

COACTION SPECIALTY INSURANCE GROUP CLAIMS REPORTING



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ATAIN INSURANCE COMPANIES CLAIMS REPORTING

E-mail at claims@atainins.com, fax at 248-539-6092, or visit our website at www.atainins.com.

In order to expedite this process, please be prepared to furnish as much of the following information as possible:

- Your policy number
- Date, time and location of the loss / accident
- Details of the loss / accident
- Name, address and phone number of any involved parties
- If applicable, name of law enforcement agency or fire department along with the incident number.

Please also refer to your policy for specific claim reporting requirements.

Thank you for your business and as always, we appreciate the opportunity to serve you.



RB JONES MARINE

555 5TH AVENUE, 10th FLOOR, NEW YORK, NY 10017
Phone: 212-338-9728

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

MARINE PACKAGE POLICY

Policy No.: HM2023MEE00879 / AHM2023MEE00879

Named Insured: Nautical Media Management, LLC

Insured Address: 101 NE 79th Street, Miami, Florida 33138, United States

Insurer New York Marine & General Insurance Company

Coverage(s): **Section 1: Marine General Liability**
Section 2 A: Hull and Machinery
Section 2 B: Protection and Indemnity

Policy Period: **Start:** 06-10-2023 **End:** 06-10-2024

12:01 A.M. standard time at the address of the Named Insured.

Payment Plan: Annual

Description of Operations: Operates Media barges

Section 1

Marine General Liability

Limits of Liability:

Each Occurrence Limit	\$1,000,000
Personal & Advertising Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Products/Completed Operations Aggregate Limit	\$1,000,000
Medical Expense Limit	\$5,000
Damage to Premises Rented to you	\$50,000
Claims Expense Limit not included within Aggregate Limit	\$1,000,000

Deductible(s):

Any one accident or occurrence	\$5,000
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Premium Summary:

Premium:	\$7,500
Adjustable Rate:	Flat against Gross Receipts
TRIA Premium:	Declined
Minimum Earned Premium:	25%



Section 2 A

Hull and Machinery

SCHEDULE OF VESSELS

Vessel Name	Type	Year	Length	GRT / HRT	Crew / Passengers	Insured Value	Vessel Deductible
Ballyhoo I	Media Barge	2016	52		25,000	\$1000000	\$25,000
Ballyhoo II	Media Barge	2018	72	74	25,000	\$1200000	\$25,000
Janet Catherine	Media Barge	2015	60		25,000	\$700,000	\$25,000
T2	Media Barge	2007	45		25,000	\$1000000	\$25,000
B3	Media Barge	1995	65		25,000	\$1000000	\$25,000

Limits of Liability:

Hull Limit

Per Schedule of Vessels

Deductible(s):

Any one accident or occurrence

Per Schedule of Vessels

Navigation Warranty

Inland and Coastal waters of FL not exceeding 1 mile offshore

Hull Premium Summary:

Premium:

\$112,700

TRIA Premium:

Declined

Minimum Earned Premium:

25%

Section 2 B

Protection and Indemnity

Scheduled Vessels as per Hull unless stated otherwise

Limits of Liability

any one event / combined single limit and in the aggregate \$1,000,000*

Deductibles:

Each Occurrence \$10,000
 Each Occurrence - In respect of Property Damage \$N/A
 Each Occurrence – In respect of Bodily Injury \$N/A

*Defense costs within the limit.

Premium Summary:

P&I Premium: \$30,250
 TRIA Premium: Declined
 Minimum Earned Premium 25%

Crew

Number of Crew 10
 Crew Limitation if applicable 10

Overall Premium Summary

Marine General Liability	\$7,500
Hull and Machinery	\$112,700
Protection and Indemnity	\$30,250
Total Package Premium	\$150,450.00
TRIA Premium	Declined



JOINT POLICY ENDORSEMENT

LEAD UNDERWRITER CLAUSE

It is understood and agreed that underwriters subscribed hereto shall follow New York Marine and General Insurance Company regarding any alterations, additions, deletions, extensions, endorsements or cancellation of this insurance. This authority shall include but not be limited to declinations, reservation of rights, claims settlements (excepting ex gratia payments), arbitrations, expenses and extra expenses, surveys, defense costs, opinions, investigations, subrogation and appointment of attorneys, surveyors or other experts.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.



JOINT POLICY ENDORSEMENT

SIGNATURE PAGE

Any provisions required by law to be stated in policies issued by a subscriber hereto, shall be deemed to have been stated herein.

IN WITNESS WHEREOF, the Subscriber hereunder each severally, but not jointly, and not on the part of one for the other or any of the others, have caused this Policy to be signed by a duly qualified officer, attorney or agent, at 06-03-2023 12:01 a,m Local Standard Time



Insurer	Share %	Insured Amount	Premium	Authorized Signature
RB Jones Inc on behalf of New York Marine and General Insurance Company Policy #: HM2023MEE00879	75%	As per attached herein	\$112,837.50	
RB Jones Inc on behalf of Atain Insurance Company Policy #: AHM2023MEE00879	25%	As per attached herein	\$37,612.50	

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MARINE PACKAGE POLICY

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 Paragraph E. - Who Is An Insured.

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

SECTION I - MARINE GENERAL LIABILITY COVERAGES

The following **Marine General Liability** coverages apply:

A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY COVERAGE

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 and “claims expenses” is limited as described in Paragraph F. - Limits Of Insurance; and
2. Our right and duty to defend ends when we have used up the applicable limits of insurance in the payment of judgment or settlements or “claims expenses” 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 Paragraph E. - 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 Paragraph E. - 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 Paragraph E. - 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 attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of “bodily injury” or “property damage”, provided:
 - a. Liability to such party for, or for the cost of, that party’s defense has also been assumed in the same “insured contract”; and
 - b. Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

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

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

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

d. 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:

- i. Whether the insured may be liable as an employer or in any other capacity; and
- ii. 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".

e. 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 an "insured contract," but only that portion of the "insured contract" under which the "Named Insured" assumes the tort liability of another party for "bodily injury" or "property damage" to a third person or organization provided the "bodily injury" or "property damage" occurs subsequent to the execution of such contract. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
5. Liability arising out of the "products-completed operations hazard" of the "your work" performed from watercraft owned by, or chartered, leased, rented or loaned to an Insured.
6. "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in the definition of "mobile equipment".

f. 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, or stunting activity.

g. 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 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Paragraph G. - 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".

h. Damage To Your Product

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

i. 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.

j. 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.

k. 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.

I. Personal And Advertising Injury

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

Exclusions **c.** through **m.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner Separate limits of insurance apply to this coverage as described in Paragraph F. - Limits Of Insurance.

m. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

B. PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE

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 and “claims expenses” is limited as described in Paragraph F. - Limits Of Insurance; and
- 2.** Our right and duty to defend end when we have used up the applicable limits of insurance in the payment of “claims expenses” and 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 of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

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

d. Criminal Acts

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

- e. **Contractual Liability**
“Personal and advertising injury” for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- f. **Breach Of Contract**
“Personal and advertising injury” arising out of a breach of contract, except an implied contract to use another’s advertising idea in your “advertisement”.
- g. **Quality Or Performance Of Goods - Failure To Conform To Statements**
“Personal and advertising injury” arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your “advertisement”.
- h. **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.
However, this exclusion does not apply to infringement, in your “advertisement”, of copyright, trade dress or slogan.
- j. **Insureds In Media And Internet Type Businesses**
“Personal and advertising injury” committed by an insured whose business is:
 - 1. Advertising, broadcasting, publishing or telecasting;
 - 2. Designing or determining content of websites for others; or
 - 3. An Internet search, access, content or service provider.However, this exclusion does not apply to Paragraphs **18 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 or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “pollutants”; or
 - 2. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, “pollutants”.

C. MEDICAL PAYMENTS COVERAGE

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. **Athletics Activities**
To a person injured while taking part in athletics.
- e. **Products-Completed Operations Hazard**
Included within the “products-completed operations hazard”.
- f. **Coverage A Exclusions**
Excluded under Coverage A.

D. SUPPLEMENTARY PAYMENTS

This section applies only to 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 that we incur that are not included in “claims expenses”.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit”, including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All costs taxed against the insured in the “suit”.

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

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

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

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

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

E. 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 Paragraphs 1. a. or b. above; or
 - d. Arising out of his or her providing or failing to provide professional health care services.
 2. “Property damage” to property:
 - a. Owned, occupied or used by,
 - b. Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your “employees”, “volunteer workers”, any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your “employee” or “volunteer worker”), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 1. With respect to liability arising out of the maintenance or use of that property; and
 2. Until your legal representative has been appointed.
 - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this insurance.
3. With respect to “mobile equipment” registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your

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

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as 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.

