

**ENVIRONMENTAL COMBINED LIABILITY POLICY  
 COMMON DECLARATIONS**

Policy Number: 0100104413-1  
 Producer Number: 22101  
 Name and Address: NIP Specialty Brokerage, LLC  
 900 US Highway 9 North, Suite 503  
 Woodbridge, NJ 07095

NAMED INSURED:	JB Redding & Son Inc
MAILING ADDRESS:	234 Nassau St Princeton, NJ 08540
POLICY PERIOD:	FROM 01/01/2021 TO 01/01/2022 at 12:01 AM at the address of the named insured as shown above.

THIS POLICY MAY PROVIDE CLAIMS MADE COVERAGE. PLEASE READ THE ENTIRE POLICY CAREFULLY TO DETERMINE YOUR RIGHTS AND DUTIES AND WHAT IS AND IS NOT COVERED. IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ENVIRONMENTAL COMBINED LIABILITY COVERAGES	
TOTAL AGGREGATE LIMIT OF INSURANCE	\$2,000,000

THE TOTAL AGGREGATE LIMIT OF INSURANCE is the most we will pay under all Coverage Parts of this Policy.

Coverage Part(s) included at policy issuance are shown as "INCLUDED" in the Premium Column below. If "NOT COVERED" appears in the Premium Column for any Coverage Part(s), such Coverage Part was not purchased at issuance and no coverage is provided under this Policy with respect to that Coverage Part, except as amended by Endorsement to this Policy.

COVERAGE PART	CLAIMS MADE	OCCURRENCE	PREMIUM
Commercial General Liability			NOT COVERED
Contractors Pollution Liability		X	INCLUDED
Pollution Legal Liability		NOT AVAILABLE	NOT COVERED
Non-Owned Disposal Site Liability		NOT AVAILABLE	NOT COVERED
Transportation Pollution Liability		NOT AVAILABLE	NOT COVERED
Professional Services Liability	X	NOT AVAILABLE	INCLUDED
Mold Liability	X		INCLUDED
COMPANY FEE:			\$200
<b>TOTAL PREMIUM (MINIMUM AND DEPOSIT) PAYABLE AT INCEPTION:</b>			<b>\$6,547</b>

POLICY SUBJECT TO AUDIT:	Y	AUDIT PERIOD:	Annual
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DESCRIPTION OF BUSINESS	
DESCRIPTION OF OPERATIONS:	Plumbing and HVAC Contractor
Business Type:	Corporation

CLASSIFICATION AND PREMIUM					
CLASS CODE	CLASS DESCRIPTION	BASIS OF PREMIUM	EXPOSURE	RATE	PREMIUM
95647.01.24	Heating or Combined Heating and Air Conditioning Systems or Equipment - dealers or distributors and installation, servicing or repair - no liquefied p	per \$1,000 Gross Sales	6,409,661	\$.9902	\$6,347
98483.01.24	Plumbing - residential or domestic	per \$1,000 Gross Sales	Included	Included	Included
98482.01.24	Plumbing - commercial and industrial	per \$1,000 Gross Sales	Included	Included	Included

ENDORSEMENTS
Refer to ADF4001, SCHEDULE OF FORMS

**THE COMMON DECLARATIONS, ALL THE SUPPLEMENTAL DECLARATIONS, THE COMMON TERMS AND CONDITIONS, THE COVERAGE PART FORM(S), AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.**

**ENVIRONMENTAL COMBINED LIABILITY POLICY  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
SUPPLEMENTAL DECLARATION**

**Policy Number:** 0100104413-1  
**Producer Number:** 22101  
**Name and Address:** NIP Specialty Brokerage, LLC  
900 US Highway 9 North, Suite 503  
Woodbridge, NJ 07095

<b>NAMED INSURED:</b>	JB Redding & Son Inc
<b>MAILING ADDRESS:</b>	234 Nassau St Princeton, NJ 08540
<b>POLICY PERIOD:</b>	FROM 01/01/2021 TO 01/01/2022 at 12:01 AM at the address of the named insured as shown above.

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

LIMITS OF INSURANCE	
Each Pollution Condition	\$1,000,000
Aggregate	\$2,000,000

DEDUCTIBLE	
Each Pollution Condition	\$5,000

RETROACTIVE DATE FOR CLAIMS MADE COVERAGE	
Retroactive Date:	N/A (at 12:01 AM at the address of the named insured)
<b>THE RETROACTIVE DATE APPLIES TO CLAIMS MADE COVERAGES. REFER TO THE COVERAGE PART TO DETERMINE HOW THE RETROACTIVE DATE APPLIES. IF NO RETROACTIVE DATE IS SHOWN, THIS COVERAGE PART APPLIES ON AN OCCURRENCE BASIS.</b>	

**THE COMMON DECLARATIONS, ALL THE SUPPLEMENTAL DECLARATIONS, THE COMMON TERMS AND CONDITIONS, THE COVERAGE PART FORM(S), AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.**

**ENVIRONMENTAL COMBINED LIABILITY POLICY  
PROFESSIONAL SERVICES LIABILITY COVERAGE PART  
SUPPLEMENTAL DECLARATION**

**Policy Number:** 0100104413-1  
**Producer Number:** 22101  
**Name and Address:** NIP Specialty Brokerage, LLC  
900 US Highway 9 North, Suite 503  
Woodbridge, NJ 07095

<b>NAMED INSURED:</b>	JB Redding & Son Inc
<b>MAILING ADDRESS:</b>	234 Nassau St Princeton, NJ 08540
<b>POLICY PERIOD:</b>	FROM 01/01/2021 TO 01/01/2022 at 12:01 AM at the address of the named insured as shown above.

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

LIMITS OF INSURANCE	
Each Claim	\$1,000,000
Aggregate	\$2,000,000

DEDUCTIBLE	
Each Claim	\$5,000

RETROACTIVE DATE FOR CLAIMS MADE COVERAGE	
Retroactive Date:	01/01/2015 (at 12:01 AM at the address of the named insured)
THE RETROACTIVE DATE APPLIES TO CLAIMS MADE COVERAGES. REFER TO THE COVERAGE PART TO DETERMINE HOW THE RETROACTIVE DATE APPLIES.	

**THE COMMON DECLARATIONS, ALL THE SUPPLEMENTAL DECLARATIONS, THE COMMON TERMS AND CONDITIONS, THE COVERAGE PART FORM(S), AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.**

**ENVIRONMENTAL COMBINED LIABILITY POLICY  
MOLD LIABILITY COVERAGE PART  
SUPPLEMENTAL DECLARATION**

**Policy Number:** 0100104413-1  
**Producer Number:** 22101  
**Name and Address:** NIP Specialty Brokerage, LLC  
900 US Highway 9 North, Suite 503  
Woodbridge, NJ 07095

<b>NAMED INSURED:</b>	JB Redding & Son Inc
<b>MAILING ADDRESS:</b>	234 Nassau St Princeton, NJ 08540
<b>POLICY PERIOD:</b>	FROM 01/01/2021 TO 01/01/2022 at 12:01 AM at the address of the named insured as shown above.

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

LIMITS OF INSURANCE	
Each Pollution Condition	\$1,000,000
Aggregate	\$2,000,000

DEDUCTIBLE	
Each Pollution Condition	\$5,000

RETROACTIVE DATE FOR CLAIMS MADE COVERAGE	
Retroactive Date:	01/01/2020 (at 12:01 AM at the address of the named insured)
THE RETROACTIVE DATE APPLIES TO CLAIMS MADE COVERAGES. REFER TO THE COVERAGE PART TO DETERMINE HOW THE RETROACTIVE DATE APPLIES. IF NO RETROACTIVE DATE IS SHOWN, THIS COVERGE PART APPLIES ON AN OCCURRENCE BASIS.	

**THE COMMON DECLARATIONS, ALL THE SUPPLEMENTAL DECLARATIONS, THE COMMON TERMS AND CONDITIONS, THE COVERAGE PART FORM(S), AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.**

## **NOTICE—WHERE TO REPORT A CLAIM**

It is important that losses, claims or incidents (if incident reporting is permitted under the Policy) are reported in writing and directly to the Claims Department at Kinsale Insurance Company. Reporting losses, claims or incidents to an insurance agent or broker is not notice to the Kinsale Insurance Company Claims Department. Failure to report directly to Kinsale Insurance Company's Claims Department may jeopardize coverage under the Policy. The Claims Department can be contacted easily and quickly by e-mail, fax or U.S. mail.

**By E-mail:**

Newclaimnotices@kinsaleins.com

**By FAX:**

1-804-482-2762, Attention Claims Department

or

**By Mail:**

Claims Department  
Kinsale Insurance Company  
P. O. Box 17008  
Richmond, Virginia 23226

**Street Address:**

2035 Maywill Street, Suite 100  
Richmond, Virginia 23230

## SCHEDULE OF FORMS

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

- ECPGEN1000-0619 - Environmental Combined Liability Policy Common Declarations
- ECPD1001-0619 - Environmental Combined Liability Policy Contractors Pollution Liability Coverage Part Supplemental Declaration
- ECPD1006-0619 - Environmental Combined Liability Policy Professional Services Liability Coverage Part Supplemental Declaration
- ECPD1007-0619 - Environmental Combined Liability Policy Mold Liability Coverage Part Supplemental Declaration
- ADF9013-0419 - Notice - Where To Report A Claim
- ADF4001-0110 - Schedule of Forms
- ECP0001-0619 - Contractors Pollution Liability Coverage Part
- ECP0006-0619 - Professional Services Liability Coverage Part
- ECP0007-0619 - Mold Liability Coverage Part - Claims Made
- ECPGEN0001-0619 - Environmental Combined Liability Common Terms and Conditions
- ADF4002-0817 - Basis of Premium
- ADF4005-0212 - Composite Rate Endorsement
- CAS4018-0411 - Minimum Policy Premium
- ECP4000-0619 - Limitation - Independent Contractors
- ECP4003-0619 - Limitation - Underground Facility
- ADF3001-0110 - Exclusion - Tainted Drywall
- ADF3010-0110 - Exclusion- Nuclear, Biological or Chemical Materials
- ADF3011-0115 - Exclusion of Other Acts of Terrorism Committed Outside the United States; Exclusion of Punitive Damages Related to a Certified Act of Terrorism; Cap on Losses from Certified Acts of Terrorism
- ECP3010-0520 - Exclusion - Pathogen and Related Hazards
- ECP5001-0420 - Additional Insured as Required by Written Contract
- ADF9010-0115 - Notice of Terrorism Insurance Coverage
- IL0021-0908 - Nuclear Energy Liability Exclusion Endorsement (Broad Form)
- IL0985-0115 - Disclosure Pursuant to Terrorism Risk Insurance Act
- ADF9004-0110 - Signature Endorsement
- ADF9009-0110 - U.S. Treasury Department's Office of Foreign Assets Control (OFAC) Advisory Notice to Policyholders

## CONTRACTORS POLLUTION LIABILITY COVERAGE PART

*The Limits of Insurance shown in the Supplemental Declarations for this Coverage Part are reduced by “damages” and by “claims expense” that we pay. Please refer to SECTION V—LIMITS OF INSURANCE AND DEDUCTIBLE.*

### SECTION I - INSURING AGREEMENT

#### CONTRACTORS POLLUTION LIABILITY

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as “damages” and “claims expense” because of a “claim” for “bodily injury”, “property damage” or “environmental damage”, but only if:

1. The “bodily injury”, “property damage” or “environmental damage” is caused by a “pollution condition” that first commences during the “policy period”, in the “coverage territory”, and also results from “covered operations” or “completed operations”; and,
2. The “bodily injury”, “property damage” or “environmental damage” also first commences during this “policy period”; and,
3. The “pollution condition” is reasonably unexpected and unintended; and,
4. Prior to the “policy period”, no employee of the Named Insured responsible for environmental affairs, controls or compliance, legal affairs or risk management, or any manager, supervisor, officer, director or partner of an insured knew or reasonably could have foreseen that such “pollution condition” could give rise to a “claim”; whether or not the “bodily injury”, “property damage” or “environmental damage” occurs continuously, progressively or intermittently, or, changes after the commencement of this “policy period”.

We will have the right and duty to defend the insured against any “suit” seeking covered “damages”. However, we will have no duty to defend the insured against any “suit” seeking damages to which this Coverage Part does not apply. We may, at our discretion, investigate any “bodily injury”, “property damage” or “environmental damage” and settle any “claim” that may result.

### SECTION II - EXCLUSIONS

This insurance does not apply to any “claim”, “damages” or “claims expense” arising out of or in any way involving the following:

#### Asbestos

Any asbestos or asbestos-containing materials.

#### Assumption of Liability

Liability of others assumed by any insured under any written contract or agreement, however, this exclusion does not apply to liability:

1. Arising from “covered operations” or “completed operations” performed by the Named Insured or any subcontractors on behalf of the Named Insured, provided such liability is assumed by the Named Insured in a written contract or agreement for such operations and the “claim” occurs subsequent to the execution of the written contract or agreement; or
2. That the Named Insured would have in the absence of the written contract or agreement.

#### Auto, Aircraft, Watercraft

The ownership, entrustment, maintenance, use, operation, loading or unloading of any “auto”, aircraft, watercraft, or rolling stock beyond the boundaries of the “job site project” at which the “covered operations” are being conducted or were completed; including any “claim” arising out of any waste, contaminants, “pollutants” or materials transported by any “auto”, aircraft, watercraft or rolling stock beyond the boundaries of the “job site project”.

#### Employer's Liability

“Bodily injury” to:

1. Any employee of any insured arising out of and in the course of:
  - a. Employment by any insured; or
  - b. Performing duties related to the conduct of any insured's business; or



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

This exclusion applies:

1. Regardless of whether any insured may be liable as an employer or in any other capacity;
2. To any obligation to share damages with or repay someone else who must pay damages because of "bodily injury"; or
3. To liability assumed by the insured as a result of the insured properly or improperly rejecting the Workers Compensation Act of a state.

For the purposes of this exclusion, the word "employee" shall include any member, associate, "leased worker", "temporary worker" or any person or persons loaned to or volunteering services to you.

#### **Expected or Intended Injury**

Any "bodily injury", "property damage" or "environmental damage" expected or intended from the standpoint of the insured.

#### **Faulty Workmanship/Your Work**

Any costs to repair or replace faulty workmanship, construction, fabrication, installation, assembly or remediation, if such faulty workmanship, construction, fabrication, installation, assembly or remediation was performed in whole or in part by an insured.

#### **Insured's Property**

Physical damage to, destruction of or loss of use of property owned, leased or operated by, or in the care, custody or control of the insured, even if such physical damage, destruction, or loss of use is incurred to avoid or to mitigate loss or "clean-up costs" which may be covered under this Coverage Part.

