



OCEAN MARINE INSURANCE CLAIMS INFORMATION

The following is useful information which will expedite the handling of claims and protect your rights under ocean marine insurance policies.

It is important to bear in mind unique circumstances may, at times, require additional documentation activities or procedures. Any questions relating to marine claims can be directed to your producer or the marine claim office listed below.

IMPORTANT: In the event of loss or damage, you are obligated to take necessary steps to mitigate the claim. Expenses reasonably incurred in taking such action are reimbursable under policy terms and condition. Failure to take necessary action can result in prejudice of your rights under your policy.

WHAT TO DO IN THE EVENT OF LOSS

1. You or your producer should notify IMU of all claims for damage to insured vessels or property as soon as the loss occurs.
2. You or your producer should notify IMU of all injury claims. Serious injuries or death claims should be reported to us immediately by telephone so we can determine the need to dispatch a surveyor, investigator and/or attorney to the accident site.

NOTICE OF CLAIMS TO RESPONSIBLE PARTIES

The premium you are charged for your insurance is ultimately influenced by your experience on your policy. It is therefore in your best interest to ensure losses are reduced by placing us in a position to recover all or part of our payment to you from any responsible third party. This is called subrogation and your cooperation in this regard is further reinforced by policy terms. Monies collected by us in subrogation are credited to your premium / loss experience. If a third party is responsible for the loss, written notice of claims should be promptly made directly against such party with copy to the below marine claim office.

CLAIMS REPORTING

You or your producer have several options to report claims to International Marine Underwriters/ OneBeacon:

By phone at 877-248-3455 – Claims phoned into the 24/7 Call Center before 7p.m. EST will be immediately assigned a claim number. Producers can go to the producer portal the next business day to view the claim.

By email claims@imu.com – When you wish to include attachments to accompany a claim, email reporting is ideal. To submit a claim via email, you will need to include an ACORD First Notice of Loss Form. Please report only one claim per email. The sender's email confirmation will serve as the acknowledgement that we have received the claim.

By Fax at 866-213-2802 – Only one claim should be submitted per fax transmission. The sender's fax receipt will serve as confirmation that we have received the claim



The company issuing this policy is indicated below:
Atlantic Specialty Insurance Company *
605 Highway 169 North, Suite 800
Plymouth, MN 55441

* A Stock Company

Policy Number: B5JH73291

Renewal of B5JH73291

BUMBERSHOOT LIABILITY POLICY DECLARATION PAGE

NAMED INSURED AND ADDRESS:

SEASONS AT SANDPOINT ASSOCIATION, INC.
424 SANDPOINT AVE
SANDPOINT, ID 83864-1384

PRODUCER NAME AND ADDRESS: (0401021)

WORLDWIDE FACILITIES, LLC
725 S. FIGUEROA ST., 19TH FL, SUITE 1900
LOS ANGELES, CA 90017-5435

POLICY PERIOD: 12:01 AM Local Standard Time at the Named Insured's Address

Inception Date: July 01, 2020

Expiration Date: July 01, 2021

LOSS, IF ANY, PAYABLE TO:

Assured or Order

LIMITS OF INSURANCE:

Each occurrence \$4,000,000

Aggregate where applicable \$4,000,000

POLICY PREMIUM: \$6,300

TERRORISM PREMIUM: Not Covered

TOTAL PREMIUM: \$6,300.00

STATE SURCHARGE/TAX: Not Applicable

PREMIUM PAYABLE ☐ Direct Bill ☒ Agency Bill

RETAINED LIMIT: The Retained Limit each occurrence shall be \$10,000

DESCRIPTION OF NAMED INSURED'S OPERATIONS:

Marina

SUBJECT TO CONDITIONS OF FORMS ATTACHED HERETO:

BBS 0011 01 09 BUMBERSHOOT LIABILITY POLICY
BBS 0111 11 18 SCHEDULE OF UNDERLYING INSURANCE
BBS 0212 11 18 HOSTILE ACTS EXCLUSION
BBS 0216 08 16 CYBER EXCLUSION CLAUSE
BBS 0311 01 09 BUMBERSHOOT DECLARATIONS
IMU 0010 01 07 Endt. 1 - VESSELS EXCLUSIONS

THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE FOREGOING PROVISIONS AND STIPULATIONS AND THOSE HEREINAFTER STATED, WHICH ARE HEREBY MADE A PART OF THIS POLICY TOGETHER WITH SUCH PROVISIONS, STIPULATIONS AND AGREEMENTS AS MAY BE ADDED HERETO, AS PROVIDED IN THIS POLICY.

IN WITNESS WHEREOF, this **Company** has caused this Policy to be executed below, but this Policy shall not be valid unless countersigned by a duly authorized representative of the **Company**.


Secretary


President

Countersigned

Authorized Representative

07/20/2020

Date

3 0 0401021 07/20/2020 GSR CPW PR 1.000

SCHEDULE OF UNDERLYING INSURANCE

COMPANY	POLICY NO.	EXP. DATE	AMOUNTS/LIMITS	COVERAGE
Atlantic Specialty Insurance Company	B5JH 73290	7/1/2021	\$1,000,000	Marina Package / MOLL
Atlantic Specialty Insurance Company	B5JH 73290	7/1/2021	\$1,000,000	Protection & Indemnity
Atlantic Specialty Insurance Company	B5JH 73290	7/1/2021	\$1,000,000	Commercial General Liab. - Each Occurrence
Atlantic Specialty Insurance Company	B5JH 73290	7/1/2021	\$2,000,000	Commercial General Liab. - General Aggregate
Atlantic Specialty Insurance Company	B5JH 73920	7/1/2021	\$1,000,000	Commercial General Liab. - Personal/Advertising Injury
Atlantic Specialty Insurance Company	B5JH 73290	7/1/2021	\$1,000,000	Commercial General Liab. - Products/Completed Op's Aggregate

All other terms and conditions remain unchanged.