5. The Policy shall include as additional insureds:
- a. Additional Insureds any person or organization to whom the Named Insured has agreed by written contract to provide coverage, but only with respect to operations performed by or on behalf of the Named Insured and only with respect to occurrences subsequent to the making of such written contract.
 - b. Any entity required by written contract (hereinafter called additional Insured) to be named as an insured is an insured but only with respect to liability arising out of your premises, "your work" for the additional Insured, or acts or omissions of the additional Insured, in connection with their general supervision of "your work" to the extent set forth below:
 1. The Limits of Insurance provided on behalf of the additional Insured(s) will not be greater than The Limits of Insurance provided in this policy.
 2. Except as provided herein all insuring agreements, exclusions and conditions of this policy apply to such Additional Insured(s).
 3. The Insurance provided by us to the additional Insured will not be greater than that required by contract and to the extent that such insurance is more restrictive the terms of the insuring agreements, exclusions and conditions of this policy shall be deemed to be amended accordingly.
 - c. In no event shall Coverages or Limits of Insurance in this policy be increased by such contract.
6. This insurance does not apply to:
- a. "Bodily Injury" or "Property Damage" occurring after:
 1. All work on the project (other than service maintenance or repairs) to be performed by or on behalf of the Additional Insured(s) at the site of the covered operations has been completed; or

2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
- b. "Bodily Injury" or "Property Damage" arising out of any act, omission or negligence of the additional Insured(s) or any of their employees, other than the general supervision of work performed for the additional Insured(s) by you.
- c. "Property Damage" to:
 1. Property owned, used or occupied by or rented to the additional Insured(s);
 2. Property in care, custody or control of the additional Insured(s) or over which the additional Insured(s) are for any purpose exercising physical control; or
 3. "Your Work" for the additional Insured(s).
- d. With respect to Additional Insured(s), who are architects, engineers or surveyors, this insurance does not apply to "Bodily Injury," "Property Damage," or "personal and advertising injury" arising out of the rendering of or the failure to render any professional service by or for you, including:
 1. The preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
 2. Supervisory, inspection or engineering services.

F. LIMITS OF INSURANCE

The limits below apply only to **Section I, MARINE GENERAL LIABILITY**

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 Claims Expenses Limit of Liability is the most we will pay for "claims expenses" under Coverages **A** and **B**.
3. 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**; and
4. 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".
5. Subject to **3.** 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.
6. Subject to **3.** or **4.** above, whichever applies, the Each Occurrence Limit it 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”;
7. Subject to **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of “property damage” to 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.
 8. Subject to **6.** 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.
 9. With respect to the Per Project Aggregate Limit, the General Aggregate Limit set forth in the Declarations shall apply separately to each of your projects away from premises owned by or rented to you.
 10. The Claims Expenses Limit on the Declarations apply separately to Each Occurrence. The Limits of Insurance of this coverage 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.

G. MARINE GENERAL LIABILITY CLAUSES

1. Cancellation

In the event of cancellation, you agree to furnish us with an accurate statement of gross receipts for the period from the attachment date of this policy up to and including the date of cancellation, such statement to be the basis for premium adjustment as provided herein. If the policy is subject to a 25% minimum premium, revised Minimum and Deposit Premiums will be calculated as set forth below, and the Earned Premium for the amended Policy Period will be applied against these revised Minimum and Deposit Premiums.

In the event of cancellation by the company, the revised Deposit Premium will be calculated by subtracting the pro rata return premium due from the Deposit Premium set forth in the Declarations. The revised Minimum Premium will be determined by dividing the Minimum Premium set forth in the Declarations by the Deposit Premium forth in Declarations and multiplying the resultant fraction unless prohibited by state insurance laws.

In the event of cancellation by you, the revised Deposit Premium will be calculated by subtracting the “short-rate return premium” due from the Deposit Premium. In such event, unless modified by specific endorsement, the revised Minimum Premium will be the same as the revised Deposit Premium.

2. Blanket Waiver Of Subrogation

We agree to waive any rights of subrogation to which we may be entitled if prior to loss you have agreed to such waiver in writing, but only to the extent required by said written agreement.

3. Primary and Non-Contributory By Written Contract

Where required by written contract, it is agreed that this policy shall be primary to any insurance carried by an additional insured, and any insurance carried by such additional insured shall not be called upon

to contribute to any claim covered under this policy, provided that the claim arises directly from work performed by you or others working directly on behalf of you and provided further that the “occurrence” that gives rise to such claim happened subsequent to the execution of the written contract.

4. Premium Adjustment and Reporting

The premium charged for this policy has been calculated at the rate of < Flat > per \$100.00 of gross receipts during the Policy Period. On or before the 30th day following the expiration of this policy, the insured agrees to submit a report to us containing gross receipts during the Policy Period.

Earned Premium will be calculated at the above rate, and any premium in excess of the Deposit Premium shall be immediately due and payable upon furnishing the aforesaid report. In the event that the Earned Premium is less than the Deposit Premium but more than the Minimum Premium, the company will return the difference between the Deposit Premium and the Earned Premium. In the event that the Earned Premium is less than the Minimum Premium, the Minimum Premium will apply and the company will return the difference (if any) between the Deposit Premium and the Minimum Premium.

SECTION II. WATERCRAFT COVERAGE

A. HULL AND MACHINERY

The following **Hull And Machinery** coverages apply:

1. INSURED

If claim is made under this Section of the Policy by anyone other than the Owner of the Vessel, such person shall not be entitled to recover to a greater extent than would the Owner, had claim been made by the Owner as an Insured named in this Policy.

The company waives any right of subrogation against affiliated, subsidiary or interrelated companies of the Insured, provided that such waiver shall not apply in the event of a collision between the Vessel and any vessel owned, demise chartered or otherwise controlled by any of the aforesaid companies, or with respect to any loss, damage or expense against which such companies are insured.

2. BLANKET LOSS PAYEE

The Company will adjust "loss" to Covered Property with the Named Insured, if caused by or resulting from a Covered Cause of Loss. The Company will pay any claims for "loss" jointly to the Named Insured and any Loss Payee as their interests may appear where required by agreement. This applies to all Covered Property for which a Loss Payee is on file with the Company or Named Insured's insurance broker or agent.

3. VESSEL

The Subject Matter of this insurance is the individual vessels declared as per Schedule of Vessels attached (hereinafter, the "Vessel"). If more than one Vessel is named, all clauses shall apply as though a separate Policy had been issued for each Vessel, which for purposes of this insurance shall consist of and be limited to her hull, launches, lifeboats, rafts, furniture, bunkers, stores, supplies, tackle, fittings, equipment, apparatus, machinery, boilers, refrigerating machinery, insulation, motor generators and other electrical machinery.

In the event any equipment or apparatus not owned by the Insured is installed for use on board the Vessel and the Insured has assumed responsibility therefor, it shall also be considered part of the Subject Matter and the aggregate value thereof shall be included in the Agreed Value. Notwithstanding the foregoing, cargo containers, and lighters shall not be considered a part of the Subject Matter of this insurance as per Declaration Page.

Should the Vessel at the expiration of this Policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the company, be held covered at a pro rata monthly premium to her port of destination.

In the event of payment by the company for Total Loss of the Vessel this Policy shall thereupon automatically terminate.

4. AGREED VALUE

The Vessel, for so much as concerns this insurance, by agreement between the Insured and the Company in this Policy, is and shall be valued as shown on the Schedule of Vessels.

5. DEDUCTIBLE

Notwithstanding anything in this Policy to the contrary, there shall be deducted from the aggregate of all claims (including claims under the Sue and Labor Clause and claims under the Collision Liability clause) arising out of each separate accident, the sum shown on the Declarations unless the accident results in a Total Loss of the Vessel in which case this clause shall not apply. A recovery from other interests, however, shall not operate to exclude claims under this Policy provided the aggregate of such claims arising out of one separate accident if unreduced by such recovery exceeds that sum. For the purpose of this clause each accident shall be treated separately, but it is agreed that (a) a sequence of damages arising from the same accident shall be treated as due to that accident and (b) all heavy weather damage, or damage caused by contact with floating ice, which occurs during a single sea passage between two successive ports shall be treated as though due to one accident.

6. PREMIUM

The Company to be paid in consideration of this insurance the amount shown on the Declarations which shall be due as per Premium Payment terms. If the Vessel is insured under this Policy for a period of less than one year at pro rata of the annual rate, full annual premium shall be considered earned and immediately due and payable in the event of Total Loss of the Vessel.

7. RETURNS OF PREMIUM

Premium is returnable as follows:

- a. Pro rata daily net in the event of termination under the Change of Ownership clause;
- b. Pro rata monthly net for each uncommenced month if it be mutually agreed to cancel this Policy;

Provided always that:

- a. A Total Loss of the Vessel has not occurred during the currency of this Policy;
- b. In the event of any amendment of the annual rate, the above rates of return shall be adjusted accordingly;
- c. In no case shall a return be allowed when the Vessel is used as a storage ship or for lightering purposes.

8. ADVENTURE

Beginning the adventure upon the Vessels as listed in the Schedule of Vessels, referred to as Vessel going forward, and so shall continue and endure during the policy period, as employment may offer, in port or at sea, in docks and graving docks, and on ways, gridirons and pontoons, at all times, in all places, and on all occasions, services and trades; with leave to sail or navigate with or without pilots, to go on trial trips and to assist and tow vessels or craft in distress, but the Vessel may not be towed, except as is customary or when in need of assistance, nor shall the Vessel render assistance or undertake towage or salvage services under contract previously arranged by the Insured, the Owners, the Managers or the Charterers of the Vessel, nor shall the Vessel, in the course of trading operations, engage in loading or discharging cargo at sea, from or into another vessel other than a barge, lighter or similar craft used principally in harbors or inland waters. The phrase "engage in loading or discharging cargo at sea" shall include while approaching, leaving or alongside, or while another vessel is approaching, leaving or alongside the Vessel.

The Vessel(s) is held covered in case of any breach of conditions as to cargo, trade, locality, towage or salvage activities, or date of sailing, or loading or discharging cargo at sea, provided (a) notice is given to the company immediately following receipt of knowledge thereof by the Insured, and (b) any amended terms of cover and any additional premium required by the company are agreed to by the Insured.

9. PERILS

Touching the Adventures and Perils which the company are contented to bear and take upon themselves, they are of the Seas, Men-of-War, Fire, Lightning, Earthquake, Enemies, Pirates, Rovers, Assailing Thieves, Jettisons, Letters of Mart and Counter-Mart, Surprisals, Takings at Sea, Arrests, Restraints and Detainments of all Kings, Princes and Peoples, of what nation, condition or quality whatsoever, Barratry of the Master and Mariners and of all other like Perils, Losses and Misfortunes that have or shall come to the Hurt, Detriment or Damage of the Vessel, or any part thereof, excepting, however, such of the foregoing perils as may be excluded by provisions elsewhere in the Policy or by endorsement thereon.