#### **Known Pre-existing "Pollution Condition"**

A "pollution condition" existing prior to the "policy period" known to any employee of the Named Insured responsible for environmental affairs, controls or compliance, legal affairs or risk management; or any manager, supervisor, officer, director or partner of an insured who knew or reasonably could have foreseen that such "pollution condition" could give rise to a "claim". This exclusion applies even if the "bodily injury", "property damage" or "environmental damage" occurs continuously, progressively or intermittently, or, changes after the commencement of the "policy period".

#### **Lead**

The presence of lead or of materials containing lead.

#### **Materials for Treatment, Recycling, Reclamation, Storage or Disposal**

Any location to which the insured arranges for sending, sends or has sent materials for treatment, recycling, reclamation, storage or disposal.

#### **Mold Exclusion**

Any emission, discharge, dispersal, release or escape of any "mold" into or upon land, or any structure on land, the atmosphere or any watercourse or body of water.

#### **Operation or Management of a Hazardous Materials Facility**

The insured's operation or management of a "hazardous materials facility" on behalf of or for the benefit of or under contract with any person, company or entity.

#### **Ownership or Operation of any Offshore Facility**

Ownership or operation of any offshore facility as defined in the Outer Continental Shelf Lands Act Amendment of 1978 or the Clean Water Act of 1977 as amended or as may be amended, or any deep-water port as defined in the Deepwater Port Act of 1974 as amended or as may be amended.

#### **Pollution Condition at Non-owned Disposal Site**

The handling of any waste or products or materials at a "non-owned disposal site".

#### **Products**

Any goods, materials or products designed, manufactured, sold, handled, distributed or supplied by any insured or by others under license or trade name from any insured. This exclusion does not apply to the fabrication, assembly or

installation of goods, materials or products provided by the Named Insured in connection with the performance of “covered operations”.

### **Professional Services Liability**

The rendering or failure to render any professional service, including but not limited to your capacity as an architect, engineer, consultant, project manager or construction manager and:

1. The preparation, approval or failure to prepare or approve maps, drawings, opinions, recommendations, reports, surveys, change orders, designs or specifications, assessment work, remedy selection, site maintenance, equipment selection;
2. Supervision, inspection, construction or project management, quality control or engineering services;
3. An error, omission, defect or deficiency in any test performed, or an evaluation, a consultation or advice given by or on behalf of any insured; or
4. The reporting of or reliance upon any test performed, or an evaluation, a consultation or advice given by or on behalf of any insured.

### **Separately Insured Project**

Any “covered operations”, “job site project” or project insured under a valid and collectible project-specific insurance policy, owner protective insurance policy, owner-controlled insurance policy, contractor-controlled insurance policy, wrap-up policy, or similar insurance program, under which an insured is enrolled.

### **Silica, Erionite**

The actual, alleged or threatened exposure of any person(s) or property to silica or erionite, including but not limited to inhalation of, ingestion of, physical exposure to, or absorption of silica or erionite or anything containing silica or erionite.

### **Warranties or Guarantees**

Any express warranties or guarantees, except that this exclusion shall not apply if “damages” would have resulted in the absence of such express warranties or guarantees.

### **Wells**

The emission, discharge, release or escape of drilling fluid, oil, gas or other fluids or “pollutants” from any oil, gas, mineral, water, geothermal or injection wells.

### **Willful Acts**

1. Any act committed with knowledge of its wrongful nature or with the intent to cause injury or damage;
2. Any knowing, willful, or deliberate noncompliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental agency or body;
3. The gaining by the insured of any personal profit, gain or advantage to which the insured is not legally entitled; or
4. Any criminal, fraudulent, or dishonest act.

## **SECTION III - WHO IS AN INSURED**

1. If you are designated in the Common 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 “employees” are insureds but only with respect to their duties as such. Your “executive officers” and directors are insureds but only with respect to their duties as your officers or directors.
  - 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. 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.

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

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 Common Declarations. A “temporary worker” is not an insured.

#### **SECTION IV - DEFENSE AND SETTLEMENT OF CLAIMS**

1. We shall have the right and duty to defend any covered “claim” made against an insured. We shall not be obligated to investigate, defend, pay, or settle, or, continue to investigate, defend, pay or settle any “claim” after the applicable Limit of Insurance specified in the Supplemental Declaration of this Coverage Part has been exhausted by payment of “damages” and “claims expense”. If there is exhaustion, we shall have the right to withdraw from further investigation, defense, payment or settlement of such “claim” by tendering control of such “claim” to the Named Insured.
2. Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements or “claims expense”.
3. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided elsewhere in this Policy.
4. We may, at our discretion, investigate any “pollution condition” and settle any “claim” seeking “damages” for “bodily injury”, “property damage”, or “environmental damage” but the amount we will pay for “damages” is limited as described in **SECTION V—LIMITS OF INSURANCE AND DEDUCTIBLE**.
5. The insured shall not admit or assume liability or settle or negotiate to settle any “claim” nor incur any “claims expense” without our prior written consent.

#### **SECTION V - LIMITS OF INSURANCE AND DEDUCTIBLE**

##### **Limits of Insurance under this Coverage Part**

1. The Each Pollution Condition Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all “damages” and “claims expense” arising out of any one “pollution condition” regardless of the number of insureds, “claims” made, or persons or organizations making “claims” or who sustained a loss.
2. The Aggregate Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all “damages” and “claims expense” arising out of all “claims” for all “pollution conditions” regardless of the number of insureds, “claims” made or persons or organizations making “claims” or who sustained a loss.
3. If two or more “claims” arise out of the same “pollution condition” or a series of related “pollution condition(s)” then all such “claims” shall be considered a single “pollution condition”. All “bodily injury”, “property damage” or “environmental damage” resulting from one “pollution condition” shall be deemed to have happened only at the commencement date of the covered “pollution condition”.

Progressive, indivisible “bodily injury”, “property damage” or “environmental damage” over a series of uninterrupted policies providing pollution liability coverage issued to the Named Insured by us, which is caused by the same, related or continuous “pollution condition(s)” shall be deemed to have occurred:

- a. Only in the policy period of the policy providing pollution liability coverage issued to the Named Insured by us in which the “pollution condition” first commenced and is not otherwise excluded; or
- b. Only in the policy period of the first policy providing pollution liability coverage issued to the Named Insured by us if the “pollution condition” first commenced prior to the “policy period” of this Policy and is not otherwise excluded; or

- c. Only in the policy period of the first policy providing pollution liability coverage issued to the Named Insured by us during which the “bodily injury”, “property damage” or “environmental damage” in fact exists or is alleged to exist if the first commencement of the “pollution condition” cannot be determined.

Under no circumstance will multiple policies issued by us provide coverage for “bodily injury”, “property damage” or “environmental damage” arising from related or continuous “pollution condition(s)”.

The Aggregate Limits of Insurance and the Each Pollution Condition Limit of Insurance shown in the Supplemental Declaration of this Coverage Part are reduced by all “damages” and “claims expense” that we pay on your behalf.

The Limits of Insurance apply to the entire policy term shown in the Common Declarations of this Policy. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### **Deductible**

We shall only be liable for those amounts payable as “damages” or “claims expense” in excess of the applicable deductible stated in the Supplemental Declaration of this Coverage Part. The Deductible shall apply separately to each “pollution condition” and shall be paid by you. You shall promptly make direct payments within the deductible to the appropriate parties as designated by us. We shall have no obligation to make payments within the deductible and then seek reimbursement from you.

### **SECTION VI - DEFINITIONS**

1. “Auto” means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
2. “Bodily injury” means injury to the body, sickness or disease, including death resulting from such injuries. “Bodily injury” also means mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock, whether or not resulting from injury to the body, sickness, disease or death of any person.
3. “Claim” means a “suit” or a written demand received by an insured alleging an insured’s liability or responsibility for “damages”.
4. “Claims expense” means:
  - a. Attorneys’ fees, expert witness fees and other reasonable fees and costs incurred by us or by the insured with our prior written consent in the investigation and defense of a covered “claim”; and
  - b. Reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a “claim” including the cost of appeal bonds in an amount no greater than the remaining applicable Limits of Insurance at the time of judgment; however, we shall not be obligated to apply for or furnish appeal bonds on your behalf.

“Claims expense” does not include your employees’ wages or salaries or the costs of services provided by your directors, officers or employees or the salaries or expenses of any employees of the Company. All “claims expense” is part of the Limits of Insurance and Deductible and shall not be considered sums payable in addition to the Limit of Insurance.
5. “Clean-up costs” means expenses incurred in the investigation, removal, remediation, or neutralization of a “pollution condition” provided that such costs result from “environmental damage” because of the performance of “covered operations” by you or on your behalf.
6. “Completed operations” means “covered operations” that are completed but does not include any “covered operations” that have been abandoned. “Covered operations” will be considered completed at the earliest of the following times:
  - a. When all “covered operations” to be performed under the contract have been completed; or
  - b. When all “covered operations” to be performed at the “job site project” have been completed; or
  - c. When that part of the “covered operations” performed at the “job site project” has been put to its intended use by any person or entity other than another contractor or subcontractor working on the same project.

“Covered operations” that may require further maintenance, service, correction, repair or replacement, but are otherwise complete, shall be deemed completed.

7. “Coverage territory” means The United States of America (including its territories and possessions), Puerto Rico and Canada; provided the insured's responsibility to pay damages is determined in a “suit” on the merits, in The United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to.
8. “Covered operations” means those operations performed by or on behalf of the Named Insured at a “job site project”, provided such operations are within the scope of the operations specified in the application(s) for this Policy on file with us and described in the Description of Operations shown in the Common Declarations of this Policy.
9. “Damages” means any compensatory monetary amount which you become legally obligated to pay and to which this insurance applies. “Damages” shall not include:
  - a. Civil or criminal fines or penalties or sanctions, regardless of whether imposed pursuant to law, statute, regulation or court rule;
  - b. Any matter, sum or award that is uninsurable under the law;
  - c. Equitable relief, including the cost to comply with an injunctive order or to provide other non-monetary or declaratory relief;
  - d. The return or withdrawal of your fees; or
  - e. Punitive or exemplary damages, or the amount of any multiplied damages awarded that is in excess of the damage award so multiplied.
10. “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker”.
11. “Environmental damage” means physical damage to soil, surface water or groundwater, or plant or animal life, including “natural resource damage”, caused by “pollution conditions” resulting in “clean-up costs”. “Environmental damage” does not include “bodily injury” or “property damage”.
12. “Executive officer” means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
13. “Hazardous materials facility” means any facility or location that stores any biological, chemical or physical item or agent that has the potential to cause harm to humans, animals or the environment, either by itself or through interaction with other factors, and that is regulated by the United States Environmental Protection Agency (EPA), the United States Occupational Safety and Health Administration (OSHA), the United States Department of Transportation (DOT) or the United States Nuclear Regulatory Commission (NRC).
14. “Job site project” means all work done by an insured or on behalf of the Named Insured, away from the insured’s premises, to complete a contract to provide services for a specified period of time. Multiple jobs, tasks or work orders under one contract are not separate “job site projects” and will be deemed one “job site project”.
15. “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”.
16. “Mold” means mold, mildew or any type or form of fungus, including any mycotoxins, spores or byproducts produced or released by fungi.
17. “Natural resource damage” means physical injury to or destruction of, including the resulting loss of value of land, fish wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.)), any state or local government, any foreign government, any Native American tribe, or, if such resources are subject to a trust restriction on alienation, any member of a Native American tribe.
18. “Non-owned disposal site” means a location used by the Named Insured for the treatment, storage or disposal of waste or material, but only if:
  - a. The waste or material is generated by “covered operations” at a “job site project”; and,

- b. The “non-owned disposal site” is not managed, operated, owned or leased by the Named Insured or any subsidiary or affiliate of the Named Insured; and,
  - c. The “non-owned disposal site” is permitted or licensed by a federal, state, local or provincial authority to accept such waste or material as of the date of the treatment, storage or disposal; and,
  - d. The “non-owned disposal site” is not listed on a proposed or final Federal National Priorities List (NPL), Superfund or any equivalent state, local or provincial lists of polluted or contaminated “hazardous materials facilities” prior to the treatment, storage or disposal; and,
  - e. The “non-owned disposal site” is not a “nuclear waste site”.
19. “Nuclear waste site” means any radioactive waste left over from nuclear reactors or reprocessing plants, nuclear research projects or nuclear contaminated sections of dismantled nuclear facilities.
20. “Policy period” means the period commencing with the effective date of this Policy and ending with the expiration date of this Policy as set forth in the Common Declarations or any shorter period arising as a result of cancellation of this Policy.
21. “Pollutants” mean any solid, liquid, gaseous, fuel, lubricant, thermal, acoustic, electrical, or magnetic irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, fibers, radiation, acid, alkalis, petroleums, chemicals or “waste”. “Waste” includes medical waste, biological infectants, and all other materials to be disposed of, recycled, stored, reconditioned or reclaimed. “Pollutant” does not include Source Material, Special Nuclear Material or By-Product Material as these terms are defined in the Atomic Energy Act.
22. “Pollution condition” means the emission, discharge, dispersal, release or escape of any “pollutant” into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, provided such “pollutants” are not naturally present in the environment in the concentration or amounts discovered. The entirety of any such emission, discharge, dispersal, release or escape shall be deemed to be one “pollution condition”. A related series of emissions, discharges, dispersals, releases or escapes of “pollutants” shall be deemed to be one “pollution condition”.
23. “Property damage” means:
- a. Physical injury to or destruction of tangible property of third parties, including all resulting loss of use of that property. All such loss of use shall be deemed to first commence at the time of the first physical injury that caused it; or
  - b. Loss of use of such tangible property that is not physically injured. All such loss of use shall be deemed to first commence at the time of the “pollution condition” that caused it
- provided that **a.** and **b.** are caused by a “pollution condition”. However, “property damage” does not include “clean-up costs” diminished third party property value, or “environmental damage”.
24. “Suit” means a civil proceeding in which “damages” 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. “Underground storage tank” means any stationary container or vessel, including the associated piping connected to it, which is ten percent (10%) or more beneath the surface of the ground.

## **SECTION VII - ADDITIONAL CONDITIONS APPLICABLE TO THIS COVERAGE PART**

### **Duties In The Event Of Pollution Condition, Claim Or Suit**

- a. As a condition precedent to the right of coverage provided by this Policy, the insured must see to it that we are immediately notified about a “claim” or “pollution condition”. To the extent possible, notice should include:
  - 1. How, when and where the “pollution condition” took place; and,

2. The names and addresses of any injured persons and witnesses; and,
  3. The nature and location of any injury or damage arising out of the "pollution condition".
- b.** You and any other involved insured must:
1. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim"; and,
  2. Authorize us to obtain records and other information; and,
  3. Immediately forward all technical reports, laboratory data, filed notes or any other documents generated by persons hired by the insured to investigate the "claim"; and,
  4. Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and,
  5. 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; and,
  6. Cooperate with us and provide us with all information and assistance which we reasonably request including without limitation, attending hearings, depositions and trials and assisting in effecting settlements, securing and giving evidence and conducting the defense of any "claim" covered by this Policy.
- c.** 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.