Authorized Representative

ENDORSEMENT 1

Effective: 07/01/2020

VESSELS EXCLUSIONS

It is hereby agreed that coverage excludes any jet skis, wave runners and similar type craft, snowmobiles or similar type vehicles, ATV's or similar type vehicles, or watercraft rentals.

All other terms and conditions remain unchanged.

HOSTILE ACTS EXCLUSION

This clause shall be paramount and shall override anything contained in this policy or any of its endorsements inconsistent therewith:

It is understood and agreed that this insurance does not apply to any liability for, or any loss, damage, injury or expense caused by, resulting from or incurred by reason of any one or more of the following:

- a. capture, seizure, arrest, taking, restraint, detainment, confiscation, preemption, requisition or naturalization, or the consequences thereof or any attempt thereat, whether in time of peace or war and whether lawful or otherwise;
- b. hostilities or warlike operations (whether there be a declaration of war or not), but the phrase "hostilities or warlike operation (whether there be a declaration of war or not)" shall not exclude collision or contact with aircraft, rockets or similar missiles or with any fixed or floating object, stranding, heavy weather, fire or explosion unless caused directly (independently of the nature of the voyage or service which the watercraft concerned or in the case of a collision, any other vessel involved herein, is performing) by a hostile act by or against a belligerent power; for the purpose of the foregoing, power includes any authority maintaining naval, military or air forces in association with a power. In addition to the foregoing exclusions, this insurance shall not cover any loss, damage or expense to which a warlike act or the use of military or naval weapons is a contributing cause, whether or not the **"Insured's"** liability therefor is based on negligence or otherwise, and whether in time of peace or war. The embarkation, carriage and disembarkation of troops, combatants, or material of war, or the placement of the watercraft in jeopardy as an act or measure of war taken in the actual process of a military engagement, with or without the consent of the **"Insured,"** shall be considered a warlike act for the purpose of the Policy;

- c. the consequences of civil war, revolution, rebellion, insurrection, military or usurped power, the imposition of martial law, or civil strife arising therefrom, or piracy; or from any loss, damage or expense caused by or resulting directly or indirectly from the act or acts of one or more persons, whether or not agents of a sovereign power, carried- out for political or ideological purposes, and whether any loss, damage or expense resulting therefrom is accidental or intentional;
- d. malicious acts or vandalism, strikes, Lockouts, political or labor disturbances, civil commotions, riots, or the acts of any person or persons taking part in such occurrence or disorder;
- e. **terrorism**; or any costs or expenses incurred by the **"Insured"** directly or indirectly with respect to the steps taken to prevent, suppress, control or reduce the consequences of any actual, attempted, anticipated, threatened, suspected or perceived terrorism; for the purpose of this endorsement, **terrorism** means activities against persons, organizations or property of any nature:
 - (1) That involve the following or preparation for the following:
 - a. Use or threat of force or violence;
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - (2) When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

All other terms and conditions remain unchanged.

INTERNATIONAL MARINE UNDERWRITERS BUMBERSHOOT LIABILITY POLICY

Various provisions in this marine insurance policy ("Policy") restrict coverage. Read the entire Policy carefully to determine rights, duties, limitations and what is and is not covered.

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

Other words and phrases that appear in quotation marks have special meaning. Refer to the Definitions section in the Policy.

This Policy includes the Declarations, this wording, the Schedule of Underlying Insurance, Schedule of Vessels and any endorsements.

In deciding to agree to this insurance contract, we have relied on the information given to us by you or on your behalf (including the information in any submission and any documents and survey reports). All information provided to us by you or on your behalf must be complete and accurate. This insurance contract is void if any material information provided to us is incomplete or inaccurate or if any material information has been withheld or misrepresented.

In consideration of the payment of premium and subject to the statements in the Declarations and all the terms, conditions and exclusions and Limits of Liability of this Policy we agree with you as follows:

I. COVERAGE – INSURING AGREEMENT

We will pay on behalf of the "Insured" in respects of the following (including such expenses as are set out in the definition of "Ultimate Net Loss"):

1. Protection and Indemnity ("P&I") losses covered by the scheduled underlying protection and indemnity insurances or, in the absence of underlying protection and indemnity insurance, those losses that are covered under the standard SP-23 form of protection and indemnity insurance.
2. Marine General Average, Hull Collision and Tower's Liability, Marine Salvage, Marine Salvage Charges and Marine Sue and Labor arising from any fortuitous cause whatsoever.
3. All other sums that any "Insured" shall become legally liable to pay or by written contract or written agreement become liable to pay in respect of claims made against the "Insured" for loss, damage or expense on

account of "Bodily Injury"; "Property Damage"; or "Personal and Advertising Injury" caused by or arising out of each "Occurrence" happening anywhere within the "Geographical Limits" of this Policy.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for in this Policy. This insurance applies only to covered losses that occur during the Policy period. The covered loss must be caused by an "Occurrence" and the "Occurrence" must happen during the Policy period.

II. LIMITS OF LIABILITY – UNDERLYING LIMITS

We shall only be liable for the excess of either:

- (a) The amount(s) of the limit(s) set out in the "Underlying Insurance" identified in the attached Schedule (with respect to General Average, Salvage, Salvage Charges, Sue and Labor expenses the sum(s) of said expenses actually insured under the underlying policies shall be deemed the amount(s) of the limit(s) of said underlying policies); or
- (b) The Retained Limit as stated in the Declarations in respect of each "occurrence" not covered by said "Underlying Insurance."

(all hereinafter called the "Underlying Limits")

and then only up to a further "Ultimate Net Loss" in respect of each "Occurrence" as stated in the Declarations as the Limits of Insurance.

III. LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 1. "Insureds" or additional "Insureds";
 2. Claims made or "Suits" brought;
 3. Persons or organizations making claims or bringing "Suits"; or
 4. Covered watercraft or vessels involved in an "Occurrence".
- B. Subject to the above, the each "Occurrence" limit is the most we will pay with respect to "Bodily Injury", "Property Damage", "Personal and Advertising Injury", Protection and Indemnity, Marine General Average, Hull Collision and Tower's Liability, Marine Salvage, Marine Salvage Charges and Marine Sue and Labor, including defense costs, arising out of any one "Occurrence".

