days after the end of the Extended Discovery Period. If the "insured" has reason to believe that any "computer and funds transfer fraud loss" involves a violation of law, the "insured" must also notify the local law enforcement authorities;

2. Give us a detailed, sworn proof of loss within 120 days;

3. Cooperate with us in the investigation and settlement of any claim;

4. Produce for our examination all pertinent records;

5. Submit to examination under oath at our request and give us a signed statement of the "insured's" answers; and

6. Secure all of the "organization's" rights of recovery against any person or entity responsible for the "loss" and do nothing to impair those rights.

H. Examination Of The Organization's Books And Records

We may examine and audit the "organization's" books and records as they relate to this Coverage Part at any time during the "coverage period" and up to three years afterward.

I. Legal Action Against Us

1. No person or entity has a right:

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 under this Coverage Part unless all of its terms have been fully complied with.

A person or entity may sue us to recover on an agreed settlement or on a final judgment against an "insured", but we will not be liable for damages that are not payable under any Insuring Agreement, 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 "named insured" and the claimant or the claimant's legal representative.

2. The "insured" may not bring any legal action against us involving "loss":

a. Unless the "insured" has complied with all the terms of this Coverage Part;

b. Until 90 days after an "insured" has filed proof of loss with us; and

c. Unless brought within two years from the date an "insured" reported the "loss" to us.

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

J. Other Insurance

Such insurance as is provided by this Coverage Part shall apply only as excess over any other valid and collectible insurance, unless such other insurance is expressly written to be excess over any applicable Limit of Insurance provided by this Coverage Part.

K. Premiums

The “named insured":

1. Is responsible for the payment of all premiums; and

2. Will be the payee for any return premiums we pay.

L. Reporting, Notice And Duties In The Event Of A Cyber Incident, Cyber Extortion Event, Information Security Breach Or Interruption

The provisions contained within this section apply only to First Party Insuring Agreements:

1. The “insured” must give us written notice of any “cyber incident”, “cyber extortion event”, “information security breach” or “interruption” that is “discovered” within the “coverage period” as soon as practicable, but in no event later than 60 days after the end of the “coverage period”. If an Extended Discovery Period applies, the “insured” must provide us written notice of any “cyber incident”, “cyber extortion event”, “information security breach” or “interruption” that is “discovered” within the Extended Discovery Period as soon as practicable, but in no event later than 60 days after the end of the Extended Discovery Period. The “insured” must also cooperate with us in the investigation and settlement of the “loss".

2. Additionally, under Insuring Agreement **A.2.** Cyber Extortion Events and Insuring Agreement **A.3.** Replacement Or Restoration Of Electronic Data, the “insured” must:

a. Notify local law enforcement officials;

b. Submit to examination under oath at our request and give us a signed statement of the “insured's” answers; and

c. Give us a detailed, sworn proof of loss within 120 days.

d. In addition, under Insuring Agreement **A.2.** Cyber Extortion Events, the “insured” must:

(1) Determine that the “cyber extortion event” has actually occurred;

(2) Make every reasonable effort to access the “organization's” “electronic data” from backup, if any, and to remediate the cause of the ransomware;

(3) Make every reasonable effort to immediately notify us before making any ransom payment based upon the “cyber extortion event"; and

(4) Approve any recommended ransom payment based upon the “cyber extortion event".

e. In addition, under Insuring Agreement **A.1.** Cyber Incident Or Information Security Breach Expense, the “insured” must:

(1) Provide information on the “information security breach” including a list of parties impacted, the scope of data involved, the intended method and content of notification; and

(2) Receive consent from us prior to notifying parties affected by an “information security breach”.

M. Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim

The provisions contained within this section apply only to Liability Insuring Agreements:

1. The “insured” must give us written notice of any “claim” made against any “insured” within the “coverage period” as soon as practicable, but in no event later than 60 days after the end of the “coverage period”. If an Extended Reporting Period applies, the “insured” must provide us written notice of any “claim” made against any “insured” within the applicable Extended Reporting Period as soon as practicable, but in no event later than 60 days after the end of the applicable Extended Reporting Period.

2. If any “insured” receives a “claim”, the “insured” must also:

a. Cooperate with us in the investigation and settlement of the “claim";

b. Immediately record the specifics of the “claim” and the date received;

c. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";

d. Authorize us to obtain records and other information; and

e. Assist us, upon our request, in the enforcement of any right against any person or entity which may be liable to an "insured" because of a "wrongful act" to which this Coverage Part may also apply.

3. If during the "coverage period" any "insured" becomes aware of any circumstances potentially involving a "wrongful act" that could reasonably be expected to give rise to a "claim", the "insured" must provide us with written notice of the circumstances as soon as practicable, but in no event later than 60 days after the end of the "coverage period". If any "insured" becomes aware of any circumstances during any applicable Extended Reporting Period, the "insured" must provide us with written notice of the circumstances as soon as practicable, but in no event later than 60 days after the end of the applicable Extended Reporting Period.