#### **Other Insurance**

If other valid and collectible insurance is available to the insured for a "claim" we cover, this insurance is excess over any other valid insurance, whether such insurance is considered contributory, excess, primary or otherwise, unless such insurance specifically applies in excess of this Policy.

When this insurance is excess, we will have no duty to defend the insured against any "claim" if any other insurer has a duty to defend the insured against that suit.

## PROFESSIONAL SERVICES LIABILITY COVERAGE PART

*This Coverage Part provides claims-made and reported coverage. The Limits of Insurance shown in the Supplemental Declarations for this Coverage Part are reduced by “damages” and by “claims expense” that we pay. Please refer to SECTION V—LIMITS OF INSURANCE AND DEDUCTIBLE.*

### SECTION I - INSURING AGREEMENT

#### PROFESSIONAL SERVICES LIABILITY

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as “damages” and “claims expense” because of a “claim” for “bodily injury”, “property damage” or “environmental damage”, but only if:

1. The “claim” is first made against the insured and reported to us in writing during this “policy period” or where applicable, reported to us during the Extended Reporting Period; and,
2. The “bodily injury”, “property damage” or “environmental damage” is caused by a “wrongful act” in the performance of or failure to perform “professional services” by the insured; and,
3. The “wrongful act” was committed on or after the “retroactive date” but before the end of this “policy period”; and,
4. The “wrongful act” takes place in the “coverage territory”; and,
5. Prior to this “policy period”, no insured listed under Paragraph 1. of SECTION III—WHO IS AN INSURED knew that the “claim” had been made, or could have reasonably foreseen that “professional services” could give rise to a “claim”, or the “wrongful act” had occurred, in whole or in part.

We will have the right and duty to defend the insured against any “suit” seeking covered “damages”. However, we will have no duty to defend the insured against any “suit” seeking damages to which this Coverage Part does not apply. We have the right to negotiate the settlement of any “claim” and we will seek your written consent to any settlement. If the Named Insured refuses to consent to a settlement recommended by us and acceptable to the claimant, then our Limit of Insurance under this Policy with respect to such “claim”, shall be reduced to the amount of “damages” for which the “claim” could have been settled plus any “claims expenses” incurred up to the time we made our recommendation to the Named Insured. This amount shall not exceed the unexhausted Limit of Insurance as specified in this Coverage Part Supplemental Declarations.

### SECTION II - EXCLUSIONS

This insurance does not apply to any “wrongful act”, “claim”, “damages” or “claims expense” arising out of or in any way involving the following:

#### **Asbestos**

Any asbestos or asbestos-containing materials.

#### **Assumption of Liability**

Liability of others assumed by any insured under any written contract or agreement, however, this exclusion does not apply to liability that the Named Insured would have in the absence of the written contract or agreement.

#### **Auto, Aircraft, Watercraft**

The ownership, entrustment, maintenance, use, operation, loading or unloading of any “auto”, aircraft, watercraft, or rolling stock.

#### **Bodily Injury to Contractor**

Sustained by any of your independent contractors or subcontractors, or any insured’s “employee”, “temporary worker” or volunteer.

#### **Change of Applicable Standards**

A change of any applicable standard, order or directive that is made after the inception date of the Policy, and that is issued by any government agency or judicial or administrative body.



**Construction Means and Methods**

The construction means, methods, techniques, sequences and procedures, including but not limited to erection, use, maintenance or operation, of cranes, scaffolding, project fencing, or similar temporary structures, or demolition, employed by an insured or by any other person or entity in any capacity.

**Copyright Infringement and Unfair Competition**

Infringement of copyright, patent, trademark, service mark, right of publicity, slogan, trade dress, trade secret or other intellectual property rights; or false advertising, false designation of origin, product disparagement, trade libel, or other causes of action arising out of unfair competition or anti-competitive trade practices; or violation of any law, statute or ordinance of any federal, state or municipal government or any agencies thereof, including violations of anti-trust law, the Lanham Act or other unfair competition statutes.

**Delivery—Wrong Location or Material**

Any claim arising out of delivery to the wrong receptacle, wrong location or wrong address or arising out of transport or delivery of the wrong material.

**Employer's Liability**

"Bodily injury" to:

1. Any employee of any insured arising out of and in the course of:
  - a. Employment by any insured; or
  - b. Performing duties related to the conduct of any insured's business; or
2. The spouse, child, parent, brother, sister or relative of that employee as a consequence of Paragraph 1. above.

This exclusion applies:

1. Regardless of whether any insured may be liable as an employer or in any other capacity;
2. To any obligation to share damages with or repay someone else who must pay damages because of "bodily injury"; or
3. To liability assumed by the insured as a result of the insured properly or improperly rejecting the Workers Compensation Act of a state.

For the purposes of this exclusion, the word "employee" shall include any member, associate, "leased worker", "temporary worker" or any person or persons loaned to or volunteering services to you.

**Expected or Intended Injury**

Any "bodily injury", "property damage" or "environmental damage" expected or intended from the standpoint of the insured.

**Failure to Complete Specifications**

Failure to complete any drawings, specifications, or schedules of specifications in a timely manner or within a prescribed period of time or the failure to act upon shop drawings on time, but this exclusion does not apply if such failure is the result of a negligent act error or omission in the drawings, specifications, or schedules or shop drawings themselves.

**Faulty Workmanship/Your Work**

Any costs to repair or replace faulty workmanship, construction, fabrication, installation, assembly or remediation, if such faulty workmanship, construction, fabrication, installation, assembly or remediation was performed in whole or in part by an insured.

**Fee Dispute**

Payment, division or apportionment of any fees or remuneration of any kind owed to an insured or anyone else;

**General Liability Coverage**

Any actual or alleged "bodily injury" or "property damage" to which a Commercial General Liability policy or similar policy provides coverage, whether purchased by the insured or not. This exclusion applies even if the General Liability policy, if purchased, does not apply because of an Other Insurance clause, deductible, self-insured retention, limitation of liability clause, or similar clause.

## **Geotechnical Engineering and Testing**

Any:

1. Foundation engineering, design or assessment;
2. Slope stability engineering, design or assessment;
3. Seismic engineering, design or assessment;
4. Soil compaction studies or assessment; or
5. Testing of construction materials, unless done for the sole purpose of determining the presence, condition or absence of "pollutants" by the insured.

## **Insured's Property**

Physical damage to, destruction of, or loss of use of property owned, leased or operated by, or in the care, custody or control of the insured, even if such physical damage, destruction, or loss of use is incurred to avoid or to mitigate loss or "clean-up costs" which may be covered under this Coverage Part.

## **Known Pre-existing "Pollution Condition"**

A "pollution condition" existing prior to the "policy period" known to any employee of the Named Insured responsible for environmental affairs, controls or compliance, legal affairs or risk management; or any manager, supervisor, officer, director or partner of an insured who knew or reasonably could have foreseen that such "pollution condition" could give rise to a "claim". This exclusion applies even if the "bodily injury", "property damage" or "environmental damage" occurs continuously, progressively or intermittently, or, changes after the commencement of the "policy period".

## **Lead**

The presence of lead or of materials containing lead.

## **Materials for Treatment, Recycling, Reclamation, Storage or Disposal**

Any location to which the insured arranges for sending, sends or has sent materials for treatment, recycling, reclamation, storage or disposal.

## **Mold Exclusion**

Any emission, discharge, dispersal, release or escape of any "mold" into or upon land, or any structure on land, the atmosphere or any watercourse or body of water.

## **Operation or Management of a Hazardous Materials Facility**

The insured's operation or management of a "hazardous materials facility" on behalf of or for the benefit of or under contract with any person, company or entity.

## **Ownership or Operation of any Offshore Facility**

Ownership or operation of any offshore facility as defined in the Outer Continental Shelf Lands Act Amendment of 1978 or the Clean Water Act of 1977 as amended or as may be amended, or any deep-water port as defined in the Deepwater Port Act of 1974 as amended or as may be amended.

## **Prior Knowledge**

1. "Professional services" performed prior to the "policy period" if any insured knew or could have reasonably foreseen that the "professional service" could give rise to a claim;
2. Any common fact, circumstance, transaction, advice or decision involved in a "professional service" reported as a claim or potential claim under any prior policy.

## **Products**

Any goods, materials or products designed, manufactured, sold, handled, distributed or supplied by any insured or by others under license or trade name from any insured. This exclusion does not apply to the fabrication, assembly or installation of goods, materials or products provided by the Named Insured in connection with "professional services".

## **Professional Services for Other Insureds or Related Entities**

An insured's "professional services" for:

1. Any other insured under the Policy; or
2. Any firm, organization, entity or trust not named in the Declarations in which the insured:
  - a. has or had any ownership interest;
  - b. is or was a director, officer, partner, principal shareholder or employee; or

- c. at any time managed, operated or exercised direct or indirect control.

#### **Separately Insured Project**

Any “professional services”, “job site project” or project insured under a project-specific insurance policy, owner protective insurance policy, owner-controlled insurance policy, contractor-controlled insurance policy, wrap-up policy, or similar insurance program, under which an insured is enrolled.

#### **Silica, Erionite**

The actual, alleged or threatened exposure of any person(s) or property to silica or erionite, including but not limited to inhalation of, ingestion of, physical exposure to, or absorption of silica or erionite or anything containing silica or erionite.

#### **Warranties or Guarantees**

Any express warranties or guarantees, except that this exclusion shall not apply if “damages” would have resulted in the absence of such express warranties or guarantees.

#### **Wells**

The emission, discharge, release or escape of drilling fluid, oil, gas or other fluids or “pollutants” from any oil, gas, mineral, water, geothermal or injection wells.

#### **Willful Acts**

1. Any act committed with knowledge of its wrongful nature or with the intent to cause injury or damage;
2. Any knowing, willful, or deliberate noncompliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental agency or body;
3. The gaining by the insured of any personal profit, gain or advantage to which the insured is not legally entitled; or
4. Any criminal, fraudulent, or dishonest act.

### **SECTION III - WHO IS AN INSURED**

1. If you are designated in the Common 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 “employees” are insureds but only with respect to their duties as such. Your “executive officers” and directors are insureds but only with respect to their duties as your officers or directors.
  - 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. 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.
  - b. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

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 Common Declarations. A “temporary worker” is not an insured.

#### **SECTION IV - DEFENSE AND SETTLEMENT OF CLAIMS**

1. We shall have the right and duty to defend any covered "claim" made against an insured. We shall not be obligated to investigate, defend, pay, or settle, or, continue to investigate, defend, pay or settle any "claim" after the applicable Limit of Insurance specified in the Supplemental Declaration of this Coverage Part has been exhausted by payment of "damages" and "claims expense". If there is exhaustion, we shall have the right to withdraw from further investigation, defense, payment or settlement of such "claim" by tendering control of such "claim" to you.
2. Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements or "claims expense".
3. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided elsewhere in this Policy.
4. We may, at our discretion, investigate any "wrongful act" and settle any "claim" seeking "damages" for "bodily injury", "property damage", or "environmental damage" but the amount we will pay for "damages" is limited as described in **SECTION V—LIMITS OF INSURANCE AND DEDUCTIBLE**.
5. The insured shall not admit or assume liability or settle or negotiate to settle any "claim" nor incur any "claims expense" without our prior written consent.

#### **SECTION V - LIMITS OF INSURANCE AND DEDUCTIBLE**

##### **Limits of Insurance under this Coverage Part**

1. Each Claim Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all "damages" and "claims expense" arising out of any one "wrongful act" regardless of the number of insureds, "claims" made or persons or organizations making "claims" or who sustained a loss:
2. The Aggregate Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all "damages" and "claims expense" arising out of all "claims" for all "wrongful acts" regardless of the number of insureds, "claims" made or persons or organizations making "claims" or who sustained a loss
3. All "claims" arising out of "professional services" to the same person or entity will be deemed to have been made on the date on which the first of all such logically or causally connected "claims" is made against any insured. All "wrongful acts" that are logically or causally connected by any common fact, circumstance, situation, transaction, event, service, advice or decision, will be considered to be one "wrongful act" and will be deemed to have taken place at the time the first of these related "wrongful acts" took place. All "claims" based upon such logically or causally connected "wrongful acts" shall be deemed to constitute a single "claim" and be subject to a single each claim Limit of Insurance.

The Aggregate Limits of Insurance and the Each Claim Limit of Insurance shown in the Supplemental Declaration of this Coverage Part are reduced by all "damages" and "claims expense" that we pay on your behalf.

The Limits of Insurance of this Policy apply to the entire policy term shown in the Common Declarations of this Policy. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

##### **Deductible**

We shall only be liable for those amounts payable as "damages" or "claims expense" in excess of the applicable deductible stated in the Supplemental Declaration of this Coverage Part. The Deductible shall apply separately to each "claim" and shall be paid by you. You shall promptly make direct payments within the deductible to the appropriate parties as designated by us. We shall have no obligation to make payments within the deductible and then seek reimbursement from you.

## SECTION VI - DEFINITIONS

1. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
2. "Bodily injury" means injury to the body, sickness or disease, including death resulting from such injuries. "Bodily injury" also means mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock, whether or not resulting from injury to the body, sickness, disease or death of any person.
3. "Claim" means a "suit" or a written demand received by an insured alleging an insured's liability or responsibility for "damages".
4. "Claims expenses" means:
  - a. Attorneys' fees, expert witness fees and other reasonable fees and costs incurred by us or by the insured with our prior written consent in the investigation and defense of a covered "claim"; and
  - b. Reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim" including the cost of appeal bonds in an amount no greater than the remaining applicable Limits of Insurance at the time of judgment; however, we shall not be obligated to apply for or furnish appeal bonds on your behalf.

"Claims expense" does not include your employees' wages or salaries or the costs of services provided by your directors, officers or employees or the salaries or expenses of any employees of the Company. All "claims expense" is part of the Limits of Insurance and Deductible and shall not be considered sums payable in addition to the Limit of Insurance.
5. "Clean-up costs" means expenses incurred in the investigation, removal, remediation, or neutralization of a "pollution condition" provided that such costs result from "environmental damage" because of the performance of "professional services" by you or on your behalf.
6. "Coverage territory" means The United States of America (including its territories and possessions), Puerto Rico and Canada; provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in The United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to.
7. "Damages" means any compensatory monetary amount which you become legally obligated to pay and to which this insurance applies. "Damages" shall not include:
  - a. Civil or criminal fines or penalties or sanctions, regardless of whether imposed pursuant to law, statute, regulation or court rule;
  - b. Any matter, sum or award that is uninsurable under the law;
  - c. Equitable relief, including the cost to comply with an injunctive order or to provide other non-monetary or declaratory relief;
  - d. The return or withdrawal of your fees; or
  - e. Punitive or exemplary damages, or the amount of any multiplied damages awarded that is in excess of the damage award so multiplied.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Environmental damage" means physical damage to soil, surface water or groundwater, or plant or animal life, including "natural resource damage", caused by "pollution conditions" resulting in "clean-up costs". "Environmental damage" does not include "bodily injury" or "property damage".
10. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
11. "Hazardous materials facility" means any facility or location that stores any biological, chemical or physical item or agent that has the potential to cause harm to humans, animals or the environment, either by itself or through interaction with other factors, and that is regulated by the United States Environmental Protection Agency (EPA), the

United States Occupational Safety and Health Administration (OSHA), the United States Department of Transportation (DOT) or the United States Nuclear Regulatory Commission (NRC).