C. Aggregates

1. The aggregate limit is the most we will pay for "Ultimate Net Loss" arising from damages for "Bodily Injury", "Property Damage" or "Personal and Advertising Injury" including defense cost where the "Underlying Insurance" contains an aggregate limit. The aggregate limit herein shall apply to all "Underlying Insurance" that contains aggregate limits combined.
2. The aggregate limit of this policy applies 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 preceding period for purposes of determining the Limits of Insurance.
3. If the Limits of Insurance of an "Underlying Insurance" (including renewals or replacements thereof) apply on an aggregate basis, and:
 - a. If such limit has been exhausted by payment of "Suits", or claims arising solely out of "Occurrences" that took place during our Policy period, our Policy applies excess of such exhausted limit, or if such limit is exhausted, as "Underlying Insurance"; or:
 - b. If such limit has been reduced or exhausted by payment of "Suits" or claims arising out of "Occurrences" that took place before or after our Policy period, our Policy applies excess of such exhausted limit, or if such limit is exhausted, as "Underlying Insurance". Except with respect to those losses referred to in the application on file with this Company, it is warranted that there are no other known or reported losses that might impair any underlying aggregate limit or limits as of the inception date of this Policy.

IV. EXCLUSIONS

A. Conditional Exclusions

The following Conditional Exclusions shall apply to all claims or "Suits" for loss, damage or expense unless coverage is provided for in a policy listed in the Schedule of Underlying Insurance, in which case, this Policy shall only operate as excess thereof. This Policy shall not cover any liability arising out of:

1. Stevedore, Ship Repair, Ship Builder, Bailee

Any activity as a stevedore, ship repairer or ship builder (other than for maintenance and repairs by the "Insured" to his own vessel or watercraft), or from any activity as a wharfinger or bailee of watercraft or vessels, unless such liability is covered by valid and collectible "Underlying Insurance" as listed in the Schedule of Underlying Insurance, for the full limit shown therein, and then only for such hazards for which coverage is afforded under said "Underlying Insurance."

2. Charter Contracts

A charter contract, charter agreement, charter party or any other agreement, written or oral, for the charter or lease of a watercraft or vessel or space on a watercraft or vessel.

3. Personal Property in Care, Custody or Control

"Property Damage" to property of others (other than watercraft or a vessel including its equipment machinery and cargo) while in the "Insured's" care, custody or control.

4. Property rented or leased

"Property Damage" to property rented, leased or occupied by the "Insured".

5. Automobiles and Aircraft

From ownership, operation or use of any "Automobile" or "Aircraft".

6. Products and Completed Operations

- a. From goods or products manufactured, sold, handled or distributed by the "Insured" or by others trading under his name if the "Occurrence" occurs after possession of such goods or products has been relinquished to others by the "Insured" or by others trading under his name and if such "Occurrence" occurs away from premises owned, rented or controlled by the "Insured"; provided such goods or products shall be deemed to include any container thereof, but shall not include any vending machines or any property other than such container, rented to or located for use of others but not sold;
- b. From operations, if the "Occurrence" occurs after such operations have been completed or abandoned and occur away from premises owned, rented or controlled by the "Insured";

provided that operations shall not be deemed incomplete because improperly or defectively performed or because further operations may be required pursuant to an agreement; provided further the following shall not be deemed to be operations within the meaning of this paragraph:

- (1) Pick-up or delivery, except from or onto a railroad car;
- (2) The maintenance of vehicles owned or used by or on behalf of the "Insured";
- (3) The existence of tools, uninstalled equipment and abandoned or used materials.

7. Liquor Liability

"Bodily Injury" or "Property Damage" for which any "Insured" may be held liable by reason of:

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

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

8. Fellow Employee Liability

For activities of any "Employee" with respect to "Bodily Injury" or "Personal and Advertising Injury" of another "Employee" of the same employer injured in the course of such employment.

9. Contractual Liability

Liability assumed under contract or agreement.

10. Employer's Liability

"Bodily Injury", "Property Damage" or "Personal and Advertising Injury" to:

- a. An "Employee" of any "Insured" arising out of and in the course of employment by any "Insured" or performing duties related to the conduct of any "Insured's" business.
- b. The spouse, child, parent, brother or sister of that "Employee" as a consequence of subparagraph a. above.

This exclusion applies:

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

11. Employee Benefits Liability

"Bodily Injury" or "Personal and Advertising Injury" arising out of any act or omission of any "Insured", or any other person or entity for whose acts or omissions any "Insured" is legally liable, in respect of any "Insured's" Employee Benefits, including the administration thereof, but not limited to:

- a. Giving counsel to "Employees" with respect to Employee Benefits;
- b. Interpreting Employee Benefits;
- c. Handling and keeping records in connection with Employee Benefits;
- d. Effecting enrollment, termination, or cancellation of Employee Benefits;
- e. Any dishonest, fraudulent, criminal, or malicious act or omission;
- f. Failure of performance of contract by an insurer;
- g. Lack of compliance with any law concerning Employee Benefits;
- h. Lack of compliance with the terms of any contract, collective bargaining agreement, declaration or trust, or instrument providing Employee Benefits;
- i. Failure to procure or maintain satisfactory and adequate insurance on Employee Benefits assets or property;
- j. Failure of stock or other securities or of any investments of whatever kind to perform as represented; or
- k. Advice given to an "Employee" to participate or not to participate in stock subscription or similar plans.

As used in this exclusion, the term Employee Benefits includes, without limitation: group life insurance, group health insurance, profit-sharing plans, pension plans, employee stock subscription plans, workers' compensation, unemployment insurance, Social Security and disability benefits insurance.

12. Maritime Employer's Liability

The Jones Act (Merchant Marine Act of 1920), Death On the High Seas Act, general maritime law, Federal Employer's Liability Act or any similar law applicable to seamen for "Bodily Injury" sustained by any "Employee" of any "Insured" and arising out of and in the course of their employment by any "Insured".