10. ADDITIONAL PERILS (INCHMAREE)

Subject to the conditions of this Policy, this insurance also covers loss of or damage to the Vessel(s) directly caused by the following:

- a. Accidents in loading, discharging or handling cargo, or in bunkering;
- b. Accidents in going on or off, or while on drydocks, graving docks, ways, gridirons or pontoons;
- c. Explosions on shipboard or elsewhere;
- d. Breakdown of motor generators or other electrical machinery and electrical connections thereto, bursting of boilers, breakage of shafts, or any latent defect in the machinery or hull, (excluding the cost and expense of replacing or repairing the defective part);
- e. Breakdown of or accidents to nuclear installations or reactors not on board the insured Vessel;
- f. Contact with aircraft, rockets or similar missiles, or with any land conveyance;
- g. Negligence of Charterers and/or Repairers, provided such Charterers and/or Repairers are not an Insured hereunder; or
- h. Negligence of Masters, Officers, Crew or Pilots;

provided such loss or damage has not resulted from want of due diligence by the Insured, the Owners or Managers of the Vessel, or any of them. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

11. DELIBERATE DAMAGE (POLLUTION HAZARD)

Subject to the conditions of this Policy, this Insurance also covers loss of or damage to the Vessel directly caused by governmental authorities acting for the public welfare to prevent or mitigate a pollution hazard, or threat thereof, resulting directly from damage to the Vessel for which the Company are liable under this Policy, provided such act of governmental authorities has not resulted from want of due diligence by the Insured, the Owners, or Managers of the Vessel or any of them to prevent or mitigate such hazard or threat. Masters, Officers, Crew or Pilots are not to be considered Owners within the meaning of this clause should they hold shares in the Vessel.

12. CLAIMS (GENERAL PROVISIONS)

- a. In the event of any accident or occurrence which could give rise to a claim under this Policy, prompt notice thereof shall be given to the company, and:
 1. Where practicable, the Company shall be advised prior to survey, so that they may appoint their own surveyor, if they so desire;
 2. The Company shall be entitled to decide where the Vessel shall proceed for docking and/or repair (allowance to be made to the Insured for the actual additional expense of the voyage arising from compliance with the company's requirement);
 3. The Company shall have the right of veto in connection with any repair firm proposed;
 4. The Company may take tenders, or may require in writing that tenders be taken for the repair of the Vessel, in which event, upon acceptance of a tender with the approval of the Company, an allowance shall be made at the rate of 30 per cent per annum on the amount

insured, for each day or pro rata for part of a day, for time lost between the issuance of invitations to tender and the acceptance of a tender, to the extent that such time is lost solely as the result of tenders having been taken and provided the tender is accepted without delay after receipt of the company's approval.

Due credit shall be given against the allowances in **2.** and **4.** above for any amount recovered:

- i. In respect of fuel, stores, and wages and maintenance of the Master, Officers or Crew allowed in General or Particular Average;
- ii. From third parties in respect of damages for detention and/or loss of profit and/or running expenses;

for the period covered by the allowances or any part thereof.

- b. No claim shall be allowed in Particular Average for wages and maintenance of the Master, Officers or Crew, except when incurred solely for the necessary removal of the Vessel from one port to another for average repairs or for trial trips to test average repairs, in which cases wages and maintenance will be allowed only while the Vessel is under way. This exclusion shall not apply to overtime or similar extraordinary payments to the Master, Officers or Crew incurred in shifting the Vessel for tank cleaning or repairs or while specifically engaged in these activities either in port or at sea.
- c. General and Particular Average shall be payable without deduction, new for old. The expense of sighting the bottom after stranding shall be paid, if reasonably incurred especially for that purpose, even if no damage be found. No claim shall in any case be allowed in respect of scraping or painting the Vessel's bottom.
- d. In the event of loss or damage to equipment or apparatus not owned by the Insured but installed for use on board the vessel and for which the Insured has assumed responsibility, claim shall not exceed (1) the amount the Company would pay if the Insured were owner of such equipment or apparatus, or (2) the contractual responsibility assumed by the Insured to the owners or lessors thereof, whichever shall be less.
- e. No claim for unrepaired damages shall be allowed, except to the extent that the aggregate damage caused by perils insured against during the period of the Policy and left unrepaired at the expiration of the Policy shall be demonstrated by the Insured to have diminished the actual market value of the Vessel on that date if undamaged by such perils.

13. GENERAL AVERAGE AND SALVAGE

General Average and Salvage shall be payable as provided in the contract of affreightment, or failing such provision or there be no contract of affreightment, payable at the Insured's election either in accordance with York-Antwerp Rules 1950 or 1974 or with the Laws and Usages of the Port of New York. Provided always that when an adjustment according to the laws and usages of the port of destination is properly demanded by the owners of the cargo, General Average shall be paid accordingly.

In the event of salvage, towage or other assistance being rendered to the Vessel by any vessel belonging in part or in whole to the same Owners or Charterers, the value of such services (without regard to the common ownership or control of the vessels) shall be ascertained by arbitration in the manner provided for under the Collision Liability clause in this Policy, and the amount so awarded so far as applicable to the interest hereby insured shall constitute a charge under this Policy.

When the contributory value of the Vessel is greater than the Agreed Value herein, the liability of the Company for General Average contribution (except in respect to amounts made good to the Vessel), or Salvage, shall not exceed that proportion of the total contribution due from the Vessel which the amount insured hereunder bears to the contributory value, and if, because of damage for which the

company are liable as Particular Average, the value of the Vessel has been reduced for the purpose of contribution, the amount of such Particular Average damage recoverable under this Policy shall first be deducted from the amount insured hereunder, and the company shall then be liable only for the proportion which such net amount bears to the contributory value.

14. TOTAL LOSS

In ascertaining whether the Vessel is a constructive Total Loss the Agreed Value shall be taken as the repaired value and nothing in respect of the damaged or break-up value of the Vessel(s) or wreck shall be taken into account.

There shall be no recovery for a constructive Total Loss hereunder unless the expense of recovering and repairing the Vessel would exceed the Agreed Value. In making this determination, only expenses incurred or to be incurred by reason of a single accident or a sequence of damages arising from the same accident shall be taken into account, but expenses incurred prior to tender of abandonment shall not be considered if such are to be claimed separately under the Sue and Labor clause.

In the event of Total Loss (actual or constructive), no claim to be made by the company for freight, whether notice of abandonment has been given or not.

In no case shall the Company be liable for unrepaired damage in addition to a subsequent Total Loss sustained during the period covered by this Policy.

15. SUE AND LABOR

And in case of any Loss or Misfortune, it shall be lawful and necessary for the Insured, their Factors, Servants and Assigns, to sue, labor and travel for, in, and about the defense, safeguard and recovery of the Vessel, or any part thereof, without prejudice to this insurance, to the charges whereof the company will contribute their proportion as provided below. And it is expressly declared and agreed that no acts of the company or Insured in recovering, saving or preserving the Vessel(s) shall be considered as a waiver or acceptance of abandonment.

In the event of expenditure under the Sue and Labor clause, the Company shall pay the proportion of such expenses that the amount insured hereunder bears to the Agreed Value, or that the amount insured hereunder (less loss and/or damage payable under this Policy) bears to the actual value of the salvaged property, whichever proportion shall be less; provided always that their liability for such expenses shall not exceed their proportionate part of the Agreed Value.

If claim for Total Loss is admitted under this Policy and sue and labor expenses have been reasonably incurred in excess of any proceeds realized or value recovered, the amount payable under this Policy will be the proportion of such excess that the amount insured hereunder (without deduction for loss or damage) bears to the Agreed Value or to the sound value of the Vessel at the time of the accident, whichever value was greater; provided always that the Company's liability for such expenses shall not exceed their proportionate part of the Agreed Value. The foregoing shall also apply to expenses reasonably incurred in salving or attempting to save the Vessel and other property to the extent that such expenses shall be regarded as having been incurred in respect of the Vessel.

16. PILOTAGE AND TOWAGE

This insurance shall not be prejudiced by reason of any contract limiting in whole or in part the liability of pilots, tugs, towboats, or their owners when the Insured or the agent of the Insured accepts such contract in accordance with established local practice.

Where in accordance with such practice, pilotage or towage services are provided under contracts requiring the Insured or the agent of the Insured:

- a. To assume liability for damage resulting from collision of the Vessel insured with any other ship or vessel, including the towing vessel, or
- b. To indemnify those providing the pilotage or towage services against loss or liability for any such damages,

it is agreed that amounts paid by the Insured or Surety pursuant to such assumed obligations shall be deemed payments “by way of damages to any other person or persons” and to have been paid “in consequence of the Vessel being at fault” within the meaning of the Collision Liability clause in this Policy to the extent that such payments would have been covered if the Vessel had been legally responsible in the absence of any agreement. Provided always that in no event shall the aggregate amount of liability of the company under the Collision Liability clause, including this clause, be greater than the amount of any statutory limitation of liability to which owners are entitled or would be entitled if liability under any contractual obligation referred to in this clause were included among the liabilities subject to such statutory limitations.

17. CHANGE OF OWNERSHIP

In the event of any change, voluntary or otherwise, in the ownership or flag of the Vessel, or if the Vessel(s) be placed under new management, or be chartered on a bareboat basis or requisitioned on that basis, or if the Classification Society of the Vessel or her class therein be changed, cancelled or withdrawn, then, unless the company agrees thereto in writing, this Policy shall automatically terminate at the time of such change of ownership, flag, management, charter, requisition or classification; provided, however, that:

- a. If the Vessel has cargo on board and has already sailed from her loading port or is at sea in ballast, such automatic termination shall, if required be deferred until arrival at final port of discharge if with cargo, or at port of Destination if in ballast;
- b. In the event of an involuntary temporary transfer by requisition or otherwise, without the prior execution of a written agreement by the Insured, such automatic termination shall occur fifteen days after such transfer.