Such notice of any circumstances potentially involving a "wrongful act" must provide:

a. A description, including all relevant dates;

b. The names of the persons involved, including names of the potential claimants;

c. Particulars as to the reasons for anticipating a "claim" which may result;

d. The nature of the alleged or potential damages, to the extent known by the "insured"; and

e. The circumstances by which the "insured" first became aware of the potential "wrongful act".

If a "claim" develops from the same circumstances or from any "interrelated wrongful act", then we will treat that "claim" as if it had first been made against an "insured" on the date the "insured" notified us of it as a potential "claim". We will do so even if that "claim" is first made against an "insured" after the "coverage period" or applicable Extended Reporting Period has ended.

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

N. Service Providers

Under Insuring Agreement A. First Party Insuring Agreements, coverage shall apply only for services provided by service providers we approve prior to you incurring such expenses. Such approval will not be unreasonably withheld. If you select an alternative service provider to the one we recommend, our payment for services provided by this service provider shall not exceed the amount we would have paid to the recommended service provider.

O. Subrogation

With respect to any payments made under this Coverage Part on behalf of any "insured", we shall be subrogated to the "insured's" rights of recovery. The "insured" shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring suit in the "insured's" name.

P. Territory

This Coverage Part covers "cyber incidents", "cyber extortion events", "information security breaches" or "wrongful acts" which occurred anywhere in the world. However, all "suits" must be brought in the United States of America (including its territories and possessions), Puerto Rico or Canada. Coverage under this Coverage Part will not apply to any "suit" brought outside of the United States of America (including its territories and possessions), Puerto Rico or Canada.

Additionally, this Coverage Part will cover "computer and funds transfer fraud loss" that the "organization" sustains resulting directly from an "occurrence" taking place anywhere in the world.

Q. Valuation

1. Settlement

All premiums, limit(s) of insurance, retention amounts, "loss" and any other monetary amounts under this Coverage Part are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of "loss" under this Coverage Part is expressed in any currency other than United States dollars, payment under this Coverage Part shall be made in United States dollars at the rate of exchange published in The Wall Street Journal on the date the final judgment is entered, settlement amount is agreed upon or the other component of "loss" is due, respectively.

2. Business Income And Extra Expense

With respect to Insuring Agreement **A.4.** Business Income And Extra Expense:

a. The amount of "business income loss" will be determined based on consideration of:

(1) The net income generated from the "organization's" business activities before the "interruption" occurred;

(2) The likely net income generated by the "organization's" business activities if no "interruption" had occurred, but not including any net income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the "cyber incident" on customers or on other businesses;

(3) The operating expenses, including payroll, necessary to resume the "organization's" business activities with the same quality of service that existed just before the "interruption"; and

(4) Other relevant sources of information, including the "organization's" financial records and accounting procedures, bills, invoices and other vouchers, and debts, liens and contracts.

However, the amount of "business income loss" will be reduced to the extent that the reduction in the volume of business from the affected business activities is offset by an increase in the volume of business from other channels of commerce such as via telephone, mail or other sources.

b. The amount of "extra expenses" will be determined based on:

(1) Necessary expenses that exceed the normal operating expenses that would have been incurred in the course of the "organization's" business activities during the "period of restoration" if no "interruption" had occurred. We will deduct from the total of such expenses:

(a) The salvage value that remains of any property bought for temporary use during the "period of restoration" once the "organization's" business activities are resumed; and

(b) Any "extra expenses" that are paid for by other insurance.

(2) Necessary expenses that reduce the "business income loss" that otherwise would have been incurred during the "period of restoration".

c. We will reduce the amount of the "organization's":

(1) "Business income loss", other than "extra expense", to the extent the "organization" can resume business activities, in whole or in part, by using "computer systems" not compromised by the "cyber incident".

(2) "Extra expense" loss to the extent the "organization" can return business activities to normal and discontinue such "extra expense".

d. If the "organization" does not resume business activities, or does not resume business activities as quickly as possible, we will pay based on the length of time it would have taken to resume business activities as quickly as possible.

SECTION IX – EXTENDED DISCOVERY AND REPORTING PERIODS

A. Extended Discovery Period

With regard to First Party Insuring Agreements:

This Coverage Part provides an Extended Discovery Period without an additional charge that starts at the end of the "coverage period" and lasts for 60 days if this Coverage Part is canceled, other than for failure to pay premium, or not renewed by us or the "named insured".

The Extended Discovery Period will apply only to:

1. "loss" covered under any First Party Insuring Agreement resulting from any "cyber incident", "cyber extortion event" or "information security breach"; or

2. "computer and funds transfer fraud loss" under the Computer And Funds Transfer Fraud Insuring Agreement

that occurred prior to the end of the "coverage period" and is first "discovered" and reported to us during the Extended Discovery Period in accordance with Section **VIII** Paragraph **L.** Reporting, Notice And Duties In The Event Of A Cyber Incident, Cyber Extortion Event, Information Security Breach Or Interruption.

However, this Extended Discovery Period terminates immediately upon the effective date of any other insurance obtained by the "named insured" or any "subsidiary", whether from us or another insurer, replacing in whole or in part the coverage afforded under this Coverage Part, whether or not such other insurance provides coverage for "loss" resulting directly from any "cyber incident", "cyber extortion event", "information security breach", "interruption" or "fraudulent instruction" taking place prior to its effective date.