To the extent claims are covered by a Scheduled Underlying Protection and Indemnity and/or maritime employer's liability policy, Absolute Exclusion **B.9.** ("Health Hazards") shall not apply.

B. Absolute Exclusions

The following Absolute Exclusions shall apply to all claims or "Suits" for loss, damage or expense for any liability:

1. Expected or Intended

For "Bodily Injury" or "Property Damage" expected or intended from the standpoint of any "Insured". This exclusion does not apply to "Bodily Injury" resulting from the use of reasonable force to protect persons or property.

2. Fines, Penalties, Exemplary or Punitive Damages

For any obligation to pay fines, penalties, exemplary damages or punitive damages, including treble damages, or any other damages resulting from the multiplication of compensatory damages. We shall not have an obligation to pay for any costs or interest attributable to fines, penalties, exemplary damages or punitive damages.

3. Employee Dishonesty

For dishonest or criminal acts by you or any of your partners, members, officers, managers, "Employees" (including "Leased Workers"), directors, trustees, authorized representatives or anyone to whom you entrust property for any purpose:

- a. Whether acting alone or in collusion with others; and
- b. Whether or not occurring during the hours of employment.

4. Workers' Compensation

For any obligation of the "Insured" under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

5. Employment Practices

For "Bodily Injury" or "Personal and Advertising Injury":

a. Arising out of any:

- (1) Refusal to employ;
- (2) Termination of employment;
- (3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment related practices, policies, acts or omissions; or
- (4) Consequential "Bodily Injury" as result of (1) through (3) above.

This exclusion applies:

- a. Whether any "Insured" may be liable as an employer or in any other capacity;
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury; and
- c. To the "Insured", its "Employees" and any and all additional "insureds" covered by this Policy. It applies to any and all acts, committed by the "Insured", its "Employees" or additional "insureds" or their "Employees" whether committed with or without the knowledge of the "Insured" or by or at the direction of the "Insured", its "Employees" or any additional "insureds" covered by this Policy.

6. Discrimination

Caused by, resulting from or arising out of the violation of any statute, law, ordinance or regulation prohibiting discrimination or humiliation because of race, religion, creed, color, national origin, age, sex or sexual preference or orientation.

7. Employees Retirement Income Security Act

Under the Employees Retirement Income Security Act (ERISA) and any other similar federal, state or other statutes, rules or regulations.

8. Occupational Disease

Except to the extent coverage is provided in a protection and indemnity, maritime employer's or employer's liability policy listed in the Schedule of Underlying Insurance and then only excess thereof, for "Bodily Injury" arising at any time resulting from occupational and/or industrial diseases contracted by any "Employee" or seaman of the "Insured" and arising out of and in the course of their employment by the "Insured".

9. Health Hazard

- a. Except to the extent that coverage is not excluded under Absolute Exclusion Clause 8. ("Occupational Disease"), for "Bodily Injury" directly or indirectly caused by or arising out of asbestos, asbestos fibers, asbestos dust, asbestos particles or products containing asbestos, lead, polychlorinated biphenyl, silica (silicon dioxide), benzene, coal dust, pesticides or herbicides, electromagnetic fields, or respirable dust or particulate.

Including but not limited to:

- (i) Inhalation of, ingestion or absorption of, or any singular or continuous or intermittent exposure to any of the above in any form or any goods or products containing any of the above in any form; or
 - (ii) The use of any of the above in any goods, products or structures; or
 - (iii) The manufacture, transportation, storage, handling, distribution, sales, application, mining, consumption or disposal of any of the substances listed above.
- b. For any obligation of any "Insured" to indemnify or contribute with another because of damages arising out of such "Bodily Injury"; or
 - c. For any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with such "Bodily Injury".

10. Uninsured / Underinsured Motorist

Imposed on any "Insured" under any uninsured motorists, underinsured motorists, or "Automobile" no-fault or first-party "Bodily Injury" or "Property Damage" law.

11. Mobile Equipment / Automobile Racing

For "Bodily Injury" or "Property Damage" arising out of the use of any "Automobile" or "Mobile Equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

12. Professional Liability

For any act, error, omission or mistake committed or alleged to have been committed by or on behalf of any "Insured" in rendering or failing to render service or advice of a professional nature in connection with any operation.

13. Ship Builders' Guarantee

For "Bodily Injury" or "Property Damage" arising from ship builders' guarantee or errors in design. Ship builders' guarantee shall be defined to include warranties with respect to performance specification, quality of material and timeliness of construction.

14. Drilling Rigs

Caused by, resulting from or arising out of the ownership, operation, use, loading or unloading of:

- a. Drilling rigs, drilling barges, drilling ships;
- b. Drilling tenders;
- c. Work-over rigs;
- d. Platforms;
- e. Flow lines;
- f. Gathering stations; or
- g. Pipelines.

However, this exclusion does not apply to watercraft or vessels serving the foregoing such as crew, supply or utility boats, barges or tugs.

15. Damage to Property

For "Property Damage" to:

- a. Vessels or watercraft (including any equipment or machinery on or attached) owned, bareboat chartered, managed, or operated by you;
- b. Any property that you own other than that listed in subparagraph a. above; or
- c. Any property rented to, occupied or used by, or in the care, custody or control of any "Insured" to the extent that any "Insured" is obligated in a written contract or written agreement to provide first-party insurance for such property.

16. Partnership / Joint Venture

For the conduct of any partnership or joint venture of which any "Insured" is a partner or member and that is not shown in this Policy as a "Named Insured". When such joint venture or partnership of which any "Insured" is a partner or member is named in this policy as a "Named Insured", this Policy will respond, subject to all terms and conditions, for an amount not to exceed the "Insured's" participation in such partnership or joint venture.

17. Restraint of Trade

For any claims or "Suits" alleging violation of the anti-trust laws, unfair competition or other acts allegedly in restraint of trade.