12. "Job site project" means all work done by an insured or on behalf of the Named Insured, away from the insured's premises, to complete a contract to provide services for a specified period of time. Multiple jobs, tasks or work orders under one contract are not separate "job site projects" and will be deemed one "job site project".
13. "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".
14. "Mold" means mold, mildew or any type or form of fungus, including any mycotoxins, spores or byproducts produced or released by fungi.
15. "Natural resource damage" means physical injury to or destruction of, including the resulting loss of value of land, fish wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.)), any state or local government, any foreign government, any Native American tribe, or, if such resources are subject to a trust restriction on alienation, any member of a Native American tribe.
16. "Policy period" means the period commencing with the effective date of this Policy and ending with the expiration date of this Policy as set forth in the Common Declarations or any shorter period arising as a result of cancellation of this Policy.
17. "Pollutants" mean any solid, liquid, gaseous, fuel, lubricant, thermal, acoustic, electrical, or magnetic irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, fibers, radiation, acid, alkalis, petroleums, chemicals or "waste". "Waste" includes medical waste, biological infectants, and all other materials to be disposed of, recycled, stored, reconditioned or reclaimed. "Pollutant" does not include Source Material, Special Nuclear Material or By-Product Material as these terms are defined in the Atomic Energy Act.
18. "Pollution condition" means the emission, discharge, dispersal, release or escape of any "pollutant" into or upon land, or any structure on land, the atmosphere or any watercourse or body of water, provided such "pollutants" are not naturally present in the environment in the concentration or amounts discovered. The entirety of any such emission, discharge, dispersal, release or escape shall be deemed to be one "pollution condition". A related series of emissions, discharges, dispersals, releases or escapes of "pollutants" shall be deemed to be one "pollution condition".
19. "Professional services" means those services which you perform for others in return for fees, arising out of your operations shown in the Description of Operations on the Declarations.
20. "Property damage" means:
  - a. Physical injury to or destruction of tangible property of third parties, including all resulting loss of use of that property. All such loss of use shall be deemed to first commence at the time of the first physical injury that caused it; or
  - b. Loss of use of such tangible property that is not physically injured. All such loss of use shall be deemed to first commence at the time of the "wrongful act" that caused it.However, "property damage" does not include "clean-up costs" diminished third party property value, or "environmental damage".
21. "Retroactive date" means the date specified as such in the Supplemental Declaration of this Coverage Part.
22. "Suit" means a civil proceeding in which "damages" 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.

23. "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.
24. "Wrongful act" means any actual or alleged negligent act, error, omission, misstatement, misleading statement or breach of duty in the performing of or failure to perform "professional services".

## **SECTION VII - ADDITIONAL CONDITIONS APPLICABLE TO THIS COVERAGE PART**

### **Duties In The Event Of Wrongful Act, Claim Or Suit**

- a. As a condition precedent to the right of coverage provided by this Policy, the insured must see to it that we are immediately notified about a "claim" or "wrongful act". To the extent possible, notice should include:
1. How, when and where the "wrongful act" took place; and,
  2. The names and addresses of any injured persons and witnesses; and,
  3. The nature and location of any injury or damage arising out of the "wrongful act".
- b. You and any other involved insured must:
1. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim"; and,
  2. Authorize us to obtain records and other information; and,
  3. Immediately forward all technical reports, laboratory data, filed notes or any other documents generated by persons hired by the insured to investigate the "claim"; and,
  4. Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and,
  5. 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; and,
  6. Cooperate with us and provide us with all information and assistance which we reasonably request including without limitation, attending hearings, depositions and trials and assisting in effecting settlements, securing and giving evidence and conducting the defense of any "claim" covered by this Policy.
- c. 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.

### **Other Insurance**

If other valid and collectible insurance is available to the insured for a "claim" we cover, this insurance is excess over any other valid insurance, whether such insurance is considered contributory, excess, primary or otherwise, unless such insurance specifically applies in excess of this Policy.

When this insurance is excess, we will have no duty to defend the insured against any "claim" if any other insurer has a duty to defend the insured against that suit.

## MOLD LIABILITY COVERAGE PART—CLAIMS MADE

*This Coverage Part provides claims-made and reported coverage. The Limits of Insurance shown in the Supplemental Declarations for this Coverage Part are reduced by “damages” and by “claims expenses” that we pay. Please refer to SECTION V—LIMITS OF INSURANCE AND DEDUCTIBLE.*

### SECTION I - INSURING AGREEMENT

#### MOLD LIABILITY

We will pay on behalf of the insured those sums that the insured becomes legally obligated to pay as “damages” and “claims expense” because of a “claim” for “bodily injury” or “property damage”, but only if:

1. The “claim” is first made against the insured and reported to us in writing during this “policy period” or where applicable, the Extended Reporting Period; and,
2. The “bodily injury” or “property damage” is caused by a “mold condition” that first commences on or after the “retroactive date” but before the end of this “policy period” in the “coverage territory” and also results from “covered operations” or “completed operations”; and,
3. The “bodily injury” or “property damage” also first commences after the “retroactive date” but before the end of the “policy period”; and,
4. The “mold condition” is reasonably unexpected and unintended; and,
5. Prior to the “policy period”, no employee of the Named Insured responsible for environmental affairs, controls or compliance, legal affairs or risk management, or any manager, supervisor, officer, director or partner of an insured knew or reasonably could have foreseen that such “mold condition” could give rise to a “claim”; whether or not the “bodily injury” or “property damage” occur continuously, progressively or intermittently, or, change after the commencement of this “policy period”.

We will have the right and duty to defend the insured against any “suit” seeking covered “damages”. However, we will have no duty to defend the insured against any “suit” seeking damages to which this Coverage Part does not apply. We may, at our discretion, investigate any “bodily injury” or “property damage” and settle any “claim” that may result.

### SECTION II - EXCLUSIONS

This insurance does not apply to any “claim”, “damages” or “claims expense” arising out of or in any way involving the following:

#### Asbestos

Any asbestos or asbestos-containing materials.

#### Assumption of Liability

Liability of others assumed by any insured under any written contract or agreement, however, this exclusion does not apply to liability:

1. Arising from “covered operations” or “completed operations” performed by the Named Insured or any subcontractors on behalf of the Named Insured provided such liability is assumed by the Named Insured in a written contract or agreement for such operations and the “claim” occurs subsequent to the execution of the written contract or agreement; or
2. That the Named Insured would have in the absence of the written contract or agreement.

#### Auto, Aircraft, Watercraft

The ownership, entrustment, maintenance, use, operation, loading or unloading of any “auto”, aircraft, watercraft, or rolling stock beyond the boundaries of the “job site project” at which the “covered operations” are being conducted or were completed; including any “claim” arising out of any waste, contaminants, “mold” or materials transported by any “auto”, aircraft, watercraft or rolling stock beyond the boundaries of the “job site project”.

#### Employer's Liability

“Bodily injury” to:



1. Any employee of any insured arising out of and in the course of:
  - a. Employment by any insured; or
  - b. Performing duties related to the conduct of any insured's business; or
2. The spouse, child, parent, brother, sister or relative of that employee as a consequence of Paragraph 1. above.

This exclusion applies:

1. Regardless of whether any insured may be liable as an employer or in any other capacity;
2. To any obligation to share damages with or repay someone else who must pay damages because of "bodily injury"; or
3. To liability assumed by the insured as a result of the insured properly or improperly rejecting the Workers Compensation Act of a state.

For the purposes of this exclusion, the word "employee" shall include any member, associate, "leased worker", "temporary worker" or any person or persons loaned to or volunteering services to you.

#### **Expected or Intended Injury**

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

#### **Faulty Workmanship/Your Work**

Any costs to repair or replace faulty workmanship, construction, fabrication, installation, assembly or remediation, if such faulty workmanship, construction, fabrication, installation, assembly or remediation was performed in whole or in part by an insured.

#### **Insured's Property**

Physical damage to, destruction of, or loss of use of property owned, leased or operated by, or in the care, custody or control of the insured, even if such physical damage, destruction, or loss of use is incurred to avoid or to mitigate loss or "clean-up costs" which may be covered under this Coverage Part.

#### **Known Pre-existing "Mold Condition"**

A "mold condition" existing prior to the "policy period" known to any employee of the Named Insured responsible for environmental affairs, controls or compliance, legal affairs or risk management; or any manager, supervisor, officer, director or partner of an insured who knew or reasonably could have foreseen that such "mold condition" could give rise to a "claim". This exclusion applies even if the "bodily injury" or "property damage" occurs continuously, progressively or intermittently, or, changes after the commencement of the "policy period".

#### **Lead**

The presence of lead or of materials containing lead.

#### **Materials for Treatment, Recycling, Reclamation, Storage or Disposal**

Any location to which the insured arranges for sending, sends or has sent materials for treatment, recycling, reclamation, storage or disposal.

#### **Operation or Management of a Hazardous Materials Facility**

The insured's operation or management of a "hazardous materials facility" on behalf of or for the benefit of or under contract with any person, company or entity.

#### **Ownership or Operation of any Offshore Facility**

Ownership or operation of any offshore facility as defined in the Outer Continental Shelf Lands Act Amendment of 1978 or the Clean Water Act of 1977 as amended or as may be amended, or any deep-water port as defined in the Deepwater Port Act of 1974 as amended or as may be amended.

#### **Pollution Exclusion**

Any emission, discharge, dispersal, release or escape of any "pollutants" into or upon land, or any structure on land, the atmosphere or any watercourse or body of water.

#### **Products**

Any goods, materials or products designed, manufactured, sold, handled, distributed or supplied by any insured or by others under license or trade name from any insured. This exclusion does not apply to the fabrication, assembly or

installation of goods, materials or products provided by the Named Insured in connection with the performance of “covered operations”.

### **Professional Services Liability**

The rendering or failure to render any professional service, including but not limited to your capacity as an architect, engineer, consultant, project manager or construction manager and:

1. The preparation, approval or failure to prepare or approve maps, drawings, opinions, recommendations, reports, surveys, change orders, designs or specifications, assessment work, remedy selection, site maintenance, equipment selection;
2. Supervision, inspection, construction or project management, quality control or engineering services;
3. An error, omission, defect or deficiency in any test performed, or an evaluation, a consultation or advice given by or on behalf of any insured;
4. The reporting of or reliance upon any test performed, or an evaluation, a consultation or advice given by or on behalf of any insured; or

### **Separately Insured Project**

Any “covered operations”, “job site project” or project insured under a valid and collectible project-specific insurance policy, owner protective insurance policy, owner-controlled insurance policy, contractor-controlled insurance policy, wrap-up policy, or similar insurance program, under which an insured is enrolled.

### **Warranties or Guarantees**

Any express warranties or guarantees, except that this exclusion shall not apply if “damages” would have resulted in the absence of such express warranties or guarantees.

### **Willful Acts**

1. Any act committed with knowledge of its wrongful nature or with the intent to cause injury or damage;
2. Any knowing, willful, deliberate noncompliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental agency or body;
3. The gaining by the insured of any personal profit, gain or advantage to which the insured is not legally entitled; or
4. Any criminal, fraudulent, or dishonest act.

## **SECTION III - WHO IS AN INSURED**

1. If you are designated in the Common 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 “employees” are insureds but only with respect to their duties as such. Your “executive officers” and directors are insureds but only with respect to their duties as your officers or directors.
  - 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. 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.
  - b. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

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 Common Declarations. A "temporary worker" is not an insured.

#### **SECTION IV - DEFENSE AND SETTLEMENT OF CLAIMS**

1. We shall have the right and duty to defend any covered "claim" made against an insured. We shall not be obligated to investigate, defend, pay, or settle, or, continue to investigate, defend, pay or settle any "claim" after the applicable Limit of Insurance specified in the Supplemental Declaration of this Coverage Part has been exhausted by payment of "damages" and "claims expenses". If there is exhaustion, we shall have the right to withdraw from further investigation, defense, payment or settlement of such "claim" by tendering control of such "claim" to the Named Insured.
2. Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements or "claims expenses".
3. No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided elsewhere in this Policy.
4. We may, at our discretion, investigate any "mold condition" and settle any "claim" seeking "damages" for "bodily injury" or "property damage", but the amount we will pay for "damages" is limited as described in **SECTION V— LIMITS OF INSURANCE AND DEDUCTIBLE**.
5. The insured shall not admit or assume liability or settle or negotiate to settle any "claim" nor incur any "claims expenses" without our prior written consent.

#### **SECTION V - LIMITS OF INSURANCE AND DEDUCTIBLE**

##### **Limits of Insurance under this Coverage Part**

1. The Each Mold Condition Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all "damages" and "claims expense" arising out of any one "mold condition" regardless of the number of insureds, "claims" made or persons or organizations making "claims" or who sustained a loss.
2. The Aggregate Limit of Insurance shown in the Supplemental Declaration of this Coverage Part is the most we will pay for all "damages" and "claims expense" arising out of all "claims" for all "mold conditions" regardless of the number of insureds, "claims" made or persons or organizations making "claims" or who sustained a loss.
3. If two or more "claims" arise out of the same "mold condition" or a series of related "mold condition(s)" then all such "claims" shall be considered a single "mold condition". All "bodily injury" or "property damage" resulting from one "mold condition" shall be deemed to have happened only at the commencement date of the covered "mold condition".

Progressive, indivisible "bodily injury" or "property damage" over a series of uninterrupted policies providing mold liability coverage issued to the Named Insured by us, which is caused by the same, related or continuous "mold condition(s)" shall be deemed to have occurred:

- a. Only in the policy period of the policy providing mold liability coverage issued to the Named Insured by us in which the "mold condition" first commenced and is not otherwise excluded; or
- b. Only in the policy period of the first policy providing mold liability coverage issued to the Named Insured by us if the "mold condition" first commenced prior to the "policy period" of this Policy and is not otherwise excluded; or
- c. Only in the policy period of the first policy providing mold liability coverage issued to the Named Insured by us during which the "bodily injury" or "property damage" in fact exists or is alleged to exist if the first commencement of the "mold condition" cannot be determined.