This insurance shall not inure to the benefit of any transferee or charterer of the Vessel(s) and if a loss payable hereunder should occur between the time of change or transfer and any deferred automatic termination, the company shall be subrogated to all of the rights of the Insured against the transferee or charterer in respect of all or part of such loss as is recoverable from the transferee or charterer, and in the proportion which the amount insured hereunder bears to the Agreed Value.

The term “new management” as used above refers only to the transfer of the management of the Vessel(s) from one firm or corporation to another, and it shall not apply to any internal changes within the offices of the Insured.

18. ADDITIONAL INSURANCES

It is a condition of this Policy that no additional insurance against the risk of Total Loss of the Vessel shall be effected to operate during the currency of this Policy by or for account of the Insured, Owners, Managers, Operators or Mortgagees except on the interests and up to the amounts enumerated in the following Sections **a.** to **g.**, inclusive, and no such insurance shall be subject to P.P.I., F.I.A. or other like term on any interests whatever excepting those enumerated in Section (a); provided always and notwithstanding the limitation on recovery in the Insured clause a breach of this condition shall not

afford the company any defense to a claim by a Mortgagee who has accepted this Policy without knowledge of such breach:

- a. Disbursements, Managers' Commissions, Profits or Excess or Increased Value of Hull and Machinery, and/or Similar Interests however described, and Freight (including Chartered Freight or Anticipated Freight) insured for time. An amount not exceeding in the aggregate 25% of the Agreed Value.
- b. Freight Or Hire, Under Contracts For Voyage. An amount not exceeding the gross freight or hire for the current cargo passage and next succeeding cargo passage (such insurance to include, if required, a preliminary and an intermediate ballast passage) Plus the charges of insurance. In the case of a voyage charter where payment is made on a time basis, the amount shall be calculated on the estimated duration of the voyage, subject to the limitation of two cargo passages as laid down herein. Any amount permitted under this Section shall be reduced, as the freight or hire is earned, by the gross amount so earned. Any freight or hire to be earned under the form of Charters described in **d.** below shall not be permitted under this Section **b.** if any part thereof is insured as permitted under said Section **d.**
- c. Anticipated Freight If The Vessel Sails In Ballast And Not Under Charter. An amount not exceeding the anticipated gross freight on next cargo passage, such amount to be reasonably estimated on the basis of the current rate of freight at time of insurance, plus the charges of insurance. Provided, however, that no insurance shall be permitted by this Section if any insurance is effected as permitted under Section **b.**
- d. Time Charter Hire Or Charter Hire For Series Of Voyages. An amount not exceeding 50% of the gross hire which is to be earned under the charter in a period not exceeding 18 months. Any amount permitted under this Section shall be reduced as the hire is earned under the charter by 50% of the gross amount so earned but, where the charter is for a period exceeding 18 months, the amount insured need not be reduced while it does not exceed 50% of the gross hire still to be earned under the charter. An insurance permitted by this Section may begin on the signing of the charter,
- e. Premiums. An amount not exceeding the actual premiums of all interest insured for a period not exceeding 12 months (excluding premiums insured as permitted under the foregoing Sections but including, if required, the premium or estimated calls on any Protection and indemnity or War Risks and Strikes insurance) reducing pro rata monthly.
- f. Returns Of Premium. An amount not exceeding the actual returns which are recoverable subject to "and arrival" or equivalent provision under any policy of insurance,
- g. Insurance Irrespective Of Amount Against: Risks excluded by War, Strikes and Related Exclusions clause; risks enumerated in the American Institute War Risks and Strikes Clauses; and General Average and Salvage Disbursements.

19. EXTENDED ADVENTURE AND PERILS

It is hereby agreed that the Perils Clause of this Policy shall be interpreted to include the following perils, which shall in no event be construed to limit the basic coverage provided hereunder.

Loss or damage howsoever caused by theft, flood, cloudburst, tidal action, rising water, ice, or other storm, tempest, tornado, windstorm, landslide, falling object, upset, capsizing, overturn, pillage and/or looting.

20. PART(S) REMOVED CLAUSE

It is hereby agreed that subject to the terms and conditions of this Policy, all loss of or damage to the subject matter hereby insured occurring at any time during the Policy Period, notwithstanding that any part(s) of the said subject matter be anywhere ashore under any circumstances, (whether on quay, in buildings, sheds, or elsewhere) and/or under repair and/or in transit (to and from the Vessel or otherwise). Notwithstanding the above, the maximum payable hereunder shall not exceed \$50,000.

21. LINER NEGLIGENCE CLAUSE (JUNE 2, 1977)

It is understood and agreed that the Additional Perils (Inchmaree) clause, Section II A 10 of the Watercraft Coverage, is deleted and in place thereof the following inserted: "Subject to the conditions of this Policy, this insurance also covers:

- a. Breakdown of motor generators or other electrical machinery and electrical connections thereto; bursting of boilers; breakage of shafts; or any latent defect in the machinery or hull;
- b. Loss of or damage to the subject matter insured directly caused by:
 1. Accidents on shipboard or elsewhere, other than breakdown of or accidents to nuclear installations or reactors on board the Insured Vessel;
 2. Negligence, error of judgment or incompetence of any person; excluding under both "a" and "b" above only the cost of repairing, replacing or renewing any part condemned solely as a result of a latent defect, wear and tear, gradual deterioration or fault or error in design or construction;

provided such loss or damage (either as described in said "a" or "b" or both) has not resulted from want of due diligence by the Insured(s), the Owner(s) or Manager(s) of the Vessel(s), or any of them. Masters, mates, engineers, pilots or crew not to be considered as part owners within the meaning of this clause should they hold shares in the Vessels"

22. STRIKES, RIOTS, AND CIVIL COMMOTION

This insurance also covers damage to or destruction of the property insured directly caused by strikers, locked out workmen, or persons taking part in labor disturbances or riots or civil commotions or caused by vandalism, sabotage, or malicious mischief, but excluding civil war, revolution, rebellion or insurrection, or civil strife arising therefrom, and warranted free from any claim for delay, detention or loss of use, and free from all loss, damage or expense caused by any weapon of war employing atomic or nuclear fission and/or fusion or other reaction or radioactive force or matter.

Vandalism, sabotage and malicious mischief, as used herein, shall be construed to include wilful or malicious physical injury to or destruction of the described property caused by acts committed by an agent of any Government, party or faction engaged in war, hostilities, or other warlike operations, provided such agent is acting secretly and not in connection with any operations of military or naval armed forces in the country where the described property is situated.

23. PREMIUM EARNED

In the event of payment by the Company for a Total or Constructive Total Loss of any Vessel listed in the Schedule of Vessels, the full annual Hull/Machinery premium for said vessel shall be deemed fully earned.

B. PROTECTION AND INDEMNITY

The following **Protection and Indemnity** coverages apply:

1. VESSEL

The company will indemnify the Insured in respect of the matters, below with the Section 'Indemnity', subject to all other terms hereof, in respect of the individual vessels declared as per Schedule of Vessels attached (hereinafter, the "Vessel"). If more than one Vessel is named, all clauses shall apply as though a separate Policy had been issued for each Vessel.

2. DURATION

Should the Vessel be at sea at the expiration of this Policy, or in distress, or at a port of refuge or call, she shall be held covered until she reaches her port of destination, provided prior notice be given to the company and provided the Insured agrees to any amended terms of cover and additional premium if required by the company.

3. LIMIT OF LIABILITY

Liability hereunder in respect of all consequences of anyone casualty or occurrence, including defense costs, shall not exceed the sum as shown in the Declarations less any applicable deductible, regardless of how many separate injuries or claims arise out of such casualty or "occurrence".

4. DEDUCTIBLE

There shall be deducted from the total amount payable by the Company as shown in the Declarations with respect to all claims, including costs of defense and expenses, arising from anyone casualty or "occurrence"

5. RETURN PREMIUM

If the Vessel is sold, demise chartered or requisitioned this Policy shall terminate on the date and at the hour when such disposition of the Vessel is effective and the Company will return premium on a pro rata daily net basis for the unexpired term. If the Policy is cancelled by the Insured, the Company will return premium on the usual short rate daily net basis for the unexpired term. If the Policy is cancelled by the Company they will return premium on a pro rata daily net basis for the unexpired term.

6. INDEMNITY

Subject to all exclusions and other terms of this Policy the Company agrees to indemnify the Insured for any sums which the Insured, as owner of the Vessel, shall have become liable to pay, and shall have paid, in respect of any casualty or occurrence during the currency of the Policy but only in consequence of any of the matters set forth here- under Provided, however, that if the interest of the Insured is or includes interests other than owner of the Vessel, the Company's liability shall not be greater than if the Insured was the owner entitled to all defenses and limitations of liability to which a shipowner is entitled:

- a. Loss of life and "bodily injury" or illness; but excluding amounts paid under any compensation act.
- b. Hospital, medical or other expenses necessarily and reasonably incurred with respect to loss of life, "bodily injury" to, or illness of, any person.