B. Extended Reporting Periods And Run-Off Coverage Period

This provision applies only to Liability Insuring Agreements:

1. Extended Reporting Periods

This Coverage Part provides a Basic Extended Reporting Period without an additional charge that starts at the end of the "coverage period" and lasts for 60 days if this Coverage Part is canceled, other than for failure to pay premium, or not renewed by us or the "named insured".

The "named insured" will have the right to purchase an Additional Extended Reporting Period for the period of time and at the percentage of the expiring premium as stated in the Declarations if this Coverage Part is canceled, other than for failure to pay premium, or not renewed by us or the "named insured". If the Additional Extended Reporting Period is purchased, it will start when the Basic Extended Reporting Period ends.

The Basic or Additional Extended Reporting Period will apply only to "claims" that:

a. Are first made against an "insured" and reported to us during the applicable Extended Reporting Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

b. Arise from "wrongful acts" occurring on or after the Retroactive Date, if any, but prior to the end of the "coverage period".

2. Run-Off Coverage Period

The "named insured" will have the right to purchase a Run-Off Coverage Period for the requested period which shall not exceed six years, in the event of the merger, consolidation or acquisition of the "named insured" or cessation of a "subsidiary".

a. In the event of a merger, consolidation or acquisition of the "named insured", the Run-Off Coverage Period will apply only to "claims" that:

(1) Are first made against an "insured" and reported to us during the Run-Off Coverage Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

(2) Arise from "wrongful acts" occurring on or after the Retroactive Date, if any, and prior to the merger, consolidation or acquisition of the "named insured".

b. In the event of a cessation of a "subsidiary", the Run-Off Coverage Period will apply only to "claims" that:

(1) Are first made against the "subsidiary" or any "employee" of such "subsidiary" and reported to us during the Run-Off Coverage Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

(2) Arise from "wrongful acts" occurring on or after the later of the retroactive date(s), if any, or the date such entity became a "subsidiary" and prior to the cessation of such "subsidiary".

If Run-Off Coverage is purchased in the event of the cessation of a "subsidiary" and a "claim" is made that is also covered by another policy issued by us or a related company, the maximum we will pay under both policies combined shall not be greater than the Limit of Insurance available under either policy, whichever is greater.

3. Notice of election of the Additional Extended Reporting Period and the Run-Off Coverage Period and full payment of any applicable additional premiums must be received by us within 30 days after the expiration of the "coverage period", along with any premium or retention owed for coverage provided under this Coverage Part, otherwise any right to purchase an Additional Extended Reporting Period or Run-Off Coverage Period will lapse at that time. Provided the additional premium and any amount owed are paid in full, the Additional Extended Reporting Period and Run-Off Coverage Period are noncancellable and their additional premiums will be fully earned at the inception of the Additional Extended Reporting Period or the Run-Off Coverage Period.

4. There is no reinstatement of or separate or additional Limit of Insurance for any Extended Reporting Period or Run-Off Coverage Period. The Limit of Insurance available during any purchased Additional Extended Reporting Period or Run-Off Coverage Period shall be the remaining amount of the Limit of Insurance available at the end of the “coverage period”.

5. Any applicable Extended Reporting Period or Run-Off Coverage Period does not apply to “claims” that are covered under any subsequent insurance purchased by the “named insured” or any “subsidiary”, or that would be covered but for the exhaustion of the amount of insurance applicable to such “claims".

SECTION X – DEFINITIONS

A. "Application” means all signed “applications” for this Coverage Part, including any attachments, addenda and other materials submitted in conjunction with the signed “applications".

B. "Business income loss” means the “organization's":

1. Actual loss of net income (net profit or loss before income taxes) that would have been earned or incurred; and

2. Continuing normal operating expenses incurred, including payroll.

C. "Card company” means any credit card company that requires its merchants to adhere to the Payment Card Industry Data Security Standards.

D. "Claim” means:

1. Under Insuring Agreement **B.1.** Cyber Incident Or Information Security Breach Liability:

a. A written demand against an “insured” for monetary or nonmonetary damages, including injunctive relief;

b. A civil proceeding against an “insured” commenced by the service of a complaint;

c. A written request for mediation or demand for arbitration against an “insured"; or

d. A written request to toll or waive a statute of limitations relating to a potential “claim” described in Paragraphs **1.a.** through **c.**

2. Under Insuring Agreement **B.2.** Regulatory Proceeding Liability, an investigation, demand or proceeding brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity commenced by the filing of a notice of charges, formal investigative order, service of summons or similar document against any “insured".

3. Under Insuring Agreement **B.3.** Payment Card Industry Liability:

a. A written demand against an "insured" for monetary or nonmonetary damages, including injunctive relief;

b. A civil proceeding against an "insured" commenced by the service of a complaint;

c. A written request for mediation or demand for arbitration against an "insured"; or

d. A written request to toll or waive a statute of limitations relating to a potential "claim" described in Paragraphs **a.** through **c.;**

brought by a:

a. "Card company";

b. Issuing bank or any financial institution that issues credit cards to consumers on behalf of "card companies";

c. Payment card processor; or

d. Acquiring bank or any financial institution that maintains the “organization’s” bank account;

in its capacity as such.