Under no circumstance will multiple policies issued by us provide coverage for "bodily injury" or "property damage" arising from related or continuous "mold condition(s)".

The Aggregate Limits of Insurance and the Each Mold Condition Limit of Insurance shown in the Supplemental Declaration of this Coverage Part are reduced by all “damages” and “claims expense” that we pay on your behalf.

The Limits of Insurance of this Policy apply to the entire policy term shown in the Common Declarations of this Policy. If the policy period is extended after issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

### **Deductible**

We shall only be liable for those amounts payable as “damages” or “claims expenses” in excess of the applicable deductible stated in the Supplemental Declaration of this Coverage Part. The Deductible shall apply separately to each “mold condition” and shall be paid by you. You shall promptly make direct payments within the deductible to the appropriate parties as designated by us. We shall have no obligation to make payments within the deductible and then seek reimbursement from you.

### **SECTION VI - DEFINITIONS**

1. “Auto” means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment.
2. “Bodily injury” means injury to the body, sickness or disease, including death resulting from such injuries. “Bodily injury” also means mental injury, mental anguish, mental tension, emotional distress, pain and suffering, or shock, whether or not resulting from injury to the body, sickness, disease or death of any person.
3. “Claim” means a “suit” or a written demand received by an insured alleging an insured’s liability or responsibility for “damages”.
4. “Claims expenses” means:
  - a. Attorneys’ fees, expert witness fees and other reasonable fees and costs incurred by us or by the insured with our prior written consent in the investigation and defense of a covered “claim”; and
  - b. Reasonable and necessary fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a “claim” including the cost of appeal bonds in an amount no greater than the remaining applicable Limits of Insurance at the time of judgment; however, we shall not be obligated to apply for or furnish appeal bonds on your behalf.

“Claims expenses” do not include your employees’ wages or salaries or the costs of services provided by your directors, officers or employees or the salaries or expenses of any employees of the Company. All “claims expenses” are a part of the Limits of Insurance and Deductible and shall not be considered sums payable in addition to the Limit of Insurance.
5. “Completed operations” means “covered operations” that are completed but does not include any “covered operations” that have been abandoned. “Covered operations” will be considered completed at the earliest of the following times:
  - a. When all “covered operations” to be performed under the contract have been completed; or
  - b. When all “covered operations” to be performed at the “job site project” have been completed; or
  - c. When that part of the “covered operations” performed at the “job site project” has been put to its intended use by any person or entity other than another contractor or subcontractor working on the same project.

“Covered operations” that may require further maintenance, service, correction, repair or replacement, but are otherwise complete, shall be deemed completed.
6. “Coverage territory” means The United States of America (including its territories and possessions), Puerto Rico and Canada; provided the insured’s responsibility to pay damages is determined in a “suit” on the merits, in The United States of America (including its territories and possessions), Puerto Rico or Canada or in a settlement we agree to.
7. “Covered operations” means those operations performed by or on behalf of the Named Insured at a “job site project”, provided such operations are within the scope of the operations specified in the application(s) for this Policy on file with us and as described in the Description of Operations or classification in the Declarations of this Policy.

8. "Damages" means any compensatory monetary amount which you become legally obligated to pay and to which this insurance applies. "Damages" shall not include:
  - a. Civil or criminal fines or penalties or sanctions, regardless of whether imposed pursuant to law, statute, regulation or court rule;
  - b. Any matter, sum or award that is uninsurable under the law;
  - c. Equitable relief, including the cost to comply with an injunctive order or to provide other non-monetary or declaratory relief;
  - d. The return or withdrawal of your fees; or
  - e. Punitive or exemplary damages, or the amount of any multiplied damages awarded that is in excess of the damage award so multiplied.
9. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
10. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
11. "Hazardous materials facility" means any facility or location that stores any biological, chemical or physical item or agent that has the potential to cause harm to humans, animals or the environment, either by itself or through interaction with other factors, and that is regulated by the United States Environmental Protection Agency (EPA), the United States Occupational Safety and Health Administration (OSHA), the United States Department of Transportation (DOT) or the United States Nuclear Regulatory Commission (NRC).
12. "Job site project" means all work done by an insured or on behalf of the Named Insured, away from the insured's premises, to complete a contract to provide services for a specified period of time. Multiple jobs, tasks or work orders under one contract are not separate "job site projects" and will be deemed one "job site project".
13. "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".
14. "Mold" means mold, mildew or any type or form of fungus, including any mycotoxins, spores or byproducts produced or released by fungi.
15. "Mold condition" means the discharge, dispersal, seepage, migration, growth, release or escape, including any continuation, progression, change in or resumption of same, of any "mold". The entirety of any such discharge, dispersal, seepage, migration, growth, release or escape, including any continuation, progression, change in or resumption of same, and any related series of discharges, dispersals, seepage, migration, growth, releases or escapes of "mold" shall be deemed to be one "mold condition".
16. "Nuclear waste site" means any radioactive waste left over from nuclear reactors or reprocessing plants, nuclear research projects or nuclear contaminated sections of dismantled nuclear facilities.
17. "Policy period" means the period commencing with the effective date of this Policy and ending with the expiration date of this Policy as set forth in the Common Declarations or any shorter period arising as a result of cancellation of this Policy.
18. "Pollutants" mean any solid, liquid, gaseous, fuel, lubricant, thermal, acoustic, electrical, or magnetic irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, fibers, radiation, acid, alkalis, petroleums, chemicals or "waste". "Waste" includes medical waste, biological infectants, and all other materials to be disposed of, recycled, stored, reconditioned or reclaimed.
19. "Property damage" means:
  - a. Physical injury to or destruction of tangible property of third parties, including all resulting loss of use of that property. All such loss of use shall be deemed to first commence at the time of the first physical injury that caused it; or
  - b. Loss of use of such tangible property that is not physically injured. All such loss of use shall be deemed to first commence at the time of the "mold condition" that caused it

provided that **a.** and **b.** are caused by a "mold condition". However, "property damage" does not include diminished third party property value.

- 20.** "Retroactive date" means the date specified as such in shown in the Supplemental Declaration of this Coverage Part.
- 21.** "Suit" means a civil proceeding in which "damages" 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.
- 22.** "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.

## **SECTION VII - ADDITIONAL CONDITIONS APPLICABLE TO THIS COVERAGE PART**

### **Duties In The Event Of Mold Condition, Claim Or Suit**

- a.** As a condition precedent to the right of coverage provided by this Policy, the insured must see to it that we are immediately notified about a "claim" or "mold condition". To the extent possible, notice should include:
  - 1.** How, when and where the "mold condition" took place; and,
  - 2.** The names and addresses of any injured persons and witnesses; and,
  - 3.** The nature and location of any injury or damage arising out of the "mold condition".
- b.** You and any other involved insured must:
  - 1.** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim"; and,
  - 2.** Authorize us to obtain records and other information; and,
  - 3.** Immediately forward all technical reports, laboratory data, filed notes or any other documents generated by persons hired by the insured to investigate the "claim"; and,
  - 4.** Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and,
  - 5.** 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; and,
  - 6.** Cooperate with us and provide us with all information and assistance which we reasonably request including without limitation, attending hearings, depositions and trials and assisting in effecting settlements, securing and giving evidence and conducting the defense of any "claim" covered by this Policy.
- c.** 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.

### **Other Insurance**

If other valid and collectible insurance is available to the insured for a "claim" we cover, this insurance is excess over any other valid insurance, whether such insurance is considered contributory, excess, primary or otherwise, unless such insurance specifically applies in excess of this Policy.

When this insurance is excess, we will have no duty to defend the insured against any "claim" if any other insurer has a duty to defend the insured against that suit.

# ENVIRONMENTAL COMBINED LIABILITY COMMON TERMS AND CONDITIONS

***THIS POLICY MAY INCLUDE MULTIPLE COVERAGE PARTS. CERTAIN COVERAGE PARTS OF THIS POLICY ARE CLAIMS MADE AND REPORTED COVERAGE. VARIOUS PROVISIONS IN THIS POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.***

In consideration of payment of the premium, and subject to all the terms, conditions and limitations of this Policy, we agree with you as follows:

## **A. SEVERABILITY OF COMMON TERMS AND CONDITIONS**

The Common Terms and Conditions apply to each and every Coverage Part of this Policy. The terms or conditions included in any separate Coverage Part, however, shall apply only to that Coverage Part and shall not apply to any other Coverage Part. Except as provided in **B.** and **C.** below, if any provision in these Common Terms and Conditions is inconsistent with or in conflict with the terms or conditions of any Coverage Part, the terms or conditions of these Common Terms and Conditions shall control.

## **B. DEFINITIONS**

The words “you” and “your” refer to the Named Insured shown in the Common 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. Words and phrases that appear in quotation marks are defined in a particular Coverage Part and have the meaning set forth in that particular Coverage Part. That meaning shall apply for purposes of that particular Coverage Part and no other Coverage Part, and for these Common Terms and Conditions. All definitions shall apply equally to the singular and plural forms of the term.

## **C. COMMON EXCLUSIONS**

The Common Exclusions below apply to each and every Coverage Part of this Policy. If any provision in these Common Exclusions is inconsistent or conflicts with the terms or conditions of any Coverage Part, these Common Exclusions shall control. Additional Exclusions that are shown in a particular Coverage Part shall apply only to that particular Coverage Part and to no other Coverage Part.

### **Advice Regarding Insurance, Bond, Suretyship**

This insurance does not apply to any actual or alleged failure or omission on the part of any insured to obtain, effect, advise, maintain or adhere to any bond, suretyship or insurance.

### **Classification Limitation**

This insurance applies only to the operations that are described in the Description of Operations shown in the Common Declarations page of this Policy.

### **Communicable Diseases**

This insurance does not apply to any exposure to infected humans or animals, or contact with bodily fluids of infected humans or animals.

### **Communications Statutes**

This insurance does not apply to any violation of the Telephone Consumer Protection Act (TCPA), the CAN-SPAM Act of 2003, the Fair Credit Reporting Act (FCRA), the Fair Debt Collection Practices Act, (FDCPA), the Fair and Accurate Credit Transaction Act (FACTA) and any amendments to such law; and including violation of any other statute, ordinance or regulation that limits or prohibits the printing, dissemination, disposal, collecting, recording, transmitting, communicating, sending or distribution of any material or information.

### **Discrimination**

This insurance does not apply to any injury or damage arising directly or indirectly out of, related to, or, in any way involving discrimination of any kind, whether actual or alleged, nor to any expenses or obligation to share damages with or repay another who must pay damages from discrimination.

**Dissolution Insolvency Or Bankruptcy**

This insurance does not apply to any injury or damage arising out of or directly or indirectly resulting from the dissolution, insolvency or bankruptcy of any insured.

**Duty To Defend Exclusion**

Where there is no coverage under this Policy, there is no duty to defend.

**Employment Practices**

This insurance does not apply to liability for employment-related practices, regardless of the allegations, nor any expenses, nor any obligation to share damages with or repay anyone else who must pay damages from same including but not limited to:

1. Refusal to employ or termination of employment;
2. Discrimination, coercion, demotion, evaluation, reassignment, discipline, defamation, harassment in any form, humiliation or other employment related practices, policies, acts or omissions;
3. Consequential "bodily injury" or "personal and advertising injury" as a result of **1.** or **2.** above.

**Fiduciary Exclusion**

This insurance does not apply to any injury or damage arising directly or indirectly out of, related to, or, in any way involving:

1. Coercion, conversion or misappropriation of the funds or property of others;
2. Dishonest, fraudulent, criminal or malicious acts or omissions of any insured, or any partner or employee or any person for whom you are legally responsible; or
3. Activities or operations performed in the capacity of a fiduciary.

**Joint Venture**

This insurance does not apply to your participation in a joint venture with any other person or entity that is not specifically identified as a Named Insured in the Common Declarations.

**Named Insured Vs. Named Insured**

This insurance does not apply to any claim brought by one Named Insured against any other Named Insured.

**Nuclear Material**

This insurance does not apply to the radioactive, toxic or explosive properties of or the presence of any "nuclear material".

**Prior Claims**

This insurance does not apply to any claim, "suit", circumstance, act, error or omission disclosed in the application for this Policy or reported to any other insurer.

**Workers Compensation And Similar Laws**

This insurance does not apply to any obligation of the insured under workers' compensation, disability benefits or unemployment compensation law or any similar law.

**War Exclusion**—the War Exclusion that appears in any Coverage Part is deleted and replaced with the following:

This insurance does not apply to injury or damage arising directly or indirectly out of, related to, or, in any way involving:

1. Hostile or warlike action in time of peace or war, including any action in hindering, combating or defending against an actual impending or expected attack by:
  - a. Any government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces;
  - b. Military or naval or air forces, or
  - c. An agent of a. or b. above, it being understood that any discharge, explosion or use of any weapon of war employing nuclear fission or fusion, or biological, chemical or radiological discharge shall be conclusively presumed to be such hostile or warlike action by such a government, power, authority or forces.
2. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an event.



#### **D. LIMITS OF INSURANCE AND DEDUCTIBLES**

1. The **LIMITS OF INSURANCE** for Each Coverage Part, as shown in the Supplemental Declaration for each Coverage Part, is the maximum Limit of Insurance for that particular Coverage Part. The Limits of insurance pertain only to the particular Coverage Part for which they are shown.

**THE TOTAL AGGREGATE LIMIT OF INSURANCE** amount shown in the Common Declarations shall be the most we will pay for any combination of:

- a. All payments we make under the Commercial General Liability Coverage Part, excepting those Supplementary Payments payable in addition to Limits of Insurance; and
  - b. All payments we make as “damages” and “claims expense” under all other Coverage Parts included in this Policy.
2. In the event that this Policy includes more than one Coverage Part, only one Coverage Part will apply to the same “occurrence”, “wrongful act”, “pollution condition”, “mold condition”, claim, “suit”, damages, or expenses. In the event that more than one Coverage Part is implicated for the same “occurrence”, “wrongful act”, “pollution condition”, “mold conditions”, claim, “suit”, damages or expenses, then the only Coverage Part that will apply is the Coverage Part under which the Company, in its sole discretion, has accepted coverage.

Coverage Part Limits of Insurance may not be stacked. Under no scenario will the Limits of Insurance of more than one Coverage Part of this Policy apply to the same “occurrence”, “wrongful act”, “pollution condition”, “mold condition”, claim, “suit”, damages, or expenses.

3. If two or more insurance policies issued to an insured by us or any of our affiliated companies apply to the same “occurrence”, “wrongful act”, “pollution condition”, “mold condition”, claim, “suit”, damages, or expenses the most we shall be liable for under all such policies is the Limit of Insurance of that policy with the highest applicable Limit of Insurance. If the Limit of Insurance on each policy is the same, only one limit will apply. This provision will not apply to any insurance policy issued by us or an affiliated company to apply specifically as excess insurance over this Policy.
4. Deductible amounts reduce the Limit of Insurance payable under the applicable Coverage Part. The application of a Deductible under one Coverage Part shall not reduce the Deductible under any other Coverage Part.