- c. Crew member burial expense not to exceed \$2,500 per person.
- d. Repatriation expenses of crew member, excepting such as arise from the termination of any agreement in accordance with its terms, or the sale of the Vessel or other voluntary act of the Insured. Wages may be included in such expenses when a statute requires payment of wages while awaiting and during repatriation.
- e. Damage to any fixed or movable object or property, howsoever caused, excluding however, damage to another vessel or any property aboard it caused by collision with the Vessel.
- f. Cost or expense of, or incidental to, any attempted or actual removal or disposal of obstructions, wrecks or their cargoes under statutory power or otherwise pursuant to law, Provided, however, that there shall be deducted from such claim for cost or expenses, the value of any salvage from the wreck inuring to the benefit of the Insured or any subrogee thereof.
- g. Fines and penalties, including expenses reasonably incurred in avoiding or mitigating same, for the violation of any of the laws of the United States, or any State thereof, or of any foreign country; Provided, however, that the company shall not be liable to indemnify the Insured against any such fines or penalties resulting directly or indirectly from the failure, neglect, or default of the Insured or his managing officers or managing agents to exercise the highest degree of diligence to prevent a violation of any such laws.
- h. Extraordinary expense arising from an outbreak of contagious disease, Provided that the Vessel was not ordered by anyone acting on behalf of the Insured to proceed to a port where such disease was known or supposed to exist.
- i. Costs incurred with the written consent of the Company, or reasonably incurred prior to receipt of advices from the Company, for investigation and defense of claims, valid or not, within the scope of the Policy.
- j. Port charges incurred solely for the purpose of putting in to land an injured or sick seaman or passenger, and the net loss to the Insured in respect of bunkers, insurance, stores and provisions as the result of the deviation.

7. LIMITATIONS:

Notwithstanding anything to the contrary elsewhere herein the company will not indemnify the Insured in respect of any of the following matters:

- a. Any liability assumed under contract or otherwise.
- b. Liability imposed on the Insured as punitive or exemplary damages, however described.
- c. Any liability for any loss of, damage to, or expense in respect of, cargo or other property (including baggage and personal effects of passengers, mail and parcel post) carried, to be carried or which had been carried on board the Vessel, Except, however, such liability imposed under the doctrine of cross liabilities for cargo on board the Vessel for which there is no coverage under any other policy held by the Insured.
- d. Any liability or claim for, or any loss of, damage to, or expense in respect of property owned, leased, chartered or hired by the Insured.
- e. Engagement in unlawful trade or performance of an unlawful act with knowledge of the Insured.
- f. Cancellation or breach of any contract.
- g. Salvage charges, special charges, general average, freight, detention, demurrage or loss of use, of the Vessel.
- h. Any liability for, or any loss, damage, or expense arising from or accruing by reason of the towage of any other vessel or craft other than emergency towage of a vessel in distress at sea to a port or place of safety, Except, however, this exclusion shall not apply to claims for loss of life, or bodily injury to, or illness or any person. Emergency towage is deemed to be towage undertaken as a salvage service while the Vessel is on a voyage wholly unrelated to performance of such service.
- i. any sum(s) paid, nor insure against any liability, with respect to any loss, damage, liability, cost,

expense, fine or penalty of any kind or nature whatsoever, and whether statutory or otherwise, incurred by or imposed on the Insured, directly or indirectly, in consequence of, or with respect to, the actual, alleged, potential or substantial threat of a discharge, emission, dispersal, spillage, release, escape or leakage, upon land, the atmosphere, or any watercourse or body of water of pollutants, including but not limited to oil, fuel, petroleum products, chemicals, toxic materials or substances, hazardous materials or substances, smoke, thermal irritants, vapors, soot, fumes, waste, waste materials, invasive organisms, acids, alkalis, irritants, contaminants or other similar substances.

8. FULL COLLISION CLAUSE

Notwithstanding anything to the contrary and in consideration of the premium charged, it is understood and agreed that, effective from inception, the Collision Liability clause under **B. 6. e.** above, is superseded by the following:

- a. It is agreed, that if the Vessel hereby insured shall come in collision with another vessel, and the Insured become liable to pay, and shall pay, any sum or sums for damaged resulting there from to said other vessel, her freight or her cargo, in such case this Company will contribute towards the payment of the total amount of said damages, in the proportion that the sum insured under this policy bears to the total valuation of the vessel as stated herein, provided, that this Company shall not in any event be held liable under this agreement for a greater sum than the amount insured under this policy.
- b. And it is also agreed that this Insurance Company will bear a like proportionate share of any costs and expenses that may be incurred in contesting the liability resulting from said collision, provided, the written consent of the company to such contest be first obtained.
- c. But under no circumstances shall this Company be held liable for any contribution in respect to any sum that the insured may be held liable to pay by reason of loss of life or "bodily injury" to individuals from any cause whatsoever, nor for any claim for demurrage or loss of the use of any vessel, nor for wages or provisions or expenses of Masters, officers or crew, nor for any sums which the Insured may be liable to pay, and shall pay, for removal or obstructions under statutory powers, or for injury to harbors, wharves, piers, stages and structures.
- d. It is further agreed to, that in no event shall this Insurance Company be liable under this policy for more than the sum insured in any case, either for claims for loss and damage and/or charges to hull of the vessel hereby insured and/or for claims of any and all kinds arising under this collision clause, or the policy to which it is attached, and all payments made under this policy shall reduce this policy by the amounts so paid, unless restored by a new premium.

9. CAPTAIN AND CREW

If an owner or part owner of the insured vessel(s) is a Captain or a member of the crew of the Vessel, or an owner or part owner of the Vessel is acting as Captain or member of the crew of a Vessel, coverage under the Protection & Indemnity Section of this policy is limited to maintenance and cure for the owner and/or part owner. This provision applies whether the Vessel is owned by corporation, partnership, individual, or individuals.

10. POLLUTION BUY BACK

Limitation 7(i) above shall not apply to sums paid, or liability of the Insured:

- a., For loss of life of, or bodily injury to, or illness of, any person;
- b. For loss, damage or expense to any cargo carried on board the insured Vessel(s);

- c. For loss, damage or expense to any cargo on board any other vessel or while contained or stored ashore; and
- d. For contamination of any cargo resulting from the pumping of oil, petroleum products, chemicals or any other substances of any kind or nature whatsoever directly into any other vessel, or between tanks of the insured Vessel(s) or into storage tanks or receptacles ashore or elsewhere.

Provided that such sums, or such liability, are insured elsewhere under the terms and conditions of this Policy.

C. HULL AND PROTECTION AND INDEMNITY GENERAL CLAUSES

1. SEAWORTHINESS CLAUSE

It is hereby warranted that coverage hereunder is dependent on any Vessel attaching to this Policy, either at inception, by endorsement, or otherwise, shall be in a seaworthy condition and during the currency of this Policy. The Insured will exercise due diligence to keep the Vessel seaworthy, and in all regards fit, tight and properly manned equipped and supplied.

2. VESSEL STABILITY CLAUSE

It is warranted that any additions, installations, and/or structural changes to any vessels(s) insured, which would affect the stability of the vessel(s) will be reported to the company before the vessel(s) proceeds to navigate. It is further warranted that the insured Vessel(s) will not proceed to sea until the stability of the insured vessel(s) has been examined and approved by a qualified marine surveyor. Any violations of this warranty shall void coverage under this policy from the time of such violation, notwithstanding anything contained to the contrary herein.

3. SISTERSHIP CLAUSE

Should a Scheduled Vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to the same Owners or under the same management, the Insured shall have the same rights under this insurance as they would have were the other vessel entirely the property of Owners not interested in the Vessel hereby insured; but in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Company and the Insured.

4. AUTOMATIC ACQUISITION CLAUSE

This policy is automatically extended to cover other Vessels in which the Insured acquires an insurable interest through purchase, charter, or otherwise and are similar in description and type of those already insured hereunder.

Such Vessels to be valued, unless otherwise agreed, at the amounts fixed between the Insured and those from whom they made the acquisition prior to attachment hereunder. Notwithstanding the above, the company shall not be liable for a value in excess of the largest sum previously insured on any one Vessel of its type scheduled in this Policy. As respects liability that may be covered hereunder, the limit of liability as respects Vessels covered under this endorsement shall not exceed the limit of liability provided to similar types of vessels already covered hereunder.

It is warranted and a condition precedent to coverage hereunder that the Insured shall;

- a. Give written notice of such Vessels coming at risk under this endorsement within 30 days of the Insured acquiring an insurable interest, and

- b. Pay an additional premium thereon at rates to be advised, and
- c. As respects Vessel chartered, leased or borrowed for a term expected to exceed 90 days, obtain a Condition and Valuation survey from NAMS (National Association of Marine Surveyors) certified surveyor, or
- d. As respects Vessels chartered, leased or borrowed on a short term basis, expected to be 90 days or less, to have an on-hire survey performed by an approved NAMS certified surveyor prior to the insurance attaching hereunder.

Any survey required hereunder to be for the account of the Insured unless otherwise agreed, and made available to the company upon request.

It is a condition that all recommendations contained in surveys required under Item c. and d. above are complied with the by the Insured.

5. VESSEL IN DISTRESS

Should a Vessel insured hereunder at the expiration of the Policy be in distress or otherwise in an unseaworthy condition, upon the company being given prior notice hereon, the Vessel shall be held covered at a pro rata daily premium until the Vessel's arrival at safe port or the unseaworthy condition has been eliminated, whichever shall occur first.

6. SHORE PERILS AND ONSHORE STORAGE

Section II A Hull and Machinery of this policy is extended to cover the insured vessels(s) during land transportation and storage onshore, for the perils of collision, derailment, overturning of the carrying conveyance, theft, fire, explosion, lightening, cyclones, hurricanes, earthquakes, volcanic eruptions and floods; including the risks of loading and unloading but excluding wear and tear, marring, denting, chipping and/or scratching

It is warranted that any vessel(s) stored or transported onshore will be supervised by the Insured or his designate at all times, or locked in a secure location.