18. Stockholder Derivative Actions

For any claims or "Suits" for stockholder(s) derivative action(s).

19. Securities Acts

Based on or arising out of any intentional or unintentional violation of any provision of any federal or state securities law, including, but not limited to, the Securities Act of 1933 or the Securities Exchange Act of 1934 or any amendments or additions thereto.

20. Directors and Officers

- a. From claims or "Suits" against any person or persons, jointly or severally, who was or is now or may hereinafter be a director or officer of any "Insured," for breach of duty, neglect, error, misstatement, misleading statement or omission while acting in their respective capacities as directors and officers of any "Insured".
- b. From claims or "Suits" brought by any officer or director of a corporation for indemnification or to be reimbursed for any damages or costs or expense incurred in connection with the defense of any action, "Suit" or proceeding or in connection with appeal thereof to which any officer or director is or was a party and is or was based on the officer's or director's breach of duty, neglect, error, misstatement, misleading statement or omission while acting in their respective capacities as a director or officer. The fact that the corporation may be liable to the officer or director because of state law, article or certificate of incorporation or bylaws of the corporation or separate contracts shall not alter the condition of this exclusion.

21. Non-Payment

For any claims or "Suits" for non-payment or delay in payment of charter hire, loans, accounts, mortgages, promissory notes, checks, drafts or other evidences of debt.

22. Pollution

- a. For "Bodily Injury" or "Property Damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "Pollutants" into or upon land, atmosphere or any watercourse or body of water.
- b. For any:
 - (1) Request, demand or order that any "Insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to, or assess the effects of "Pollutants"; or

- (2) Claim or "Suit" by or on behalf of a governmental authority for damage 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".

- c. For "Bodily Injury" or "Property Damage" arising out of "Pollutants" that were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any "Insured" or any person or organization for who any "Insured" may be legally responsible.

23. Chemical, Biological, Bio-Chemical, Electromagnetic

Directly or indirectly caused by or contributed to by or arising from an actual or threatened act involving a chemical, biological, biochemical or electromagnetic weapon, device, agent or material when used in an intentionally hostile manner.

24. Fungi/Mold/Mildew/Yeast/Microbes

- a. For "Bodily Injury", "Property Damage", "Personal and Advertising Injury" that 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, growth or presence of any "fungi" or "microbes;" or
- b. Any loss, cost or expense arising out of the 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, or the failure to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, remediate, or in any way respond to or assess the effects of "fungi" or "microbes" by the "Insured" or by anyone else.

This exclusion applies regardless of any other cause or event that contributes concurrently or in any sequence to such injury, damage, loss, cost or expense.

The following definitions apply to this exclusion:

"Fungi" means any form of fungus, including, but not limited to, yeast, mold, mildew, or mushroom, including mycotoxins, spores, scents, byproducts or other substances produced or released by fungi. "Fungi" does not include fungi that are deliberately grown for human consumption.

"Microbe" means any bacteria, virus or any other non-fungal, single celled or colony-form organism, including any toxins, scents, byproducts or other substances it produces or releases, whose injurious source is in or on a building or its contents. "Microbe" does not mean: (1) microbes that were transmitted directly from person to person; or (2) microbes that caused food poisoning, if your business is food processing, sales or serving.

This exclusion does not apply to "Bodily Injury" arising out of the ingestion of food, beverage, or FDA approved nutritional supplements or medication.

25. Electronic Data

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

As used in 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, DVDs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

26. War

a. Directly or indirectly occasioned by, happening through in consequence of or arising out of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, or military or usurped power; or confiscation, nationalization, requisition, destruction of, or damage to property by, or under the order of, any government or public or local authority.

b. Nevertheless, this exclusion shall not apply, except as provided in subdivision c. below, to liabilities:

(1) Arising in connection with watercraft or vessels owned, chartered, hired, or otherwise used by any "Insured";

(2) Arising out of property of any kind in transit by land, water, or air during such periods as would be covered for full war risks under an insurance covering physical loss of or damage to cargo subject to the London or American Institute War Clauses relevant to the particular form of transit;

(3) Arising out of any waterborne operations;

(4) To seamen or under any workers' compensation statutes; or

(5) For "Bodily Injury".

c. Notwithstanding the provisions of subdivision b., the clause set out in subdivision a. shall apply to the liabilities in subdivision b.:

(1) Unless applied sooner under the provisions of sections (2) or (3) of this subdivision c., automatically upon and simultaneously with the outbreak of war (whether there be a declaration of war or not) between any of the following countries: United States of America, United Kingdom (or any other member of the British Commonwealth), France, the Russian Federation, and the People's Republic of China;

(2) At any time at the "Insured's" request, or by the Company giving 14 days written notice to the "Insured", but in no event shall such notice effect or postpone the operation of the provisions of sections (1) and (3) of this subdivision c. Written notice sent to the "Insured" at its last known address shall constitute a complete notice, and such notice mailed, teleaxed, telefaxed, or telegraphed to the "Insured", care of the broker that negotiated this Policy, shall have the same effect as if sent to the "Insured" directly. The sending of notice as aforesaid shall be sufficient proof of notice and the effective date and hour of the operation of the clause set out in subdivision a. above shall be 14 calendar days from midnight of the day on which such notice was sent. The Company agrees, however, that the clause set out in subdivision a. above shall not apply if, prior to the effective date and hour, the Company and the "Insured" agree as to an additional premium and/or new conditions and/or warranties;

(3) Unless sooner terminated under the provisions of sections (1) or (2) of this subdivision c., automatically in respect of an insured vessel or watercraft if and when such vessel or watercraft is requisitioned, either for title or use, by the government of the United States, or of the country in which the vessel or watercraft is owned or registered, or of the country in which any such right of requisition is vested; or

- (4) If, subsequent to the agreement of an additional premium as provided by section (2) of subdivision c., either the "Insured" or the Company again elect to exercise the option provided therein, or section (1) or (2) of subdivision c. becomes operative, pro rata net return of the additional premium paid shall be refunded to the "Insured". Such return premium will be paid as soon thereafter as practicable to do so.