#### **E. EXTENDED REPORTING PERIODS—CLAIMS MADE COVERAGE**

Extended Reporting Period provisions that appear in any Coverage Part are deleted and replaced with the following:

##### **1. IN THE EVENT OF TERMINATION OF THE ENTIRE POLICY**

This provision applies only to claims made Coverage Parts of this Policy that remain in effect and are part of this Policy at the time of cancellation or non-renewal of this entire Policy. The Extended Reporting Period does not extend the term of the Policy, change the scope of coverage provided nor does it reinstate or increase the Limits of Insurance. A change in Policy terms and conditions or premium is not considered non-renewal for purposes of triggering an Extended Reporting Period.

The following provisions apply in the event of cancellation or non-renewal of this entire Policy by either the Named Insured or the Company:

##### **a. Automatic Extended Reporting Period**

For a period of thirty (30) days following the effective date of cancellation or non-renewal of this Policy, you may report “claims” to us that are first made to you during such thirty (30) day period; but only if the “pollution condition”, “mold condition” or “wrongful act”, or with respect to General Liability Coverage, the “bodily injury”, “property damage” or offense, takes place before the effective date of cancellation or non-renewal. A “claim” first made during this Automatic Extended Reporting Period will be deemed to have been made on the last day of the term of this Policy.

##### **b. Supplemental Extended Reporting Period**

A Supplemental Extended Reporting Period may be available, but only by endorsement agreed to by the Company and for an extra charge paid to the Company. If purchased it shall apply to a “claim” first made to an

insured and reported to us during the Supplemental Extended Reporting Period, but only if the “pollution condition”, “mold condition” or “wrongful act”, or with respect to General Liability Coverage, the “bodily injury”, “property damage” or offense, takes place on or after the applicable Coverage Part “retroactive date” and before the effective date of cancellation or non-renewal, and:

- a. This policy is cancelled or not renewed for reasons other than non-payment of premium or deductibles, or material misrepresentation in the application; or
- b. We renew or replace this policy with insurance that:
  - (1) Has a Retroactive Date later than the date shown in the Coverage Part Declarations; or
  - (2) Does not apply on a claims-made basis; and
- c. You give us a written request for this endorsement and we receive the additional premium within thirty (30) days following the end of the term of this Policy. The Supplemental Extended Reporting Period not go into effect unless we have received your payment of the additional premium.

If purchased, the Supplemental Extended Reporting Period will begin with the end of the term of the Policy and will end on the date specified in the Supplemental Extended Reporting Period Endorsement to be issued at purchase. Once in effect, the Extended Reporting Period may not be cancelled and the entire premium for the Supplemental Extended Reporting Period shall be deemed fully earned and is non-refundable. The Supplemental Extended Reporting Period applies only to those “claims” to which this Policy applies.

We will determine the additional premium for a Supplemental Extended Reporting Endorsement in accordance with our rules and rates. In doing so, we may take into account the exposures insured, previous types and amounts of insurance, limits of Insurance available under this Policy for future payment of damages, and other related factors.

## **2. IN THE EVENT OF TERMINATION OF A COVERAGE PART PRIOR TO THE TERMINATION OF THE ENTIRE POLICY**

This provision applies only to claims made Coverage Parts of this Policy that are cancelled by the Named Insured earlier than the termination of this entire Policy. No other Extended Reporting Period is available for Coverage Parts that are cancelled earlier than the Policy termination date.

### **Coverage Part Extended Reporting Period**

Upon the effective date of cancellation of a particular Coverage Part of this Policy, the “policy period” will end for that particular Coverage Part.

For the shorter period of either thirty (30) days following the effective date of cancellation the particular Coverage Part, or the number of days remaining until the date of Policy termination, you may report a “claim” to us that is first made to you, but only if the “pollution condition”, “mold condition” or “wrongful act”, or with respect to General Liability Coverage, the “bodily injury”, “property damage” or offense, takes place before the effective date of cancellation of the particular Coverage Part.

A “claim” first made during an applicable Coverage Part Extended Reporting Period will be deemed to have been made on the last day of the “policy period” of the particular Coverage Part. The Coverage Part Extended Reporting Period will begin with the cancellation date of the particular Coverage Part and will end on the date specified in an endorsement to be issued upon the effective date of Coverage Part cancellation.

## **F. COMMON CONDITIONS**

These Common Conditions apply to every Coverage Part of this Policy. If any provision in these Common Conditions is inconsistent with or in conflict with the terms, conditions and limitations of any Coverage Part, these Common Conditions shall control. Additional Conditions that are shown in a particular Coverage Part shall apply only to that particular Coverage Part.

### **Acquisitions, Mergers And Material Changes In Business Activities**

If, after the inception date of this Policy, you:

- a. Acquire all or substantially all of the assets of another entity; or,
- b. Merge with another entity such that you are the surviving entity; or,
- c. Create or acquire a subsidiary; or,

- d. Otherwise change your business as described in the application in a manner material to the risk underwritten by us

then no coverage shall be afforded under this policy for the entity you merged with, acquired or created; or for your changed business activities, unless and until:

- a. You provide written notice of the above event or events to us not more than thirty (30) days after the effective date thereof; and,
- b. You provide us with such information that we may deem necessary; and,
- c. You accept any special terms, conditions, exclusions and pay any additional premium charge required; and,
- d. We, at our sole discretion, specifically agree in writing to provide coverage under this Policy for the entity you merged with, acquired or created, or for your changed business activities.

Should we agree to provide coverage for the newly purchased or created entity or subsidiary, or for your changed business activities, such coverage will be only for "bodily injury", "property damage", offenses, "environmental damage" or "wrongful acts" that first commence following the date on which we agree in writing to provide such coverage.

#### **Bankruptcy**

Bankruptcy or insolvency of any insured or of any insured's estate will not relieve us of our obligations under this Policy.

#### **Cancellation**

- a. The first named insured shown in the Common Declarations may cancel this Policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - i. Ten (10) days before the effective date of cancellation if we cancel for non-payment of premium; or
  - ii. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- d. Notice of cancellation will state the effective date of cancellation. The Policy will end on that date.
- e. If this Policy is cancelled, we will send the first Named Insured any refund due subject to the minimum earned premium provisions of the Policy. If we cancel for reasons other than non-payment of premium, the refund will be pro rata. If we cancel due to non-payment of premium or if the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

**Non-Renewal**—the When We Do Not Renew Condition that appears in any Coverage Part is deleted and replaced with the following:

- a. If we elect not to renew this Policy we shall mail written notice to the first Named Insured at the address shown in the Common Declarations. Such written notice of non-renewal shall be mailed at least thirty (30) days prior to the end of the Policy expiration date.
- b. If notice is mailed, proof of mailing will be sufficient proof of notice.

#### **Changes**

This Policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Common 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.

#### **Terms, Conditions And Premiums**

The first Named Insured shown in the Common Declarations is responsible for the payment of all premiums and will be the payee for any return premiums we pay. On each renewal, continuation or anniversary of the effective date of the Policy or on an annual basis, the Company will determine the rate and premium and may amend the terms and conditions of the Policy in accordance with the rates and rules then in effect.

**Premium Audit** —the Premium Audit Condition that appears in any Coverage Part is deleted and replaced with the following:

- a. We will compute all premiums for this Policy in accordance with our rules and rates.
- b. Premium shown in this Policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request. We have the right, but not the obligation, to conduct a physical audit of records needed for premium computation after the expiration of this Policy.
- d. Your refusal to maintain or provide needed records, or to allow us to conduct a physical audit of needed records, will result in our developing and calculating a final audit premium based on information available to us and without your cooperation. If final premium audits calculated without your cooperation result in additional premium, you are obligated to pay such additional premium.

#### **Examination Of Your Books And Records And Inspections**

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

We shall be permitted but not obligated to inspect, sample and monitor on a continuing basis the insured's property or operations, at any time. Neither our right to make inspections, to sample and to monitor, nor the actual undertaking of these activities nor any report upon these activities, shall constitute an undertaking, on behalf of the insured or others, to determine or warrant that property or operations are safe or healthful or that they conform to acceptable engineering practice or that they are in compliance with any federal, state, local or provincial law, rule or regulation.

#### **Transfer Of Your Rights And Duties Under This Policy**

Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual named insured.

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

#### **Representations**

By accepting this Policy, you agree that:

- a. The information provided to us in the application, and all other information and statements provided to us are true, accurate and complete and that you understand and agree that the application and all such information and statements are made part of this Policy; and
- b. The information provided to us in the application, and all other information and statements provided to us, are representations and warranties made to us on behalf of all "insureds"; and
- c. This Policy has been issued in reliance upon the truth and accuracy of the information, representations and warranties provided to us in the application; and
- d. Concealment, misrepresentation or fraud in the procurement of this Policy which, if known by us, would have led us to refuse to enter into this contract at its current terms, conditions or pricing, or to provide coverage for a claim hereunder, will be deemed material and this Policy shall be void ab initio. In such an event, we shall have no obligation to return any portion of the premium.

**Separation Of Insureds** —the Separation of Insureds Condition that appears in any Coverage Part is deleted and replaced with the following:

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

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

**Transfer Of Rights Of Recovery Against Others To Us**—the Transfer Of Rights Of Recovery Against Others To Us Condition that appears in any Coverage Part is deleted and replaced with the following:

If any person or organization to or for whom we make payment under this Policy has rights to recover damages from another, those rights are transferred to us. That person or organization 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.

**Legal Action Against Us**—the Legal Action Against Us Condition that appears in any Coverage Part is deleted and replaced with the following:

No one may bring a legal action against us under this Policy unless there has been full compliance with all of the terms of this Policy. No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless it is commenced within twelve (12) months next after discovery by the insured of the occurrence which gives rise to the claim, provided however, that if by the laws of the state within which this Policy is issued, such limitation is invalid then any such claims shall be void unless such action, suit or proceeding is commenced within the shortest limit of time permitted by the laws of such state. 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.

#### **Service Of Suit**

In the event of the failure of the Company to pay any amount claimed to be due under this Policy, the Company will submit to the jurisdiction of any court of competent jurisdiction within the United States of America or Canada. All matters arising under this Policy shall be determined in accordance with the choice of law rules of such court. Nothing in this clause constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

Service of process in any such suit may be made upon the President and Chief Executive Officer of the Company or his designee at the address shown on the Declarations of this Policy. In any suit instituted upon this contract and against the President and Chief Executive Officer of the Company or his designee, the Company will abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The President and Chief Executive Officer of the Company or his designee are authorized and directed to accept service of process.

Pursuant to any statute of any state, territory or district of the United States of America, the Company designates the Superintendent, Commissioner or Director of Insurance or other officer specified for the purpose in the statute, or his successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the insured or any beneficiary under this Policy arising out of this contract of insurance. The Company designates the above-named as the person to whom said officer is authorized to mail such process or a true copy of such process.

#### **Binding Arbitration**

All disputes under this Policy shall be subject to binding arbitration as follows:

- a. All disputes over coverage or any rights afforded under this Policy, including whether an entity or person is an "insured" or the effect of any applicable statutes or common law upon the contractual obligations owed, shall be submitted to binding arbitration, which shall be the sole and exclusive means to resolve the dispute. Either party may initiate the binding arbitration.

The arbitration forum and process shall be agreed to by the parties. In the event the parties cannot agree on an arbitration forum and process, the matter shall be submitted to the American Arbitration Association. The Arbitration shall be before a panel of three arbitrators, unless the parties agree to one arbitrator, all of whom shall have experience in insurance coverage of the type afforded by this Policy. If the parties select a panel of

three arbitrators, each party shall select an arbitrator and the chosen arbitrators shall select a third arbitrator. The American Arbitration Association shall decide any disputes concerning the selection of the Arbitrators. The potential arbitrators from which the arbitrators shall be selected shall not be confined to those provided by the American Arbitration Association. Each party shall bear the costs of its arbitrator and shall share equally the costs of the third arbitrator and arbitration process. In the event of a single arbitrator, the cost shall be shared equally by the parties. The decision of the arbitration is final and binding on the parties.

- b.** All disputes regarding payment(s) owed under this Policy for any deductible or premium, including but not limited to any audit premium, shall be settled by binding arbitration administered by the American Arbitration Association in accordance with the AAA Expedited Procedures. This arbitration shall be the sole and exclusive means to resolve the dispute. Either party may initiate the binding arbitration.

Each party will provide relevant documents in support of its position. In order to eliminate undue burden and expense, there shall be no other discovery allowed. The arbitration will be based solely on the documents submitted by the parties and there shall be no in-person or oral hearing. The disputes shall be decided by a single arbitrator. The arbitrator's decision shall be accompanied by a reasoned opinion and shall be binding upon all parties. Any judgment or award rendered by the arbitrator may be entered in any court having jurisdiction to enforce such judgment or award. Each party shall bear its own costs and expenses and an equal share of the arbitrator's fee and any administrative fees associated with the arbitration.

Except as may be required by law, neither a party nor the arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## BASIS OF PREMIUM

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

The basis used for determining the premium charge for each classification is indicated in the Classification and Premium section of the Declarations. The definition of each basis of premium is as follows:

A. Acres

The total amount of acreage at the insured premises.

The rates apply per acre.

B. Admissions

The total number of persons, other than employees of the named insured, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

The rates apply per 1,000 admissions.

C. Area

The total number of square feet of floor space at the insured premises, computed as follows:

1. For entire buildings, by multiplying the product of the horizontal dimensions of the outside of the outer building walls by the number of floors, including basements but do not use the area of the following:
  - a. Courts and mezzanine types of floor openings.
  - b. Portions of basements or floors where 50% or more of the area is used for shop or storage for building maintenance, dwelling by building maintenance employees, heating units, power plants or air-conditioning equipment.
2. For tenants, determine the area they occupy in the same manner as for entire buildings.
3. The rates apply per 1,000 square feet of area.

D. Each

This basis of premium involves units of exposure, and the quantity comprising each unit of exposure is indicated in the classification footnotes, such as "per person".

E. Flat Charge

A fixed non-variable amount.

F. Gross Domestic Sales

1. Definition

The gross amount charged by the named insured, concessionaires of the named insured or by others trading under the insured's name for:

- a. All goods or products, sold or distributed in the United States;
- b. Operations performing during the policy period in the United States;
- c. Rentals within the United States; and
- d. Dues or fees arising out of operations within the United States.

2. Inclusions

The following items shall not be deducted from gross domestic sales:

- a. Freight allowance to customers;
- b. Total sales of consigned goods and warehouse receipts;
- c. Trade or cash discounts;

- d. Bad debts;
- e. Repossession of items sold on installments (amount actually collected);
- f. To the extent that coverage is provided by this policy, foreign sales;
- g. Sales attributable to business activities with other companies or individuals that have provided evidence of their own insurance; and
- h. Rebates paid.