E. "Computer and funds transfer fraud loss” means the value of any “money”, securities or other property lost by the “organization” resulting directly from Computer And Funds Transfer Fraud as provided in Insuring Agreement **C.** Computer And Funds Transfer Fraud.

F. "Computer program” means a set of related electronic instructions, which direct the operation and function of a computer or devices connected to it, which enables the computer or devices to receive, process, store or send the “organization's” “electronic data".

G. "Computer system" means any computer, including any transportable or handheld devices, electronic storage devices and related peripheral components; any systems and applications software, or any related telecommunications networks connected to or used in connection with such computer or devices.

H. "Cyber extortion event" means a demand for ransom payments made to the "organization" in connection with the actual or threatened:

1. Perpetration of a "cyber incident" or "information security breach"; or

2. Theft, disclosure, destruction, publication or use of the "organization's" confidential corporate or proprietary information that is stored on the "organization's computer system" or on a "third party computer system".

I. "Cyber extortion expenses" means:

1. Interest costs paid by the "organization" for any loan from a financial institution taken by the "organization" to pay a ransom demand;

2. Reward payments paid by the "organization" to a person, other than an "employee", providing information not publicly available, solely in return for a reward offered by the "organization", and which leads to the arrest and conviction of parties responsible for the "cyber extortion event";

3. Any other reasonable expenses incurred by the "organization" with our written consent, including:

a. Fees and costs of independent negotiators; and

b. Fees and costs of a company hired by the "organization", upon the recommendation of the security firm, to protect the "organization's" "electronic data" from further threats; and

4. Ransom payments made by the "organization", including payments made in the form of virtual currency such as, but not limited to, bitcoin, as a result of a "cyber extortion event".

J. "Cyber incident" means any:

1. Unauthorized access to or use of the "organization's computer system" (including the "organization's" "electronic data").

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into the "organization's computer system" (including the "organization's" "electronic data") and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use, prevent or restrict access to or use of any part of the "organization's computer system" (including the "organization's" "electronic data") or otherwise disrupt its normal functioning or operation.

Recurrence of the same malicious code, virus, or any other harmful code after the "organization's computer system" has been restored shall constitute a separate "cyber incident".

3. Denial of service attack specifically directed at an "organization" which disrupts, prevents or restricts access to or use of the "organization's computer system", or otherwise disrupts its normal functioning or operation.

K. "Cyber incident or information security breach expenses":

1. Means any of the following:

a. The costs to establish whether a "cyber incident" or "information security breach" has occurred or is occurring.

If a "cyber incident" or "information security breach" has occurred, the following costs are also included:

(1) Costs to investigate the cause, scope and extent of a "cyber incident" or "information security breach" and to identify any affected parties; and

(2) Costs to determine any action necessary to remediate the conditions that led to or resulted from a "cyber incident" or "information security breach" including, but not limited to, fees paid for legal and other professional advice on how to respond to the "cyber incident" or "information security breach";

b. Fees and costs of a public relations firm, and any other reasonable expenses incurred by the "organization" with our written consent, to protect or restore the "organization's" reputation solely in response to information which has been made public that has caused, or is reasonably likely to cause, a decline or deterioration in the reputation of the "organization", or of one or more of its products or services;

c. Costs incurred to notify all parties affected by an "information security breach" as required by any "privacy regulation";

d. Overtime salaries paid to “employees” assigned to handle inquiries from the parties affected by an “information security breach";

e. Fees and costs of a company hired by the “organization” for the purpose of operating a call center to handle inquiries from the parties affected by an “information security breach";

f. Costs to provide credit and identity monitoring services to natural persons affected by an “information security breach” for up to one year, or longer if required by applicable law, from the date of notification to those affected natural persons of such “information security breach";

g. Costs to provide identity restoration services to natural persons who are or appear to be victims of identity theft arising out of an “information security breach”, provided that such identity theft has been reported in writing to the police; and

h. Any other reasonable expenses incurred by the “organization” with our written consent.

2. Does not include:

a. Any costs or expenses associated with upgrading, maintaining, repairing, remediating, replacing or improving “electronic data”, any “computer program” or any “computer system"; or

b. Chargebacks, interchange fees or rates, discount fees, processing fees, or any costs to replace any payment cards whose card numbers were or may have been compromised.

L. "Data restoration expenses":

1. Means the cost to replace or restore the “organization's” “electronic data” or “computer programs” stored within the “organization's computer system” as well as the cost of data entry, reprogramming and computer consultation services. To the extent that any of the “organization's” “electronic data” cannot be replaced or restored, we will pay the cost to replace the media on which such “electronic data” was stored with blank media of substantially identical type.

2. Does not include:

a. The cost to duplicate research that led to the development of the “organization's” “electronic data” or “computer programs";

b. Any costs or expenses associated with upgrading, maintaining, repairing, remediating or improving “electronic data” or any “computer program” to a level beyond the condition in which it existed immediately preceding the “cyber incident"; or

c. Any costs or expenses associated with upgrading, maintaining, repairing, remediating, replacing or improving any “computer system".