27. Radioactive Contamination

Directly or indirectly caused by or contributed to or arising out of:

- a. Ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter; or
- d. The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes.

28. Advertising Activities

For any claims or "Suits" with respect to advertising activities of the "Insured":

- a. For failure of performance of contract, but this shall not relate to claims or "Suits" for unauthorized appropriation of ideas based upon alleged breach of an implied contract;
- b. By advertising agents of the "Insured";
- c. For infringement of registered trade mark, service mark or trade name by use thereof as the registered trademark, service mark or trade name of goods or services sold, offered for sale or advertised, but this shall not relate to titles or slogans;
- d. For incorrect description of any article or commodity; or
- e. For mistake in advertised price.

29. Copyright/Patent

For any claims or "Suits" for:

- a. Any infringement of any patents or copyright;
- b. Any unauthorized use of any trademarks, trade names or service marks;
- c. Any misappropriation of any designs, drawings, processes or procedures; or
- d. Any misappropriation of minerals or non-payment of mineral royalties.

30. Government Agencies

For any claims made by a national, state or local government or subdivision or agency thereof, unless such claims be for damages occasioned by actual or alleged "Bodily Injury", "Property Damage" or "Personal and Advertising Injury".

31. Product Guarantee

From the failure of any "Insured's" products or work completed by or for the "Insured" to perform the function or serve the purpose intended by the "Insured", if such failure is due to a mistake or deficiency in any design, formula, plan, specifications, advertising material or printed instructions prepared or developed by any "Insured" except with respect to "Bodily Injury" or "Property Damage" as a result of said failure provided such "Property Damage" or "Bodily Injury" is insured under the "Underlying Insurance" and then only for such losses for which coverage is afforded under said "Underlying Insurance".

V. CONDITIONS

1. Assistance and Cooperation

We shall not be called upon to assume charge of the investigation, defense or settlement of any claim made or "Suit" brought or proceeding instituted against the "Insured," but we shall have the right and shall be given the opportunity to associate with the "Insured" or its underlying insurers, or both, in the investigation, defense, control and settlement of any claim, "Suit" or proceeding relative to an "Occurrence" where the claim, "Suit" or proceeding involves or appears reasonably likely to involve this Policy, in which event the "Insured," its underlying insurers and we shall cooperate in all things in the defense of such claim, "Suit" or proceeding.

2. Appeals

In the event the "Insured" or the "Insured's" underlying insurers elect not to appeal a judgment in excess of the Underlying

Limits, we may elect to make such an appeal at our cost and expense and we shall be liable for the taxable costs, disbursements and interest incidental thereto, but in no event shall our liability for "Ultimate Net Loss" exceed the amount set forth in Section II ("Limits of Liability – Underlying Limits") for any one "Occurrence," plus the cost and expense of such appeal, including the taxable costs, disbursements and interest incidental to the appeal.

3. Additional Insureds

Only the "Named Insured" has the right to add additional "Insured(s)" to the coverage.

Any additional "Insured(s)", other than you, included in the Scheduled Underlying Insurance listed in the declarations shall also be an additional "Insured" under this policy. However, whenever additional "Insured(s)" are added to this policy, it is specifically agreed that:

- a. The interest of such additional "Insured(s)" will only be included with respect to activities insured by this policy, and subject to this policy's terms, conditions and limitations and exclusions;
- b. The inclusion of additional "Insured(s)" shall in no way increase the Limits of Insurance for this policy shown in the declarations;
- c. Additional "Insured" coverage provided by this insurance shall not be broader than the coverage provided by any "Underlying Insurance";
- d. If coverage provided to any additional "Insured" is required by contract or agreement, the most we will pay on behalf of the additional "Insured" is the amount of insurance required by the contract or agreement, less any amounts payable by any "Underlying Insurance";
- e. This Company shall have the right to charge an appropriate additional premium for any additional "Insured(s)" interests included in this policy.

4. Assignment

Assignment of interest under this Policy shall not bind the Company until our written consent has been endorsed hereon and we have been given an opportunity to charge an appropriate additional premium at the Company's option.

5. Bankruptcy or Insolvency

Bankruptcy, insolvency, or receivership of any "Insured", or of any underlying insurer will not relieve us of our obligations under this Policy, but with regard to bankruptcy,

insolvency, or receivership of any underlying insurer our Limit of Insurance will apply only in excess of the Underlying Limit shown in the Schedule of Underlying Insurance and shall apply in the same manner as though the "Underlying Insurance" were valid and collectible. Under no circumstances shall the Company be required to drop down and assume the obligations of any "Insured" or any underlying insurer.

6. 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 non-payment 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 will 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.
- g. Notice of cancellation delivered to the first "Named Insured" shall be deemed sufficient notice on all "Insureds" (including additional "Insureds" added hereon) as if the notice of cancellation had been delivered to each "Insured."

7. Concealment, Misrepresentation or Omissions

This Policy shall be void if, before or after a loss, you conceal, misrepresent or fail to disclose any material information regarding this insurance.

8. Conformity

In the event that any provision of this Policy is unenforceable by any "Insured" under the laws of the State of New York or any other

jurisdiction wherein the "Insured" is actually found liable by a court of law for any loss or damage covered hereby because of non-compliance with any statute thereof, then this Policy shall be enforceable by the "Insured" with the same effect as if it complied with such statute.

9. Cross Liability

In the event of an "Insured" incurring liability to any other "Insured", this Policy shall cover such "Insured" against whom claim is or may be made in the same manner as if separate policies had been issued to each "Insured". Nothing contained herein shall operate to increase the Company's Limit of Liability as set out in Section II ("Limits of Liability – Underlying Limits").

10. Currency

The premium and any loss under this Policy are payable in United States currency.