It is warranted that the Insured shall not waive or release from liability any Stevedore or other entity loading, unloading or transporting any vessel insured hereunder.

7. ON SHORE AND TRANSPORTATION

Subject to all warranties and conditions of this policy not in conflict herewith, this policy is extended to cover the Vessel while in transit by land conveyance, or while laid up on shore against loss or damage caused by fire, lightning, explosion, cyclone, tornado, windstorm, earthquake, flood (meaning rising navigable waters) collision of the vessel of land conveyance with any other object, overturning of the land conveyance, collapse of bridges, collapse and/or subsidence of docks, wharves, piers, bulkheads, depots, stations, landing sheds or platforms, contact with aircraft, theft of the entire vessel or loss due to theft provided that visible evidence of forcible removal be shown, or that there be actual arrest and conviction of theft or thieves, and vandalism or malicious mischief.

8. NO RELEASE TO TOWER WARRANTY

Warranted that the Insured does not release the tower from liability. This warranty shall be paramount to any and all other provision and/or conditions contained herein to the contrary, including (but not limited to) permissions to name as additional Insured, hold harmless and/or waive subrogation.

9. NO LAY UP RETURNS

It is understood and agreed that there will be no return premiums granted for vessels laid up, as outlined in Section II A. Hull Machinery

SECTION III. GENERAL CONDITIONS

The below conditions apply to ALL SECTIONS of the policy.

A. ABSOLUTE MINIMUM PREMIUM (25% MINIMUM)

In the event that this policy is cancelled by the Named Insured, it is hereby agreed that this policy is subject to an absolute minimum premium of 25% of premium stated in the Declarations. Such absolute minimum premium shall not be subject to pro rata or short rate adjustment.

In the event of cancellation by the Named Insured, the premium due under this policy will be the greater of the following:

1. The Minimum and Deposit premium shown in the Declarations multiplied times the applicable short-rate earned premium factor.
2. The earned premium based upon the policy rate multiplied times the gross receipts, payroll or other premium adjustment basis for the policy period.
3. The absolute minimum premium shown above.

Cancellation of this policy for nonpayment of premium by the Named Insured's premium finance company shall be deemed to be cancellation by the Named Insured. To the extent a state insurance law differs from the above with respect to cancellation, the policy is hereby modified to conform to all applicable state cancellation laws.

B. BANKRUPTCY

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve the Company of its obligations under this Policy.

C. 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 canceled, 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 short-rate. 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.
7. To the extent a state insurance law differs from the above with respect to cancellation, the policy is hereby modified to conform to all applicable state cancellation laws.

D. 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.

E. CHOICE OF LAW

The terms of this Policy shall be construed pursuant to, and the rights of the parties hereto shall be governed and controlled by, the general maritime law of the United States; and in the absence thereof, the laws of the State of New York.

F. DUTIES IN EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT

1. 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:
 - a. How, when and where the "occurrence" happened;
 - b. The names and addresses of any injured persons and witnesses; and
 - c. The nature and location of any injury or damage arising out of the "occurrence" or offense.
 - d. The interest of the insured in damaged property
2. If a claim is made or "suit" is brought against any insured, you must:
 - a. Immediately record the specifics of the claim or "suit" and the date received; and
 - b. Notify us as soon as practicable.You must see to it that we receive written notice of the claim or "suit" as soon as practicable. For purposes of this policy, an "occurrence" is defined as a single event. A series of claims arising from the same occurrence shall be treated as due to that occurrence.
3. You and any other involved insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - b. Authorize us to obtain, records and other information;
 - c. Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
4. 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.

G. EXAMINATION OF 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.

H. IN REM

Suits brought In Rem will be treated as if brought in personam.

I. INSPECTION AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

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

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.

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

J. LEGAL ACTION AGAINST US

No person or organization has a right under this Policy:

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 Policy 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 Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant’s legal representative.

K. OTHER INSURANCE CLAUSE

Any Other Insurance and/or Co-insurance clauses contained elsewhere in this Policy are hereby deleted and the following language is substituted in its place and forms part of this policy:

This Policy is excess over any other insurance, whether primary, excess, contingent or on any other basis, whether prior or subsequent hereto, and by whomsoever effected, directly or indirectly covering loss or damage insured hereunder, and this company shall be liable only for the excess of such loss or damage beyond the amount due from such other insurance, whether collectible or not, however, up to but not exceeding the limits of this Policy as set forth in the Declarations.

L. PREMIUM

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.

M. REPRESENTATIONS

By accepting this policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us; and
3. We have issued this policy in reliance upon your representations.

N. 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 Policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring “suit” or transfer those rights to us and help us enforce them.

O. TRANSFER OF 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.

P. TRANSFER OF DUTIES WHEN THE CLAIMS EXPENSES LIMIT OF INSURANCE IS EXHAUSTED

1. If we defend the insured and we conclude that, based on “occurrences” or “suits” which have been reported to us, and to which this insurance may apply, the Claims Expenses Limit is likely to be exhausted by the payment of “claims expenses”, we will notify the first Named Insured, in writing, to that effect.
2. When the Claims Expense Limit has actually been exhausted in the payment of "claims expenses", we will:
 - a. Notify the first Named Insured in writing, as soon as practicable, that the applicable Limit of Insurance has actually been exhausted, and that our duty to defend the insured against any has 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 and which are reported to us before that duty to defend ended; and
 - c. Take such steps, as we deem appropriate, to continue the defense of such customer complaints until such transfer is completed, provided the appropriate insured is cooperating in completing such transfer.
3. When the Claims Expense Limit has actually been exhausted by the payment of "defense expenses", the first Named Insured, and any other insured subject to these limits, must cooperate in the transfer of control of “suits”.
4. The first Named Insured will reimburse us as soon as practicable for all "claims expenses" we incur in taking those steps we deem appropriate in accordance with Paragraph **P. 2.**, above.

The duty of the first Named Insured to reimburse us will begin on:

- a. The date on which the Limit of Insurance is used up, if we sent notice in accordance with Paragraph **P.1.**;
 - b. Or the date on which we sent notice in accordance with Paragraph **P.1.**, above, if we did not send notice in accordance with Paragraph **P. 2.**, above.
5. The exhaustion of the Claims Expenses Limit by the payment of "claims expenses" 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.

Q. TIME FOR SUIT CLAUSE

No action shall lie against the company for the recovery of any loss sustained by the Insured unless such action be brought against the company within one year after the final judgment or decree is entered in the litigation against the insured, or, in the case the claim against the company accrues without the entry of such final judgment or decree, unless such action be brought within one year from the date of the payment by the Insured of such claim, provided, however, that where such limitation of time is prohibited by the law of the State wherein the Policy is issued, then, and only in that event, no action under this Policy shall be sustainable unless commenced within the shortest limitation permitted under the law of such State.

SECTION IV. PARAMOUNT EXCLUSIONS

The following conditions are deemed to be paramount for all sections of the Policy and shall override anything contained in the Policy that appears inconsistent therewith, unless otherwise endorsed hereon:

A. American Institute, BIOLOGICAL, BIO – CHEMICAL, ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

In no case shall this insurance cover loss, damage, liability or expense, directly or indirectly caused by, or contributed to by, or arising from any chemical, biological, bio-chemical or el electromagnetic weapon.

B. CROSS LIABILITY

This Policy shall not apply to any liability of one Named Insured for “bodily injury” or “personal injury” to an employee of another Named Insured, nor shall it apply to “property damage” to real or personal property of another Named Insured.

C. DIRECTORS AND OFFICERS LIABILITY EXCLUSION

This Policy shall not apply to:

1. Actual or alleged liability arising out of an Insured's capacity, duty or responsibility as an Officer, Director or Trustee of a corporation by reason of any breach of fiduciary duty or improper conduct or conflict of interest in the performance of an Insured's duties, responsibilities or accountability as an Officer, Director or Trustee, including, without limitation, any actual or alleged misstatement, misleading statement, gain of personal profit or advantage to which the Insured was or is not entitled legally, any dishonest act, or bad faith conduct, in the Insured's capacity as an Officer, Director or Trustee, or with respect to the capital or assets of the corporation, or any action taken beyond the scope of the Insured's authority as an Officer, Director or Trustee;
2. Actual or alleged liability arising out of or incident to any alleged violation(s) of any federal or state law regulating, controlling and governing stock, bonds or securities of any type or nature, including without limitation The Securities Act of 1933, The Securities Act of 1934, The Sherman Anti-Trust Act, The Robinson-Patman Anti-Trust Act or The Clayton Anti-Trust Act; or
3. Actual or alleged liability of any Officer, Director or Trustee arising out of or asserted in a shareholder's derivative action; or
4. Actual or alleged liability arising out of or contributed to by the dishonesty or infidelity of any Insured; or
5. Actual or alleged liability which would be payable under the terms of coverage of a Directors and Officers Liability Insurance Policy or a Directors and Company Reimbursement Indemnity Policy of the type issued by stock insurance companies of the United States, as if any Insured had obtained such coverage in an amount sufficient to pay the full amount being claimed against any Insured, whether or not any Insured has obtained such coverage.

D. DIVING EXCLUSION

It is hereby warranted that diving operations performed by employees of the Named Insured or by employees of the Named Insured's subcontractors shall not exceed a water depth of 30 feet.

It is further agreed that this policy shall not apply to any claim arising out of diving operations performed in excess of the aforementioned maximum depth.