M. "Defense costs” means all reasonable costs, charges, fees (including attorneys' fees and experts' fees) and expenses incurred in investigating, defending, opposing or appealing any “claim” and the premium for appeal, attachment or similar bonds. “Defense costs” shall not include any salaries, wages, fees or benefits of “employees".

N. "Discover” or “discovered” means the time when any “insured” first becomes aware of facts which would cause a reasonable person to assume that a “cyber incident”, “cyber extortion event”, “information security breach” or “interruption” has occurred, regardless of when the “cyber incident”, “cyber extortion event”, “information security breach” or “interruption” occurred, even though the exact amount or details of “loss” may not then be known.

O. "Electronic data” means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic storage devices including, but not limited to, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment. “Electronic data” is not tangible property.

"Electronic data” does not include the “organization's” “electronic data” that is licensed, leased, rented or loaned to others.

P. "Employee” means any natural person whose labor or service is, was or will be engaged and directed by the “organization” and includes part-time, seasonal or temporary workers, interns, volunteers, leased workers and “executives”, but only while acting within the scope of their duties as determined by the “organization”. “Employee” does not include independent contractors.

Q. "Executive” means any natural person who was, is now or will be a duly elected or appointed director, trustee, officer, member of the Board of Managers or the equivalent position of an “organization".

R. "Extra expenses":

1. Means necessary expenses the "organization" incurs:

a. During the "period of restoration" that the "organization" would not have incurred if there had been no "interruption"; or

b. To avoid or minimize the "interruption".

2. Does not include:

a. Any costs or expenses associated with upgrading, maintaining, repairing, remediating, replacing or improving "electronic data", any "computer program" or any "computer system";

b. "Cyber incident or information security breach expenses";

c. "Cyber extortion expenses"; or

d. "Data restoration expenses".

S. "Fraudulent instruction" means:

1. With regard to Insuring Agreement **C.2.b.** Computer And Funds Transfer Fraud:

a. A computer, telefacsimile, telephone or other electronic instruction directing a financial institution to debit the "organization's" "transfer account" and to transfer, pay or deliver "money" or securities from that "transfer account", which instruction purports to have been issued by the "organization", but which in fact was fraudulently issued by someone else without the "organization's" knowledge or consent; or

b. A written instruction issued to a financial institution directing the financial institution to debit the "organization's" "transfer account" and to transfer, pay or deliver "money" or securities from that "transfer account", through an electronic funds transfer system at specified times or under specified conditions, which instruction purports to have been issued by the "insured", but which in fact was issued, forged or altered by someone else without the "insured's" knowledge or consent.

2. With regard to Insuring Agreement **C.3.** Computer And Funds Transfer Fraud:

A computer, telefacsimile, telephone or other electronic, written or voice instruction directing an "employee" to enter or change "electronic data" or "computer programs" within a "computer system" covered under the insuring agreement, which instruction in fact was fraudulently issued by the "organization's" computer software contractor.

T. "Information security breach" means any unauthorized access, acquisition, retention or use of:

1. "Personal information"; or

2. Any confidential corporate or proprietary information of any third party that is not available to the general public and which the "insured" is obligated to maintain in confidence pursuant to a written agreement;

while in the care, custody or control of an "insured" or entity that the "organization" engaged under the terms of a written contract to perform services for or on behalf of an "insured".

U. "Insured" means the "organization" and "employees".

V. "Interrelated wrongful acts" means all causally connected "wrongful acts" arising out of the same or substantially the same facts, circumstance or allegations which are the subject of or the basis for any "claim".

W. "Interruption" means an unanticipated cessation or slowdown of the "organization's" business activities.

X. "Liability loss":

1. Means any of the following:

a. Compensatory awards or judgments, including prejudgment interest; or

b. Monetary settlements.

2. Shall not include:

a. Taxes, fines or penalties imposed by law;

b. Liquidated damages stipulated to in a contract in excess of any amounts the "insured" is liable for in the absence of such contract;

c. Any amounts that are uninsurable under the law pursuant to which this Coverage Part shall be construed;

- **d.** Restitution, disgorgement, royalties, unjust enrichment or any profits or advantage the "insured" was not legally entitled to;
- **e.** The cost to comply with any order or agreement to provide any equitable relief, including injunctive relief; or
- **f.** Chargebacks, interchange fees or rates, discount fees, processing fees or any costs to replace any payment cards whose card numbers were or may have been compromised.

Y. "Loss" means:

1. "Cyber incident or information security breach expenses" under Insuring Agreement **A.1.** Cyber Incident Or Information Security Breach Expense;
2. "Cyber extortion expenses" under Insuring Agreement **A.2.** Cyber Extortion Events;
3. "Data restoration expenses" under Insuring Agreement **A.3.** Replacement Or Restoration Of Electronic Data;
4. "Business income loss" and "extra expenses" under Insuring Agreement **A.4.** Business Income And Extra Expense;
5. "Liability loss" and "defense costs" under Insuring Agreement **B.1.** Cyber Incident Or Information Security Breach Liability;
6. "Regulatory loss" and "defense costs" under Insuring Agreement **B.2.** Regulatory Proceeding Liability ;
7. "Computer and funds transfer fraud loss" under Insuring Agreement **C.** Computer And Funds Transfer Fraud; and
8. "Payment card industry loss" and "defense costs" under Insuring Agreement **B.3.** Payment Card Industry Liability.