11. Duties In the Event of Occurrence, Claim or Suit

- a. You and any other involved "Insured" shall cooperate with the underlying insurers and comply with all the terms and conditions of the "Underlying Insurance".
- b. You must see to it that we receive prompt written notice of an "Occurrence" that, without regard to liability, is likely to involve this Policy. Such notice must include:
 - (1) How, when and where the "Occurrence" took place; and
 - (2) The names and addresses of any injured persons and witnesses.
- c. If a claim is made or "Suit" is brought against any "Insured" to which this insurance may apply, you must see to it that we receive prompt written notice of such claim or "Suit". You and any other involved "Insured" must:
 - (1) Immediately send us copies of any demands, notice, summonses or legal papers received in connection with the claim or "Suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation, settlement or defense of the claim or "Suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to any "Insured" because of injury or damage to which this insurance may apply.

- d. No "Insured" will, except at its own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

12. Examination Under Oath

We may examine any "Insured" under oath, while not in the presence of any other "Insured" and at such times as may be reasonably required, about any matter relating to this insurance or any claim or "Suit," including any "Insured's" books and records. In the event of an examination, an "Insured's" answers must be signed under oath.

13. Financial Responsibility

This insurance does not constitute evidence of financial responsibility under the Oil Pollution Act of 1990 or any similar federal, state or local law, and it is a condition of this insurance that it shall not be submitted to the United States Coast Guard or any other federal, state or local agency as evidence of financial responsibility. The Company does not consent to be guarantor.

14. Geographical Limits

This Policy covers the operations of the "Insured" anywhere in the world except for any country or jurisdiction that is subject to any trade sanction, embargo or similar regulation imposed by the United States of America that prohibits the transaction of business with or within such country or jurisdiction.

15. Legal Action Against Us

No person or organization has a right under this Policy:

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

Any "Suit" on this Policy must be brought within one year of the Company first receiving notice of a claim under the Policy.

An "Insured" may sue us to recover on an agreed settlement or on a final judgment against an "Insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable Limits of Insurance. An agreed settlement means a settlement and release of liability signed by us, the "Insured" and the claimant or the claimant's legal representative.

16. Maintenance of Underlying Insurance

- a. It is a condition of this Policy that the policy or policies referred to in the attached Schedule of Underlying Insurance shall be maintained in full effect during the currency of this Policy except for any reduction of the aggregate limit or limits contained therein solely by payment of claims in respect of "Occurrences" happening during the period of such "Underlying Insurance."
- b. Inadvertent failure of the "Insured" to comply with subparagraph a. above or inadvertent failure to notify us of any changes in the "Underlying Insurances" shall not prejudice the "Insured's" rights of recovery under this Policy but, in the event of such failure, we will be liable hereunder only to the same extent as we would have been had the "Insured" complied with the said condition.
- c. In the event of an underlying war risks insurance being cancelled by us thereon under the terms of the cancellation clause therein, such cancellation shall not constitute a breach of subparagraph a. above, but we will be liable hereunder only to the same extent as it would have been had that underlying war risks insurance not been cancelled. Nothing in the foregoing sentence shall be deemed to affect the application of Exclusion No. 26.

17. Other Insurance

If other valid and collectible insurance is available to the "Insured" covering a loss also covered by this Policy, other than insurance that is written to be specifically in excess of the insurance afforded by this Policy, the insurance afforded by this Policy shall be in excess of and shall not contribute with such other insurance, either as double insurance or otherwise. Nothing herein shall be construed to make this Policy subject to the terms, conditions and limitations of other insurance.

18. Prior Insurance and Non-accumulation of Liability

It is agreed that if any loss covered hereunder is also covered in whole or in part under any other excess policy issued to the "Insured" prior to the inception date hereof, the Limits of Liability stated in Section II ("Limits of Liability – Underlying Limits") shall be reduced by any amounts due to the "Insured" on account of such loss under prior insurance.

19. Schedule of Vessels

If this Policy includes a Schedule of Vessels, then only those vessels and watercraft listed thereunder are covered under this Policy.

Additional vessels or watercraft added to any policy in the Schedule of Underlying Insurances by means of an automatic attachment clause shall be deemed to be similarly added to the Schedule of Vessels hereunder provided that written notice is given to us within 30 days of attachment. Vessels or watercraft deleted from any policy in the Schedule of Underlying Insurances are simultaneously deleted from this Policy.

In the event of a change of ownership or management of a vessel or watercraft insured hereunder to a party not an "Insured" in this Policy, coverage upon that vessel shall cease unless the change is agreed to in writing by us.

Changes to the Schedule of Vessels hereunder may be subject to a premium adjustment to be agreed.

20. Subrogation

In the event of any payment under this Policy, we shall participate with the "Insured" and any underlying insurer in the exercise of all the "Insured's" rights of recovery therefore against any person or organization. All recoveries shall be applied as if recovered prior to any payment under this Policy and to that end all necessary adjustments shall be made as soon as practicable thereafter. The expense of any subrogation proceeding brought to enforce such rights shall be apportioned among us, the underlying insurers and the "Insured" in accordance with their respective interests in the matter giving rise to such rights.

21. U.S. Economic and Trade Sanctions

Whenever coverage provided by this Policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void.

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

22. Forum Selection Clause

It is agreed that any "suit" commenced in connection with or relating to and arising out of this Policy shall be brought in the United

States District Court for the Southern District of New York or, in the absence of subject matter jurisdiction, in the Supreme Court of the State of New York for the County of New York.

23. Choice of Law Clause

This Policy and all endorsements shall be governed by the federal maritime law of the United States. In the absence thereof, the laws of the State of New York shall apply.