E. EMPLOYEE BENEFITS EXCLUSION

1. This policy shall not apply to liability arising out of any act or omission of the Insured, or any other person or entity for whose acts or omissions the Insured is legally liable, in respect of the Insured's "Employee Benefits."
2. As used in this exclusion, the term "Employee Benefits" included, without Limitation, Group Life Insurance, Group Health Insurance, Profit-Sharing Plans, Pension Plans, Employee Stock Subscription Plans, Unemployment Insurance, Social Security and Disability Benefits Insurance.
3. Without limitation, this exclusion shall include:
 - a. giving counsel to Employees with respect to Employee Benefits;
 - b. interpreting the Employee Benefits;
 - c. handling and keeping of records in connection with Employee Benefits;
 - d. effecting enrollment, termination or cancellation of Employees under the Employee Benefits;
 - e. any dishonest, fraudulent, criminal, or malicious act or omission;
 - f. failure of performance of contract by an insurer;
 - g. lack of compliance with the terms of any contract, declaration of trust, or instrument providing Employee Benefits;
 - h. lack of compliance with any law concerning Employee Benefits;
 - i. failure to procure or maintain satisfactory and adequate insurances on Employee Benefits assets or property;
 - j. failure of stock or other securities or of any investments of whatever kind to perform as represented;
 - k. advice given to an Employee to participate or not to participate in stock subscription or similar plans; and
 - l. any liability arising out of the Employee Retirement Income Security Act and any other similar federal, state or other statutes, rules or regulations.

F. EMPLOYMENT RELATIONS EXCLUSION

This Policy shall not apply to "bodily injury", "property damage" or "personal injury" to:

1. An "employee" or former "employee" of any insured, whether or not arising out of or in the course of employment by the Insured, or an applicant for employment with any insured, if the "bodily injury", "property damage" or "personal injury" arises out of any of the following:
 - a. Refusal to Employ or Rehire;
 - b. Termination of Employment, Lay-Off or Retirement;
 - c. Coercion;
 - d. Demotion or Non-Promotion;
 - e. Performance Evaluation;
 - f. Reassignment or Transfer;
 - g. Discipline;
 - h. Defamation;
 - i. Harassment;
 - j. Humiliation

- k. Discrimination including but not limited to discrimination based upon race, color, creed, religion, political belief, age, physical type, physical limitation or handicap, medical condition, sex or sexual orientation;
 - l. Sexual abuse including rape, sodomy, sexual acts of a non-consenting nature, sexual harassment or humiliation, and assault and battery in connection with the foregoing;
 - m. Other employment related practices, policies, acts or omissions; or
2. The spouse, domestic partner, child, parent, brother, sister, or other relative of that employee, former employee or any applicant for employment as consequence of 1. above.

G. FRAUD

This policy shall not apply to liability arising out of fraud, dishonesty or insolvency of the Insured, its agents or others.

H. HEALTH HAZARD EXCLUSION

This policy shall not apply to the following:

1. Any "bodily injury", "property damage" or "personal and advertising injury" directly or indirectly caused by or arising from the following substances and products or to any product that incorporates such substances or products or any derivative thereof:
- a. Asbestos
 - b. Benzene
 - c. Chromium Copper Arsenate (CCA)
 - d. Coal Dust
 - e. Dioxin
 - f. Electromagnetic Fields (EMF)
 - g. Exterior Insulation and Finish System (EIFS)?
 - h. Lead
 - i. Mercury
 - j. Methyl Tertiary-Butyl Ether (MTBE)
 - k. and Organic Pathogens, including but not limited to mold, fungus, bacteria or virus, and their byproducts.
 - l. Pesticides and Herbicides
 - m. Pharmaceutical or Medical Products and Devices, except as used in connection with emergency first aid procedures.
 - n. Polychlorinated Biphenyls (PCB)
 - o. Silica
 - p. Talc
 - q. Tobacco

Nor shall this policy apply to any cost or expense for the abatement, removal, or disposal of the above products or substances, including waste products or emissions.

2. Any "bodily injury", "property damage" or "personal and advertising injury" directly or indirectly involving:
- a. Hearing Loss or Damage arising from repetitive and/or cumulative exposures and/or
 - b. Human Immuno Virus (HIV) and/or Acquired Immune Deficiency Syndrome (AIDS) and/or
 - c. Cumulative Trauma Disorder and/or
 - d. Repetitive Motion or Strain Injury and/ or
 - e. Carpal Tunnel Syndrome

Nor shall this policy apply to any cost or expense to prevent, abate, remove, ameliorate or remediate any of the above medical conditions.

This Exclusion is not applicable to Protection and Indemnity Coverage.

I. INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE (11/2/02)

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

1. Ionizing radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
2. The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
3. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
4. 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.

J. PROFESSIONAL LIABILITY EXCLUSION

This policy shall not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of any of the following professional services:

1. Architect and Engineering Services, including the preparing, approving or failure to approve, maps, shop drawings, opinions, reports, surveys, field orders or drawings and specifications.
2. Medical, Dental, Nursing or Long Term Care Services, including the prescribing of or the failure to prescribe drugs and/or a course of treatment.
3. Legal, Accounting, Tax Preparation, Financial or Investment Services.
4. Insurance Agent or Brokering Services, including the procurement of or the failure to procure insurance in respect of personal lines, commercial lines, accidental and health, life insurance or annuities.
5. Real Estate Agent, Title Agent, Mortgage Broker or Home Financing Services.
6. Software, Computer Hardware or Web Site design or installation.

It is further agreed that this policy shall not apply to “bodily injury”, “property damage” or “personal and advertising injury” arising out of any supervisory, inspection, review or consultancy services performed in connections with any of the above professional services.

K. PUNITIVE DAMAGE EXCLUSION

This policy does not apply to a claim of or indemnification for punitive or exemplary damages. If a suit shall have been brought against the Insured for claim falling within the coverage provided under the policy, seeking both compensatory and punitive or exemplary damages, then the Company will

afford a defense to such action. The Company shall not have an obligation to pay for any costs, interest, or damages attributable to punitive or exemplary damages.

L. SANCTIONS AND LIMITATIONS

This policy excludes coverage for any loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from violation of any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

M. TERRORISM EXCLUSION CLAUSE – ABSOLUTE

This policy excludes any loss, damage, liability or expense arising from:

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

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

- i. The causing, occasioning or threatening of harm of whatever nature and by whatever means;
- ii. Putting the public or any section of the public in fear, in circumstances in which it is reasonable to conclude that the purpose(s) of the person(s) or organization(s) concerned are wholly or partly of a political, religious, ideological or similar nature.

N. UNLAWFUL TRADE

This policy shall not apply to liability arising out of the engagement in unlawful trade or performance of an unlawful act with knowledge of the Insured.

O. USA ENDORSEMENT to the INSTITUTE EXTENDED RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE (11/1/02)

It is hereby agreed that this policy is amended as follows:

Provided that:

1. Fire is an insured peril under this policy, and
2. The subject matter insured or, in the case of a reinsurance, the subject matter insured by the original insurance, is within the U.S.A., its islands, onshore territories or possessions, and
3. A fire arises directly or indirectly from one or more of the causes detailed in Sub-Clauses 1, 2, and 4 of the Institute Extended Radioactive Contamination Exclusion Clause (11/2/02)

Then, subject to the provisions of this insurance (reinsurance), any loss or damage arising directly from that fire shall not be excluded under the terms of Paramount Exclusion I. above.

Notwithstanding the foregoing, this policy shall not apply to any loss, damage, liability or expense caused by nuclear reaction, nuclear radiation, or radioactive contamination arising directly or indirectly from that fire.

P. WORKMEN’S COMPENSATION EXCLUSION

This Policy shall not apply to any obligation for which the Insured or any carrier as his Insurer may be held liable under any Workmen’s Compensation or disability benefits law, or any similar law, including

the United States Longshoremen's and Harbor Workers' Compensation Act. However, this exclusion does not apply to Protection and Indemnity.

SECTION V. DEFINITIONS

The below definitions apply to all sections of the policy.

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 website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "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. "Claim Expenses" means:

Fees charged by an attorney(s), arbitrator(s) or mediator(s) designated by the company and all other fees, costs, and expenses resulting from the investigation, adjustment, defense and appeal of a Claim, suit or proceeding arising in connection therewith, if incurred by the company, or by the Insured with written consent of the company, but does not include salary charges or expenses of regular employees or officials of the company; fees and expenses of independent adjusters; civil or criminal fines; nor penalties imposed by law.
5. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), The Gulf of Mexico, Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 1. Goods or products made or sold by you in the territory described in a. above;
 2. The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 3. "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communicationprovided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
6. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
7. "Employee Provider Firm" means an entity whose principal business is providing personnel to client companies but retains the obligation to provide coverage for Workers Compensation and/or other statutory compensation acts.
8. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

9. “Gross Marine Payroll” means the total remuneration paid to each employee during the Policy Period for services rendered in connection with operations on, over or alongside water. Operations on or over water would include operations on or from vessels, offshore helicopters, and fixed or movable offshore structures. Operations alongside water could include operations in connection with wharves, piers, marine terminals, shipyards or permanently moored vessels or structures.
10. “Gross Receipts” means the gross amount of money charged by the Named Insured for “Your Product” and “Your Work” during the Policy Period, and includes taxes, other than taxes which the Named Insured collects as a separate item and remits directly to a governmental division.
11. “Hostile fire” means one which becomes uncontrollable or breaks out from where it was intended to be.
12. “Impaired property” means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:
 - a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of “your product” or “your work”; or
 - b. Your fulfilling the terms of the contract or agreement.
13. “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, roadbeds, 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.