Z. "Money":

1. Means any of the following:
   - **a.** Currency, coins and bank notes in current use and having a face value;
   - **b.** Traveler's checks and money orders held for sale to the public; and
   - **c.** Deposits in the "organization's" account at a financial institution.
2. Shall not include virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, crypto currency or any other type of electronic currency.

AA. "Named insured" means the individual or entity shown in the Declarations.

BB. "Occurrence" means:

1. An individual act or event;
2. The combined total of all separate acts or events, whether or not related; or
3. A series of acts or events, whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the "coverage period", before such "coverage period" or both.

CC. "Organization" means the "named insured" and any "subsidiary".

DD. "Organization's computer system" means any "computer system" which collects, transmits, processes, stores or retrieves the "organization's" "electronic data", and is:

1. Owned by the "organization";
2. Leased by the "organization" and operated by any "insured"; or
3. Owned and operated by an "employee" who has agreed in writing to the "organization's" personal device use policy.

EE. "Payment card industry loss":

1. Means any of the following:
   - **a.** Assessments, including card reissuance costs and fraud recoveries, and contractual fines or penalties that the "organization" is legally obligated to pay under the terms of a "payment card service agreement", if any;

   b. Compensatory awards or judgments, including prejudgment interest; or

   c. Monetary settlements.

2. Shall not include:

   a. Taxes, fines, penalties or assessments imposed by law and contractual fines or penalties that the "organization" is legally obligated to pay under the terms of a "payment card service agreement";

   b. Any amounts that are uninsurable under the law pursuant to which this Policy shall be construed;

   c. Restitution, disgorgement, royalties, unjust enrichment or any profits or advantage the "insured" was not legally entitled to; or

   d. Interchange fees or rates, discount fees or processing fees.

FF. "Payment card service agreement" means a written contract between an "organization" and acquiring bank, payment card processor or payment card brand that establishes the terms and conditions regarding acceptance or processing of payment cards, including rules requiring the merchant to comply with Payment Card Industry Data Security Standards.

GG. "Period of restoration" means the period of time:

1. Beginning immediately after the end of the Waiting Period shown in the Declarations; and

2. Ending when the "organization's computer system" is or could have been repaired or restored with reasonable speed to the same functionality and level of service that existed prior to the "interruption".

However, in no event will the "period of restoration" exceed 180 days, unless a different Maximum Restoration Period Days is shown in the Declarations.

The expiration date of this Coverage Part will not cut short the "period of restoration".

HH. "Personal information" means any information not available to the general public for any reason through which an individual may be identified including, but not limited to, an individual's:

1. Social security number, driver's license number or state identification number;

2. Protected health information;

3. Financial account numbers;

4. Security codes, passwords, PINs associated with credit, debit or charge card numbers which would permit access to financial accounts;

5. Biometric data; or

6. Any other nonpublic information as defined in "privacy regulations".

II. "Coverage period" means the period of time from the inception date of the Coverage Part shown in the Declarations to the expiration date specified in the Declarations or its earlier cancellation or termination date.

JJ. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KK. "Privacy regulations" means any of the following statutes and regulations, and their amendments, associated with the control and use of personally identifiable financial, health, biometric or other sensitive information including, but not limited to:

1. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law 104-191);

2. The Health Information Technology for Economic and Clinical Health Act (HITECH) (American Recovery and Reinvestment Act of 2009);

3. The Gramm-Leach-Bliley Act of 1999;

4. Section 5(a) of the Federal Trade Commission Act (15 U.S.C. 45(a)), but solely for alleged unfair or deceptive acts or practices in or affecting commerce;

5. The Identity Theft Red Flags Rules under the Fair and Accurate Credit Transactions Act of 2003;

6. The European Union General Data Protection Regulation (GDPR);

7. Children's Online Privacy Protection Act of 1998 ("COPPA"); or

8. Any other similar state, federal or foreign identity theft or privacy protection statute or regulation.

LL. "Regulatory loss":

1. Means any of the following:

a. The sum of money which an "organization" is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to a settlement or an adverse judgment resulting from a "claim"; or

b. Fines or penalties assessed against an "organization" by a governmental or regulatory agency where insurable under the applicable the law pursuant to which this Coverage Part shall be construed.

2. Shall not include:

a. Any amounts that are uninsurable under the law pursuant to which this Coverage Part shall be construed;

b. Restitution, disgorgement, royalties, unjust enrichment or any profits or advantage an "insured" was not legally entitled to; or

c. Chargebacks, interchange fees or rates, discount fees, processing fees or any costs to replace any payment cards whose card numbers were or may have been compromised.

MM. "Subsidiary" means any entity in which:

1. More than 50% of the outstanding securities or voting rights representing the present right to vote for the election of directors or an equivalent position is owned, in any combination, by the "organization"; or

2. The "organization" has the right, pursuant to a written contract or the bylaws, charter, operating agreement or similar documents of an entity, including a limited liability company or joint venture, to elect, appoint or designate a majority of the board of directors or equivalent executives of such entity.