3. Exclusions

The following items shall be deducted from gross domestic sales:

- a. Sales or excise taxes which are collected and submitted to a governmental division;
- b. Credits for repossessed merchandise and products returned. Allowances for damaged and spoiled goods;
- c. Finance charges for items sold on installments;
- d. Freight charges on sales if freight is charged as a separate item on customers invoice;
- e. Royalty income from patent rights or copyrights which are not product sales;
- f. Rental receipts for products liability coverage only;
- g. Intercompany sales between companies included on this policy as Named insureds;
- h. Sales derived from work performed under a "wrap up" insurance program or Owner Controlled or Contractor Controlled Insurance Programs (OCIP or CCIP); and
- i. Rebates received.

4. Application

The rates apply per \$1,000 of Gross Domestic Sales.

G. Gross Sales

1. Definition

The gross amount charged by the named insured, concessionaires of the named insured or by others trading under the insured's name for:

- a. All goods or products, sold or distributed;
- b. Operations performed during the policy period;
- c. Rentals; and
- d. Dues or fees.

2. Inclusions

The following items shall not be deducted from gross sales:

- a. Freight allowance to customers;
- b. Total sales of consigned goods and warehouse receipts;
- c. Trade or cash discounts;
- d. Bad debts;
- e. Repossession of items sold on installments (amount actually collected);
- f. To the extent that coverage is provided by this policy, foreign sales;
- g. Sales attributable to business activities with other companies or individuals that have provided evidence of their own insurance; and
- h. Rebates paid.

3. Exclusions

The following items shall be deducted from gross sales:

- a. Sales or excise taxes which are collected and submitted to a governmental division;
- b. Credits for repossessed merchandise and products returned. Allowances for damaged and spoiled goods;
- c. Finance charges for items sold on installments;
- d. Freight charges on sales if freight is charged as a separate item on customers invoice;
- e. Royalty income from patent rights or copyrights which are not product sales;
- f. Rental receipts for products liability coverage only;
- g. Intercompany sales between companies included on this policy as Named insureds;
- h. Sales derived from work performed under a "wrap up" insurance program or Owner Controlled or Contractor Controlled Insurance Program (OCIP or CCIP); and
- i. Rebates received.

4. Application



The rates apply per \$1,000 of Gross Sales.

#### H. Payroll

##### 1. Definition

- a. Payroll means remuneration.
- b. Remuneration means money or substitutes for money.

##### 2. Inclusions

Payroll includes the following items:

- a. Commissions;
- b. Bonuses;
- c. Extra pay for overtime work, except as provided in Paragraph H.4.;
- d. Pay for holidays, vacations or periods of sickness;
- e. Payment by an employer of amounts otherwise required by law to be paid by employees to statutory insurance or pension plans, such as the Federal Social Security Act;
- f. Payment to employees on any basis other than time worked, such as piecework, profit sharing or incentive plans;
- g. Payment or allowance for hand tools or power tools used by hand provided by employees and used in their work or operations for the insured;
- h. The rental value of an apartment or a house provided for an employee based on comparable accommodations;
- i. The value of lodging, other than an apartment or house, received by employees as part of their pay, to the extent shown in the insured's records;
- j. The value of meals received by employees as part of their pay to the extent shown in the insured's records;
- k. The value of store certificates, merchandise, credits or any other substitute for money received by employees as part of their pay;
- l. The payroll of mobile equipment operators and their helpers, whether or not the operators are designated or licensed to operate automobiles. If the operators and their helpers are provided to the insured along with equipment hired under contract and their actual payroll is not known, use 1/3 of the total amount paid out by the insured for the hire of the equipment;
- m. The payroll of executive officers of a corporation and individual insureds and co-partners. For the purposes of payroll determination, managers of limited liability companies shall be considered executive officers and members of limited liability companies shall be considered co-partners;
  - 1) The executive officers of a corporation are those persons holding any of the officer positions created by the named insured's charter, constitution or by-laws or any other similar governing document.
  - 2) The payroll of all executive officers of a corporation and individual insureds or co-partners engaged principally in clerical operations or as salespersons, and officers and co-partners who are inactive for the entire policy period, shall not be included for premium purposes.
  - 3) For part-time or seasonal businesses the payroll amounts may be reduced by 2 percent for each full calendar week in excess of twelve during which the risk performs no operations.
- n. The payroll of leased workers furnished to the named insured by a labor leasing firm.
  - 1) Premium on such payroll shall be based on the classifications and rates that would have applied if the leased workers had been the direct employees of the named insured. If payroll is unavailable, use 100% of the total cost of the contract for leased workers as the payroll of leased workers. The premium shall be charged on that amount as payroll.
  - 2) If investigation of a specific employee leasing contract discloses that a definite amount of the contract price represents payroll, such amount shall be considered payroll for premium computation purposes.
- o. Fees paid to employment agencies for temporary personnel provided to the insured.

##### 3. Exclusions

- a. Tips and other gratuities received by employees;
- b. Payments by an employer to group insurance or group pension plans for employees, other than payments covered by Paragraph H.2.e.;
- c. The value of special rewards for individual invention or discovery;

- d. Dismissal or severance payments except for time worked or accrued vacation;
- e. The payroll of clerical office employees;
  - i. Clerical office employees are those employees who work in an area which is physically separated by walls, floors or partitions from all other work areas of the insured and whose duties are strictly limited to keeping the insured's books or records or conducting correspondence, including any other employees engaged in clerical work in the same area.
- f. The payroll of salespersons, collectors or messengers who work principally away from the insured's premises;
  - i. Salespersons, collectors or messengers are those employees engaged principally in any such duties away from the premises of the employer. This term does not apply to any employee whose duties include the delivery of any merchandise handled, treated or sold.
- g. The payroll of drivers and their helpers if their principal duties are to work on or in connection with automobiles;
- h. The payroll of aircraft pilots or co-pilots if their principal duties are to work on or in connection with aircraft in either capacity; and
- i. The payroll of draftsmen if their duties are limited to office work only and who are engaged strictly as draftsmen in such a manner that they are not exposed to the operative hazards of the business. The payroll of these draftsmen shall be assigned to the classification "Draftsmen" - Code 91805.

4. Overtime

a. Definition

Overtime means those hours worked for which there is an increase in the rate of pay:

- 1) For work in any day or in any week in excess of the number of hours normally worked, or
- 2) For hours worked in excess of 8 hours in any day or 40 hours in any week, or
- 3) For work on Saturdays, Sundays or Holidays.

In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement.

b. Exclusion of Overtime Payroll

The extra pay for overtime shall be excluded from the payroll on which premium is computed as indicated in 1) or 2), provided the insured's books and records are maintained to show overtime pay separately by employee and in summary by classification.

- 1) If the records show separately the extra pay earned for overtime, the entire extra pay shall be excluded.
- 2) If the records show the total pay earned for overtime (regular pay plus overtime pay) in one combined amount, 1/3 of this total pay shall be excluded. If double time is paid for overtime and the total pay for such overtime is recorded separately, 1/2 of the total pay for double time shall be excluded.

Exclusion of overtime pay does not apply to payroll assigned to the "Stevedoring" classifications.

5. Application

The rates apply per \$1,000 of payroll.

I. Total Cost

The total cost of all work let or sublet in connection with each specific project including:

- 1. The cost of all labor, materials and equipment furnished, used or delivered for use in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and
- 2. All fees, bonuses or commissions made, paid or due.

The rates apply per \$1,000 of Total Cost.

J. Units

A single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMPOSITE RATE ENDORSEMENT

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

### ALL COVERAGE FORMS

#### SCHEDULE

<b>Rate:</b> \$.9902	<b>Premium Basis:</b> per \$1,000 Gross Sales
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The premium stated in the Declarations of this policy is an estimated premium only. Upon expiration or cancellation of the policy, the earned premium shall be computed by applying the rate shown in the Schedule above as it applies to the premium basis shown in the Schedule above.

If the earned premium thus computed exceeds the estimated premium paid, you shall pay the excess to us.

A complete re-survey of the exposures and revision of rate may be made at any time at our request. You agree to notify us at any time your operations or exposures change.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### MINIMUM POLICY PREMIUM

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

#### ALL COVERAGE FORMS

SCHEDULE		
A.	Minimum and Deposit Premium:	100%
B.	Percentage of Minimum Premium retained:	100%

This endorsement sets forth the minimum earned premium for this policy. The minimum earned premium for this policy is calculated as follows:

1. The minimum and deposit premium for this policy is shown in item A. of the Schedule above and is a percentage of the total policy premium shown on the Declarations page of the policy plus any premium adjustments by endorsements and any additional premium developed by audit.
2. Audits that indicate a return premium will not reduce the minimum and deposit premium described in paragraph 1. above.
3. If the insured cancels this policy and the policy **is not** subject to audit, the return premium will be 90% of the unearned policy premium, however in no event will the Company retain less than the percentage that is shown in item B. of the Schedule above of the minimum and deposit premium described in paragraph 1. above.
4. If the insured cancels this policy and the policy **is** subject to audit, the earned premium will be determined by final audit however in no event will it be less than the percentage that is shown in item B. of the Schedule above of the minimum and deposit premium described in paragraph 1. above.
5. If the Company cancels the policy for any reason other than nonpayment of premium then the insured will be returned the full amount of the unearned premium as determined by premium audit and without any minimum premium restrictions.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### LIMITATION - INDEPENDENT CONTRACTORS

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

**ENVIRONMENTAL COMBINED LIABILITY POLICY - CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ENVIRONMENTAL COMBINED LIABILITY POLICY - MOLD LIABILITY COVERAGE PART**

**SECTION II—EXCLUSIONS**, is amended by adding the following:

This insurance does not apply to any “bodily injury”, “property damage” or “environmental damage” arising out of or in any way involving acts of independent contractors or subcontractors contracted by you or on your behalf unless at the time the “pollution condition” commences:

1. The independent contractor or subcontractor contracted by you or on your behalf:
  - a. Maintains contractor’s pollution liability insurance coverage with limits of insurance equal to or greater than the insurance coverage and limits of insurance provided by this Coverage Part; and
  - b. Provides you with an endorsement or certificate of insurance indicating that you have been added to the independent contractor's or subcontractor’s contractor’s pollution liability policy as an Additional Insured; and
  - c. Provides you with an endorsement or certificate indicating that the independent contractor's or subcontractor's contractor’s pollution liability insurance company has agreed to provide a Waiver of Subrogation endorsement in your favor; and
2. The contracts with the independent contractor or subcontractor you have hired contain hold harmless and indemnity agreements in your favor, indemnifying you against any losses or expenses arising from or related to work performed for you or on your behalf by such independent contractor or subcontractor.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### LIMITATION - UNDERGROUND FACILITY

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies the insurance provided under the following:**

**ENVIRONMENTAL COMBINED LIABILITY POLICY - ALL COVERAGE PARTS**

The following exclusion is added to each Coverage Part of this policy:

This insurance does not apply to:

Any failure by you or others working on your behalf to take "appropriate" steps in advance of any job or work commencing, to locate, identify or mark the location of any "underground facility".

For purposes of this exclusion, the following definitions apply:

"Appropriate" means actions normally taken or used in the job site jurisdiction to locate, identify and mark the location of "underground facilities" to protect or prevent damage. This includes but is not limited to compliance with all state or local codes or regulations.

"Underground facility" means any item located below ground for use in connection with the storage or conveyance of water, sewage, electronic, telephonic or telegraphic communications, television, fiber optic, digital, electric energy, petroleum products, gas, gaseous vapors, hazardous liquids or other substances. This includes but is not limited to pipes, sewers, conduits, mains, cables, valves, lines, wires, tanks, tunnels, manholes, attachments and any other similar property, and any apparatus used with them beneath the surface of the ground or water.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - TAINTED DRYWALL

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

### ALL COVERAGE FORMS

The following exclusion is added to this policy:

This insurance does not apply to and the Company shall have no obligation to defend, investigate or indemnify any insured for any injury or damages, including any claim or suit, arising out of, resulting from, caused or contributed to or by "tainted drywall", or, any expenses or any obligation to share damages with or repay anyone else who must pay damages from same in conjunction with occurrences arising or alleged to have arisen out of same, including but not limited to:

1. Any actual or alleged liability, loss, injury or damage of any kind including but not limited to "bodily injury," fear of "bodily injury", "property damage", "personal and advertising injury", "impairment of value", costs or expenses arising out of, related to, resulting from, caused by, contributed to, or in any other way connected with the actual or alleged manufacture, creation, distribution, sale, resale, rebranding, transportation, storage, installation, repair, removal, disposal, encapsulation, release, abatement, replacement or handling of, exposure to, ingestion of, testing for or failure to test for or failure to warn, advise of or disclose the presence of "tainted drywall", whether or not the "tainted drywall" is or was at any time and in any form, airborne, contained in any product or a component part of any product, carried on clothing or other items, inhaled, ingested, absorbed, transmitted in any fashion or found in any form whatsoever.
2. Any actual or alleged liability, loss, costs or expenses including but limited to any payment for investigation or defense, fines, penalties, interest arising out of, related to, resulting from, caused by, contributed to, or in any other way connected with any:
  - a. Removal or clean up of any "tainted drywall" or any products or materials containing any "tainted drywall";
  - b. Actions to monitor, assess or evaluate the actual or alleged or threatened release of "tainted drywall" or any products or materials containing any "tainted drywall";
  - c. The disposal of any actual or alleged "tainted drywall" or the taking of any action necessary to prevent, minimize or mitigate any damages to the public health or welfare or to the environment;
  - d. The request, demand, order, governmental authority or directive or that of any private party or citizen action 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 "tainted drywall";
  - e. Any litigation or administrative procedure in which any insured or others may be involved as a party in response to the effects or alleged effects of "tainted drywall";
  - f. Compliance with any laws or regulations regarding "tainted drywall";
  - g. Existence, storage, handling, or transportation of any "tainted drywall";

- h. Instructions, directions, supervision, recommendations, or warranties whether implied or express or the failure to provide such instructions, directions, supervision, recommendations or warranties;
  - i. Information, warnings or advice that was given or the failure to provide any information, warning or advice with respect to “tainted drywall”; or
  - j. Medical Monitoring.
3. Any obligation to share damages with, to pay, or, to reimburse and/or indemnify someone else in connection with items 1 or 2 above.

This exclusion applies regardless of whether:

- a. The actual or alleged damage was caused by any insured or those acting on behalf of any insured, including but not limited to any contractor or subcontractor providing work for any insured;
- b. Injury or damage claimed is included within the “products-completed operations hazard” of the policy;
- c. Whether or not the insured had any knowledge of the “tainted drywall”; or
- d. An alleged cause for the injury or damage is the insured’s negligent hiring, placement, training, supervision, retention, act, error or omission.