24. Headings and Captions

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

VI. DEFINITIONS

1. The word **"Insured"**, whenever used in this Policy, includes not only the "Named Insured" but also:

- a. Any executive officer, director, stockholder or "Employee" of the "Named Insured", while acting in his capacity as such;
- b. Any person, organization, trustee or estate to whom the "Named Insured" is obligated by virtue of a written contract or written agreement to provide insurance such as is afforded by this Policy, but only in respect of operations by or on behalf of the "Named Insured";
- c. With respect to any "Automobile" owned by the "Named Insured" or hired for use on behalf of the "Named Insured" or to any "Aircraft" owned by the "Named Insured" or hired for use on behalf of the "Named Insured", any person while using such "Automobile" or "Aircraft" and any person or organization legally responsible for the use thereof, provided the actual use of the "Automobile" or "Aircraft" is with the permission of the "Named Insured". The insurance extended by this subparagraph c. with respect to any person or organization other than the "Named Insured", shall not apply:
 - i. To any person or organization or to any agent or "employee" thereof operating an "Automobile" repair shop, public garage, sales agency, service station or public parking place, with respect to any "Occurrence" arising out of the operation thereof;
 - ii. To any manufacturer of "Aircraft", engines or aviation accessories, or any aviation sales or service or repair organization or airport or hangar

operator or their respective "employees" or agents, with respect to any "Occurrence" arising out of the operation thereof;

- iii. With respect to any hired "Automobile" or "Aircraft", to the owner thereof or any "employee" of such owner.

2. **"Aircraft"** shall mean any heavier than air or lighter than air aircraft designed to transport persons or property.

3. **"Automobile"** shall mean a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment, or any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. However, "Automobile" does not include "Mobile Equipment".

4. **"Bodily Injury"** means physical injury, sickness, disease, shock, fright, mental injury or death sustained during the term of this Policy.

5. **"Employee"** includes a "Leased Worker" but does not include a borrowed servant or a borrowed "employee".

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.

7. **"Mobile Equipment"** means any of the following type 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 and drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air-compressors, pumps and generators, including spraying, welding and building cleaning equipment; and geophysical exploration, lighting and well-servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of person or cargo.

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

- (1) Equipment designed primarily for snow removal or street cleaning; or
- (2) Cherry pickers and similar devices mounted on "Automobile" or truck chassis and used to raise or lower workers; or
- (3) Air-compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment.

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

- 8. **"Named Insured"** shall mean the entity or entities listed on the Declarations page.
- 9. **"Occurrence"** means a sudden and unexpected event or an accident to which this insurance applies and which takes place during the term of this Policy, including continuous or repeated exposure to substantially the same general harmful conditions.
- 10. **"Personal and Advertising Injury"** means injury, including consequential "Bodily Injury", arising out of one or more of the following during the term of this Policy:
 - 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".

11. **"Pollutant"** means 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.

12. **"Property Damage"** means:

- a. Physical injury to tangible property, including all resulting loss of use of that property, during the term of this Policy. 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, during the term of this Policy, 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, DVDs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- 13. **"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.

14. "Ultimate Net Loss" means the total sum that the "Insured" becomes obligated to pay by reason of matters set out in I – Coverage – Insuring Agreement including compromise settlements and shall include hospital, medical and funeral charges and all sums paid as salaries, wages, compensation, fees, charges and law costs, premiums on attachment or appeal bonds, interest, expenses for doctors, lawyers, nurses and investigators and other persons, and for litigation, settlement adjustment and investigation of claims and "Suits" that are paid as a consequence of any "Occurrence" covered hereunder, excluding, however, the salaries of the "Insured's" permanent "Employees" and general office overheads and also excluding any part of such expenses for which the "Insured" is covered by other valid and collectible insurance.

15. "Underlying Insurance" means the coverage(s) afforded under insurance policies listed in the Schedule of Underlying Insurance or other underlying insurance available to the "Insured"; including any policies issued to replace these underlying policies that include the same limits, same coverage and the same terms and conditions.

American Institute

CYBER EXCLUSION CLAUSE

(11/06/2015)

This clause shall be paramount and shall override anything contained in this insurance (including any endorsement(s)) inconsistent therewith.

In no case shall this insurance cover loss, damage, liability, or expense directly or indirectly caused by or contributed to or arising from

1. any "malicious act" involving the use of any "computer system", "electronic data communications system", "computer virus", or process or any other electronic system; and/or
2. any access to or disclosure of any "personally identifiable information" or any person's or organization's confidential information, including, but not limited to, patents, trade secrets, processing methods, customer lists, financial information, credit card information, or any other type of nonpublic information; and/or
3. any action or omission that violates or is alleged to violate any federal, state or local statute that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of any written or electronic material or information.

Where this policy provides coverage for War Risks, section 1 above shall not operate to exclude losses which would otherwise be covered by such War Risks coverage.

Definitions

"Computer system" means computer hardware of any kind; "electronic computer program"; "electronic data processing media"; operating system; media microchip; microprocessor (computer chip); integrated circuit or similar device; computer network and networking equipment; firmware; server; website; extranet; and all input, output, processing, storage, and off-line media libraries.

"Computer virus" means any corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a "computer system" or network of whatsoever nature.

"Electronic computer program" means computer software, application software, and other recorded instructions for the processing, sequencing, collecting, transmitting, recording, retrieval, or storage of "electronic data".

"Electronic data" means information or knowledge recorded or transmitted in a form usable in a "computer system", microchip, integrated circuit or similar device in non-computer equipment, and which can be stored on "electronic data processing media" for use by an "electronic computer program".

"Electronic data communications system" means any communication system, including a "computer system" and the internet, which provides the Assured with access to another "computer system", microchip, integrated circuit or similar device in non-computer equipment, or which provides any party access to the Assured's "computer system", microchips, integrated circuits or similar devices in non-computer equipment.

"Electronic data processing media" means punch cards, paper tapes, floppy disks, CD-ROM, hard drives, magnetic tapes, magnetic discs or any other tangible personal property on which "Electronic data" or "electronic computer programs" are recorded or transmitted, but not the "electronic data" or "electronic computer programs" themselves. Money or securities are not "electronic data processing media".

"Malicious act" shall mean the intentional and wrongful action or actions of one or more persons, whether or not agents of a sovereign power.

"Personally identifiable information" shall mean information, whether printed or digital, encrypted or unencrypted, in the care custody or control of any Assured which alone or in conjunction with other information can be used to uniquely identify an individual. However, "personally identifiable information" does not include information which is lawfully available to the general public.