NN. "Suit" means a civil proceeding in which damages to which this Coverage Part applies are claimed against the "insured". "Suit" includes:

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

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

"Suit" does not include a civil proceeding seeking recognition and/or enforcement of a foreign money judgment.

OO."Third party computer system" means any "computer system" which collects, transmits, processes, stores or retrieves the "organization's" "electronic data" and that is operated by any entity, including any cloud service provider, that the "organization" engages under the terms of a written contract to perform services for the "insured" or on the "insured's" behalf, but only with respect to the "organization's" "electronic data".

PP. "Transfer account" means an account maintained by the "organization" at a financial institution from which the "organization" can initiate the transfer, payment or delivery of "money" and securities:

1. By means of computer, telegraphic, cable, teletype, telefacsimile, telephone or other electronic instructions; or

2. By means of written instructions establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

QQ. "Wrongful act" means:

Any actual or alleged neglect, breach of duty, act, error or omission by an "insured" that results in or is based upon:

1. A "cyber incident";

2. An "information security breach";

3. A "privacy regulation" violation;

4. The "organization's computer system" or a "third party computer system" transmitting, by e-mail or other means, malicious code, virus or any other harmful code to another person's or entity's "computer system"; or

5. With respect to Insuring Agreement **B.3.** Payment Card Industry Liability, any actual or alleged noncompliance with Payment Card Industry Data Security Standards.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES

This endorsement modifies insurance provided under the following:

PRIVACY AND NETWORK LIABILITY COVERAGE PART

Solely with respect to the coverage provided by this endorsement, the policy is amended as follows:

A. The following is added to Paragraph **B.** of **Section IV – Defense And Settlement:**

3. We will notify the "named insured" in writing of:

a. An initial offer to settle a "claim" made or "suit" brought against any "insured" under this Coverage Part. The notice will be given not later than the 10th day after the date on which the offer is made.

b. Any settlement of a "claim" made or "suit" brought against the "insured" under this Coverage Part. The notice will be given not later than the 30th day after the date of the settlement.

B. Paragraph **b.** under **1. Cancellation** under **C. Cancellation And Nonrenewal** of **Section VIII – Conditions** is replaced by the following:

b. We may cancel this Coverage Part by mailing or delivering to the "named insured" written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.

The permissible reasons for cancellation are as follows:

(1) If this Coverage Part has been in effect for 60 days or less, we may cancel for any reason except that, under the provisions of the Texas Insurance Code, we may not cancel this Coverage Part solely because the policyholder is an elected official.

(2) If this Coverage Part has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:

(a) Fraud in obtaining coverage;

(b) Failure to pay premiums when due;

(c) An increase in hazard within the control of the insured which would produce an increase in rate;

(d) Loss of our reinsurance covering all or part of the risk covered by the Coverage Part; or

(e) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

C. Paragraph **2. Nonrenewal** under **C. Cancellation And Nonrenewal** of **Section VIII – Conditions** is replaced by the following:

2. Nonrenewal

a. We may elect not to renew this Coverage Part except that, under the provisions of the Texas Insurance Code, we may not refuse to renew this Coverage Part solely because the policyholder is an elected official.

b. If we elect not to renew this Coverage Part, we may do so by mailing or delivering to the "named insured", at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this Coverage Part will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

We will mail or deliver such notice to each last mailing address known to us.

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

d. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

D. Paragraph **2.** under **I. Legal Action Against Us** of **Section VIII – Conditions** is replaced by the following:

2. The "insured" may not bring any legal action against us involving "loss" unless:

a. The "insured" has complied with all the terms of this Coverage Part; and

b. The action is brought within two years and one day from the date the cause of action first accrues. A cause of action accrues on the date of the initial breach of our contractual duties as alleged in the action.

E. The following is added to Paragraph **L. Reporting, Notice And Duties In The Event Of A Cyber Incident, Cyber Extortion Event, Information Security Breach Or Interruption** and Paragraph **L. Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim** of **Section VIII – Conditions:**

A parent or guardian may be present during any examination of a minor.

F. The following is added to **Section VIII – Conditions,** but only with respect to "loss" under First Party Insuring Agreements:

Loss Payment

1. Within 15 days after we receive written notice of "loss", we will:

a. Acknowledge receipt of the written notice of "loss". If we do not acknowledge receipt of the written notice of "loss" in writing, we will keep a record of the date, method and content of the acknowledgment;

b. Begin any investigation of the "loss"; and

c. Request a signed, sworn proof of loss, specify the information the "named insured" must provide and supply the "named insured" with the necessary forms. We may request more information at a later date, if during the investigation of the "loss" such additional information is necessary.

2. We will notify the "named insured" in writing as to whether:

a. The "loss" or part of the "loss" will be paid;

b. The "loss" or part of the "loss" has been denied, and inform the "named insured" of the reasons for denial;

c. More information is necessary; or

d. We need additional time to reach a decision. If we need additional time, we will inform the "named insured" of the reasons for such need.