14. “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”.
15. “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”
16. “Mobile equipment” means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 1. Power cranes, shovels, loaders, diggers or drills; or
 2. Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 1. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 2. Cherry pickers and similar devices used to raise or lower workers;
 - f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

 1. Equipment designed primarily for:
 - a. Snow removal;
 - b. Road maintenance, but not construction or resurfacing; or
 - c. Street cleaning;
 2. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 3. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
17. “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
18. “Payroll” means the total remuneration paid to each employee for services rendered during the policy period excluding executive officers and employees engaged primarily in clerical operations and excluding extra wages paid for overtime.
19. “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".
20. "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.
21. "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 states that products-completed operations are subject to the General Aggregate Limit.
22. "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.
 - c. Liability for cost or expense of, or incidental to, the removal of the wreck of any vessel covered hereunder when such removal is compulsory by law, provided, however, that there shall be deducted from such claim the value of any salvage from the wreck inuring to or which might have inured to the benefit of the Named Insured.
- 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.
23. "Short-rate return premium" shall be defined to mean the amount obtained by multiplying the pro rata return premium times 90%.

24. "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.
25. "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.
26. "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.
27. "Wrongful Employment Practice" shall be defined to mean any of the following acts committed or alleged to have been committed against any past, present or prospective employee:
- a. discrimination, harassment or humiliation based upon sex, age, race, sexual orientation, pregnancy, disability or national origin;
 - b. libel, slander, invasion of privacy, wrongful arrest, or false imprisonment;
 - c. failure to hire, failure to promote, wrongful discharge;
 - d. breach of an actual or implied employment contract;
 - e. any similar employment related act that is in violation of State or Federal law; and
 - f. negligent hiring or negligent supervision of others in connection with the Insured's operations.
28. "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.
29. "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.

APPLICABLE TO ALL SECTIONS



BLANKET ADDITIONAL INSURED

It is agreed that this Policy shall include as additional Insureds any person or organization to whom the Named Insured has agreed by written contract to provide coverage, but only with respect to operations performed by or on behalf of the Named Insured and only with respect to occurrences subsequent to the making of such written contract.

THE INCLUSION OF AN ADDITIONAL INSURED SHALL BE SUBJECT TO ALL OTHER TERMS AND CONDITIONS CONTAINED IN THIS POLICY.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.

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.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.

AMERICAN INSTITUTE COMMUNICABLE DISEASE EXCLUSION (6/15/2020)

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

This insurance excludes coverage for:

- 1) any loss, injury, damage, liability, cost, or expense directly or indirectly arising from the actual, alleged, or suspected transmission or existence of a "Communicable Disease" or the substance or agent that causes the "Communicable Disease";
- 2) any liability for, or loss, cost, or expense incurred to identify, detect, prevent, clean up, detoxify, remove, eliminate, neutralize, monitor, or test for a "Communicable Disease" or the substance or agent that causes the "Communicable Disease";
- 3) any liability for, or loss, cost or expense arising out of, any loss of revenue, loss of hire, diminution of value, business interruption, loss of market, delay or any direct or indirect financial loss, howsoever described, as a result of, or relating to a "Communicable Disease" or the substance or agent that causes the "Communicable Disease";
- 4) any fines, penalties, or punitive or compensatory damages as a result of, or relating to (1), (2), or (3) above.

DEFINITION

"Communicable Disease" means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- a. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- b. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- c. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED

**APPLICABLE
MARINE GENERAL LIABILITY
ONLY**

LEASED WORKER EXCLUSION

Notwithstanding anything contained elsewhere herein to the contrary, it is hereby agreed that this policy specifically excludes any sum(s) for which the insured is or may become liable to pay including costs of defense, with respect to legal and/or contractual liability for Bodily Injury and/or Personal Injury to any LEASED WORKER.

The term “LEASED WORKER” as used in this endorsement is defined as any person who is working on behalf of the insured on either a temporary or permanent basis under an EMPLOYEE LEASING AGREEMENT.

EMPLOYEE LEASING AGREEMENT means an arrangement under contract or other agreement whereby an EMPLOYEE PROVIDER FIRM provides one or more LEASED WORKERS to a client company for any period of time regardless of duration.

EMPLOYEE PROVIDER FIRM means an entity whose principal business is providing personnel to client companies but retains the obligation to provide coverage for Workers Compensation and/or other statutory compensation acts.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.

POLLUTION LIMITATION ENDORSEMENT
(DEFINED SUDDEN & ACCIDENTAL BUYBACK)

I. ABSOLUTE POLLUTION EXCLUSION:

- (A) In consideration of the premium charged, it is hereby agreed that this policy shall not apply to any liability for “bodily injury”, “property damage” or “personal injury” arising out of the actual, alleged or threatened “release” of “pollutants” into or upon land, the atmosphere or any watercourse, water supply, reservoir or body of water.

It is further agreed that the intent and effect of this exclusion is to delete from any and all coverages afforded by this policy any “occurrence”, claim, suit, cause of action, liability, settlement, judgment, defense costs or expenses in any way arising out of such “release” whether or not such “release” arises out of the activities of the insured or the activities of others and whether or not such “release” is sudden or gradual and whether or not such “release” is expected, intended, foreseeable, fortuitous, accidental or inevitable, and wherever such “release” occurs.

(B) Definitions:

- (1) “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. The term “pollutants” shall include products which have escaped or have been released from tanks, drums, pipelines, hoses or any other conveyance or container and as a consequence pose a threat to health or the environment.
- (2) “Release” means discharge, dispersal, seepage, release or escape of “pollutants”.
- (C) Without intent to limit the scope of the above Absolute Pollution Exclusion, but rather for the purpose of illustration, it is hereby agreed that this policy shall not apply to:
- (1) “Bodily injury”, “property damage” or “personal injury” arising out of the actual, alleged or threatened discharge, dispersal, release or escape of “pollutants”:
- (a) At or from premises you own, rent or occupy;
- (b) At or from any site or location used by or for you or others for the handling, storage, disposal, processing or treatment of waste;
- (a) Which are at any time transported, handled, stored, treated, disposed of, or processed as waste by or for you or any person or organization for whom you may be legally responsible; or

- (d) At or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations:
 - (i) if the “pollutants” are brought on or to the site or location in connection with such operations; or
 - (ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the “pollutants”.
- (e) Arising from products manufactured, sold, handled or distributed by or on behalf of the named insured.
- (f) Arising from operations completed by or on behalf of the named insured.
- (2) Any loss, cost or expense incurred to monitor, clean-up, remove, contain, treat, detoxify or neutralize “pollutants” for the purpose of preventing, abating or mitigating any actual or threatened “bodily injury”, “property damage” or “personal injury”.
- (3) Any loss, cost, or expense arising out of any governmental direction or request that the named insured test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize “pollutants”.

II. SUDDEN AND ACCIDENTAL BUYBACK:

- (A) It is hereby agreed that the above Absolute Exclusion shall not apply provided that the Named Insured establishes that all of the following conditions have been met:
 - (1) the occurrence was accidental and was neither expected nor intended by the insured. An occurrence shall not be considered unintended or unexpected unless caused by some intervening event neither foreseeable nor intended by the insured.
 - (2) the occurrence can be identified as commencing at a specific time and date during the term of this policy.
 - (3) the occurrence became known to the insured within 72 hours after its commencement.
 - (4) the occurrence was reported in writing to these underwriters within 30 days after having become known to the insured.
 - (5) the occurrence did not result from the insured’s intentional or willful violation of any government statute, rule or regulation.
- (B) Notwithstanding Clause II(A), nothing contained in this endorsement shall operate to provide any coverage with respect to:

- (1) loss of, damage to or loss of use of property directly or indirectly resulting from subsidence caused by sub-surface operations of the Insured;
- (2) removal of, loss of or damage to sub-surface oil, gas or any other substance;
- (3) fines, penalties, punitive damages, exemplary damages, treble damages or any other damages resulting from the multiplication of compensatory damages;
- (4) any site or location to which waste materials or substances have been transferred by or on behalf of the insured or its subcontractors for the purpose of handling, processing, treatment, storage or disposal.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.

DEDUCTIBLE ENDORSEMENT

DEDUCTIBLE AMOUNT: \$5,000

1. No claim shall be payable under this policy unless the aggregate liability for any one "occurrence", including all legal fees and loss adjustment expenses exceeds the above deductible amount, and this sum shall be deducted from the amount payable hereunder for each "occurrence".
2. The terms of the policy, including those with respect to (a) the Company's rights and duties with respect to the defense of suits and (b) the INSURED'S duties in the event of an "occurrence" apply irrespective of the application of the deductible amount.
3. The Company may pay part or all of the deductible amount to effect settlement of any claim or suit and, upon notification of the action taken, the Named Insured shall promptly reimburse the Company for such part of the deductible amount as has been paid by the Company.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED.

EMPLOYMENT RELATIONS EXCLUSIONS

In consideration of the premium charged, it is hereby agreed that this policy shall not apply to “bodily injury”, “property damage” or “personal injury” to:

- (1) An employee or former employee of any insured, whether or not arising out of or in the course of employment by the insured, or an applicant for employment with any insured, if the “bodily injury”, “property damage” or “personal injury” arises out of any of the following:
 - a. Refusal to Employ or Rehire;
 - b. Termination of Employment, Lay-Off or Retirement;
 - c. Coercion;
 - d. Demotion or Non-Promotion;
 - e. Performance Evaluation;
 - f. Reassignment or Transfer;
 - g. Discipline;
 - h. Defamation;
 - i. Harassment;
 - j. Humiliation
 - k. Discrimination including but not limited to discrimination based upon race, color, creed, religion, political belief, age, physical type, physical limitation or handicap, medical condition, sex or sexual orientation;
 - l. Sexual abuse including rape, sodomy, sexual acts of a non-consenting nature, sexual harassment or humiliation, and assault and battery in connection with the foregoing;
 - m. Other employment related practices, policies, acts or omissions; or
- (2) The spouse, domestic partner, child, parent, brother, sister, or other relative of that employee, former employee or any applicant for employment as consequence of (1) above.

ALL OTHER TERMS AND CONDITIONS REMAINING UNCHANGED