3. We will provide notification, as described in Paragraph **F.2.** of this endorsement, within:

a. 15 business days after we receive the signed, sworn proof of loss and all information we requested; or

b. 30 days after we receive the signed, sworn proof of loss and all information we requested, if we have reason to believe the "loss" resulted from arson.

If we have notified the "named insured" that we need additional time to reach a decision, we must then either approve or deny the "loss" within 45 days of such notice.

4. We will pay for covered "loss" within five business days after:

a. We have notified the "named insured" that payment of the "loss" or part of the "loss" will be made and have reached agreement with the "named insured" on the amount of "loss"; or

b. An appraisal award has been made.

However, if payment of the "loss" or part of the "loss" is conditioned on the "named insured's" compliance with any of the terms of this Coverage Part, we will make payment within five business days after the date the "named insured" has complied with such terms.

5. The term "business day", as used in the Loss Payment Condition, means a day other than Saturday, Sunday or a holiday recognized by the state of Texas.

G. Paragraph **B.** under **Section IX − Extended Discovery And Reporting Periods** is replaced by the following:

B. Extended Reporting Periods And Run-Off Coverage Period

This provision applies only to Liability Insuring Agreements:

1. Extended Reporting Periods

This Coverage Part provides a Basic Extended Reporting Period without an additional charge that starts at the end of the "coverage period" and lasts for 60 days if this Coverage Part is canceled, other than for failure to pay premium, or not renewed by us or the "named insured".

The "named insured" will have the right to purchase an Additional Extended Reporting Period for the period of time and at the percentage of the expiring premium as stated in the Declarations if this Coverage Part is canceled, other than for failure to pay premium, or not renewed by us or the "named insured". If the Additional Extended Reporting Period is purchased, it will start when the Basic Extended Reporting Period ends.

The Basic or Additional Extended Reporting Period will apply only to "claims" that:

a. Are first made against an "insured" and reported to us during the applicable Extended Reporting Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

b. Arise from "wrongful acts" occurring prior to the expiration date of the "coverage period", if any, but prior to the end of the "coverage period".

The Basic Extended Reporting Period does not apply to "claims" that are covered under a subsequent extended reporting period or replacement policy in the same company or company group, or that would be covered but for the exhaustion of the amount of insurance applicable to such "claims".

2. Run-Off Coverage Period

The "named insured" will have the right to purchase a Run-Off Coverage Period for the requested period which shall not exceed six years, in the event of the merger, consolidation or acquisition of the "named insured" or cessation of a "subsidiary".

a. In the event of a merger, consolidation or acquisition of the "named insured", the Run-Off Coverage Period will apply only to "claims" that:

(1) Are first made against an "insured" and reported to us during the Run-Off Coverage Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

(2) Arise from "wrongful acts" occurring on or after the Retroactive Date, if any, and prior to the merger, consolidation or acquisition of the "named insured".

b. In the event of a cessation of a "subsidiary", the Run-Off Coverage Period will apply only to "claims" that:

(1) Are first made against the "subsidiary" or any "employee" of such "subsidiary" and reported to us during the Run-Off Coverage Period in accordance with Section **VIII** Paragraph **M.** Reporting, Notice And Duties In The Event Of A Claim Or A Wrongful Act That May Result In A Claim; and

(2) Arise from "wrongful acts" occurring on or after the later of the retroactive date(s), if any, or the date such entity became a "subsidiary" and prior to the cessation of such "subsidiary".

If Run-Off Coverage is purchased in the event of the cessation of a "subsidiary" and a "claim" is made that is also covered by another policy issued by us or a related company, the maximum we will pay under both policies combined shall not be greater than the Limit of Insurance available under either policy, whichever is greater.

Notice of election of the Additional Extended Reporting Period and the Run-Off Coverage Period and full payment of any applicable additional premiums must be received by us within 30 days after the expiration of the "coverage period", along with any premium owed for coverage provided under this Coverage Part, otherwise any right to purchase an Additional Extended Reporting Period or Run-Off Coverage Period will lapse at that time. Provided the additional premium and any amount owed are paid in full, the Additional Extended Reporting Period and Run-Off Coverage Period are noncancellable and their additional premiums will be fully earned at the inception of the Additional Extended Reporting Period or the Run-Off Coverage Period.

There is no reinstatement of or separate or additional Limit of Insurance for any Extended Reporting Period or Run-Off Coverage Period. The Limit of Insurance available during any purchased Additional Extended Reporting Period or Run-Off Coverage Period shall be the remaining amount of the Limit of Insurance available at the end of the "coverage period".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

STATE NATIONAL INSURANCE COMPANY, INC.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

STATE NATIONAL INSURANCE COMPANY, INC.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS

The following is added to this policy:

Trade Or Economic Sanctions

This insurance does not provide any coverage, and we (the Company) shall not make payment of any claim or provide any benefit hereunder, to the extent that the provision of such coverage, payment of such claim or provision of such benefit would expose us (the Company) to a violation of any applicable trade or economic sanctions, laws or regulations, including but not limited, to those administered and enforced by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

All other terms and conditions remain unchanged.