The following terms are added to the **DEFINITIONS SECTION**:

“Tainted drywall” means any drywall, plasterboard, sheetrock or gypsum board or material used in the manufacture of and/or applied to the drywall, plasterboard, sheetrock or gypsum board which:

- a. Produces sulfuric odors, sulfuric acid or sulfuric gas, including but not limited to carbon disulfide, carbonyl sulfide, hydrogen sulfide, and strontium sulfide;
- b. Causes or contributes to the corrosion or oxidation of metal, including but limited to metal in pipes, wiring, heating, lighting, plumbing, ventilation or air conditioning systems;
- c. Causes or contributes to the corrosion or damage to any other property including but not limited to appliances, fixtures, electronic equipment, or any other furnishings; or
- d. Contains synthetic gypsum, fly ash or any other material derived from coal-fired power plants, or arsenic or any radioactive compounds.

“Impairment of value” means the actual or alleged diminution in value, reduction or devaluation or loss of use of tangible property whether or not physically injured, whether or not performed by you or on your behalf.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - NUCLEAR, BIOLOGICAL OR CHEMICAL MATERIALS

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

### ALL COVERAGE FORMS

This insurance does not apply to any loss, injury, claim or damage arising directly or indirectly out of or relating to any activity by an individual acting alone, or individuals acting as part of a group, that involves any violent act, including the threat of any activity or preparation for any activity that involves the use, release, dispersal, discharge, escape or application of:

- a. Nuclear materials, or directly results in nuclear reaction or radiation or radioactive contamination; or
- b. Pathogenic or poisonous biological or chemical materials.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION OF OTHER ACTS OF TERRORISM COMMITTED OUTSIDE THE UNITED STATES; EXCLUSION OF PUNITIVE DAMAGES RELATED TO A CERTIFIED ACT OF TERRORISM; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

This endorsement modifies insurance provided under the following:

**ALL COVERAGE FORMS**

A. The following exclusions are added:

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of an "other act of terrorism" that is committed outside of the United States (including its territories and possessions and Puerto Rico), but within the "coverage territory". However, this exclusion applies only when one or more of the following are attributed to such act:

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

With respect to this exclusion, Paragraphs 1. and 2. describe the thresholds used to measure the magnitude of an incident of an "other act of terrorism" and the circumstances in which the threshold will apply for the purpose of determining whether this exclusion will apply to that incident.

**TERRORISM PUNITIVE DAMAGES**

Damages arising directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.

**B.** The following definitions are added:

- 1.** For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "personal injury", "injury" or "environmental damage" as may be defined in any applicable Policy.
- 2.** "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
  - a.** The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act;
  - b.** The act resulted in damage:
    - (1)** Within the United States (including its territories and possessions and Puerto Rico); or
    - (2)** Outside of the United States in the case of:
      - (a)** An air carrier (as defined in Section 40102 of title 49, United States Code) or United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or
      - (b)** The premises of any United States mission; and
  - c.** The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- 3.** "Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism".

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

- C.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Policy.
- D.** If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## EXCLUSION - PATHOGEN AND RELATED HAZARDS

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

This endorsement modifies insurance provided under the following:

### ENVIRONMENTAL COMBINED LIABILITY POLICY - ALL COVERAGE PARTS

- I. Solely as to this Policy's **MOLD LIABILITY COVERAGE PART**, if included in this Policy, the **Communicable Diseases** exclusion under **C. COMMON EXCLUSIONS** of **ENVIRONMENTAL COMBINED LIABILITY COMMON TERMS AND CONDITIONS**, form ECPGEN0001, is deleted and replaced with the following:

This insurance does not apply to any "bodily injury" or "property damage", or any other injury or damage, arising directly or indirectly out of, related to, or in any way involving the inhalation of, absorption of, ingestion of, contact with, exposure to, existence of, or presence of any form of communicable disease.

This exclusion applies, but is not limited to the following:

- a. Providing or failing to provide any supervision, instructions, recommendations, warnings, or advice related to any actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any communicable disease;
- b. Failure to provide an environment safe from communicable disease or the actual, alleged or threatened transmission to others;
- c. The prevention or suppression, or failure to prevent or suppress communicable disease or the actual, alleged, or threatened transmission to others;
- d. The reporting or failure to report to the proper authorities;
- e. The negligent hiring, employment, training, supervision, or retention of any insured, "employee", agent or other person with to a. through d. above; or
- f. Any loss, cost or expense arising out of, related to, or in any way involving any claim, "suit", request, or demand that any insured:
  - (1) Assess the presence, absence, amount, or effects of any communicable disease; or
  - (2) Identify, sample, test, monitor, clean up, remove, dispose of, or neutralize the effects of any communicable disease in any building, material, animal, or product; or
  - (3) Respond to a communicable disease in any manner other than as described in a. or b. above.

This exclusion applies regardless of whether communicable disease is the initial precipitating cause or is in any way a cause of injury or damage and regardless of whether any other actual or alleged cause, event, material or product contributed concurrently, proximately, or in any sequence to such injury or damage, including whether any actual or alleged injury or damage arises out of a chain of events that includes communicable disease.

As used in this exclusion, communicable disease includes, without limitation:

- a. Any infectious or contagious disease caused by any pathogen, including but not limited to virus, bacterium, prion, or protozoa or other microorganism;
- b. Any sexually transmitted disease, including but not limited to Acquired Immunodeficiency Syndrome or Human Immunodeficiency Virus, or exposure to another having the same, or to substances or materials contaminated with the same, or fear of contracting Acquired Immunodeficiency Syndrome, Human Immunodeficiency Virus, or any other communicable disease; or;
- c. Any other infectious or contagious disease transmissible by direct contact with an affected individual or the individual's discharges or by indirect means.

- II. For all other Coverage Parts included in this Policy, other than the **MOLD LIABILITY COVERAGE PART**, the **Communicable Diseases** exclusion under **C. COMMON EXCLUSIONS** of **ENVIRONMENTAL COMBINED LIABILITY COMMON TERMS AND CONDITIONS**, form ECPGEN0001, is deleted and replaced with the following:

This insurance does not apply to any "bodily injury", "property damage", "personal and advertising injury" or "environmental damage", or any other injury or damage, arising directly or indirectly out of, related to, or in any way involving the inhalation of, absorption of, ingestion of, contact with, exposure to, existence of, or presence of any form of "pathogen and related hazards".

This exclusion applies, but is not limited to the following:

- a. Providing or failing to provide any supervision, instructions, recommendations, warnings, or advice related to any actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any form of "pathogen and related hazards";
- b. Failure to provide an environment safe from "pathogen and related hazards" or the actual, alleged or threatened transmission to others;
- c. The prevention or suppression, or failure to prevent or suppress "pathogen and related hazards" or the actual, alleged, or threatened transmission to others;
- d. The reporting or failure to report to the proper authorities;
- e. The negligent hiring, employment, training, supervision, or retention of any insured, "employee", agent or other person with respect to a. through d. above; or
- f. Any loss, cost or expense arising out of, related to, or in any way involving any claim, "suit", request, or demand that any insured:
  - (1) Assess the presence, absence, amount, or effects of any "pathogen and related hazards"; or
  - (2) Identify, sample, test, monitor, clean up, remove, dispose of, or neutralize the effects of any "pathogen and related hazards" in any building, material, animal, or product; or
  - (3) Respond to any "pathogen and related hazards" in any manner other than as described in (1) or (2) above.

This exclusion applies to any claim or "suit" regardless of whether any "pathogen and related hazards" is the initial precipitating cause or is in any way a cause of injury or damage and regardless of whether any other actual or alleged cause, event, material or product contributed concurrently, proximately, or in any sequence to such injury or damage, including whether any actual or alleged injury or damage arises out of a chain of events that includes "pathogen and related hazards".

As used in this exclusion, "pathogen and related hazards" includes, without limitation:

- a. Fungus, including but not limited to any type of mold or mildew;
- b. Any protist, including but not limited to algae and slime mold;

- c. Any chemical matter, or compound produced or released by a fungus or protist, including but not limited to any mycotoxin, toxin, spore, scent, fragment, metabolites, or other by-product that is produced by a. or b. above;
- d. Any pathogen, including but not limited to virus, bacterium, prion, or protozoa or other microorganism;
- e. Any sexually transmitted disease, including but not limited to Acquired Immunodeficiency Syndrome or Human Immunodeficiency Virus, or exposure to another having the same, or to substances or materials contaminated with the same, or fear of contracting Acquired Immunodeficiency Syndrome, Human Immunodeficiency Virus, or any other communicable disease; or;
- f. Any other infectious or contagious disease transmissible by direct contact with an affected individual or the individual's discharges or by indirect means.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED AS REQUIRED BY WRITTEN CONTRACT

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

This endorsement modifies insurance provided under the following:

**ENVIRONMENTAL COMBINED LIABILITY POLICY - CONTRACTORS POLLUTION LIABILITY COVERAGE PART**  
**ENVIRONMENTAL COMBINED LIABILITY POLICY - MOLD LIABILITY COVERAGE PART**  
**ENVIRONMENTAL COMBINED LIABILITY POLICY - TRANSPORTATION POLLUTION LIABILITY COVERAGE PART**  
**ENVIRONMENTAL COMBINED LIABILITY POLICY - NON-OWNED DISPOSAL SITE LIABILITY COVERAGE PART**  
**ENVIRONMENTAL COMBINED LIABILITY POLICY - POLLUTION LEGAL LIABILITY COVERAGE PART**

The **WHO IS AN INSURED** Section of each Coverage Part of this Policy is amended as shown below.

- A. SECTION III - WHO IS AN INSURED** is amended to include any person or organization you are required to include as an Additional Insured on this Policy by written contract in effect during the “policy period” and executed prior to the date on which the “pollution condition” or “wrongful act” takes place, but only for the vicarious liability imposed on the Additional Insured provided that such liability is caused by the sole negligent conduct of the Named Insured and is proximately caused by covered operations for the Additional Insured and to which the applicable Coverage Part applies.
- However:
1. The insurance afforded to such Additional Insured only applies to the extent permitted by law; and
  2. Will not be broader than that which you are required by the written contract to provide for such Additional Insured.
- B.** The insurance provided to the Additional Insured under this endorsement is limited as follows:
1. This insurance does not apply to “bodily injury”, “property damage” or “environmental damage” arising out of “completed operations” unless you are required to provide such coverage by written contract. If such insurance is required by written contract, the insurance provided to the Additional Insured is limited to the alleged or actual vicarious liability imposed on the Additional Insured as a result of the alleged or actual negligent conduct of the Named Insured as a result of liability solely caused by “completed operations” for the Additional Insured.
  2. Any insurance provided by this endorsement to an Additional Insured shall be excess with respect to any other valid and collectible insurance available to the Additional Insured unless the written contract specifically requires that this insurance apply on a primary and non-contributory basis, in which case this insurance shall be primary and non-contributory.
  3. Where there is no duty to defend the Named Insured, there is no duty to defend the Additional Insured. Where there is no duty to indemnify the Named Insured, there is no duty to indemnify the Additional Insured.
  4. This insurance does not apply to “bodily injury”, “property damage” or “environmental damage” arising out of the sole negligence of the Additional Insured or any employees of the Additional Insured.
- C.** With respect to the insurance afforded to the Additional Insured, the following is added to **SECTION V – LIMITS OF INSURANCE AND DEDUCTIBLE** of each Coverage Part of this Policy:

The most we will pay on behalf of the Additional Insured is the amount of insurance:

1. Required by the written contract; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

- D. Duties of the Additional Insured in the event of “pollution condition”, “mold condition”, claim or “suit”:**
1. The Additional Insured must promptly give notice of a “pollution condition”, “mold condition”, a claim which is made or a “suit”, to any other insurer which has insurance for a loss to which this insurance may apply.
  2. The Additional Insured must promptly tender the defense of any claim made or “suit” to any other insurer which also issued insurance to the Additional Insured as a Named Insured or to which the Additional Insured may qualify as an Additional Insured for a loss to which this insurance may apply.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



## NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the federal Terrorism Risk Insurance Act, as amended (“the Act”), the Company must make available insurance coverage for losses arising out of acts of terrorism, as defined in Section 102(1) of the Act. This policy includes such coverage for damages arising out of certified acts of terrorism and is limited by the terms, conditions, exclusions, limits, other provisions of the coverage quote or renewal application/questionnaire to which this offer is attached and by the policy, any endorsements to the policy and generally applicable rules of law.

The term “act of terrorism” means any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security, and the Attorney General of the United States to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

**YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020 OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE.**

**NO PREMIUM IS CHARGED FOR THIS COVERAGE NOR IS ANY CHARGE MADE FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.**

***YOU SHOULD ALSO KNOW THAT THE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT, AS WELL AS INSURERS’ LIABILITY FOR LOSSES, RESULTING FROM CERTIFIED “ACTS OF TERRORISM” WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.***

***COVERAGE FOR “INSURED LOSSES” AS DEFINED IN THE ACT IS SUBJECT TO THE COVERAGE TERMS, CONDITIONS, AMOUNTS AND LIMITS IN THIS POLICY APPLICABLE TO LOSSES ARISING FROM EVENTS OTHER THAN “ACTS OF TERRORISM”.***

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**NUCLEAR ENERGY LIABILITY EXCLUSION  
ENDORSEMENT  
(BROAD FORM)**

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

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

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

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

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

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

"Nuclear facility" means:

- (a)** Any "nuclear reactor";

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

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

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

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

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

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

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Attached To and Forming Part of Policy 0100104413-1	Effective Date of Endorsement 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	Named Insured JB Redding & Son Inc
Additional Premium: \$0	Return Premium: \$0	

### SCHEDULE - PART I

Terrorism Premium (Certified Acts)	\$
<b>The premium amount shown above is the total Certified Acts premium attributable to this Policy. If no premium amount is shown above, no additional premium is attributable to Certified Acts. Additional information, if any, concerning the terrorism premium is shown in this Policy</b>	

### SCHEDULE - PART II

Federal Share of Terrorism Losses	85% Year 2015
Federal Share of Terrorism Losses	84% Year 2016
Federal Share of Terrorism Losses	83% Year 2017
Federal Share of Terrorism Losses	82% Year 2018
Federal Share of Terrorism Losses	81% Year 2019
Federal Share of Terrorism Losses	80% Year 2020
(Refer to Paragraph B. in this endorsement.) Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

#### A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

#### B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

#### C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

### SIGNATURE ENDORSEMENT

<i>Attached To and Forming Part of Policy</i> 0100104413-1	<i>Effective Date of Endorsement</i> 01/01/2021 12:01AM at the Named Insured address shown on the Declarations	<i>Named Insured</i> JB Redding & Son Inc
<i>Additional Premium:</i> \$0	<i>Return Premium:</i> \$0	

**This endorsement modifies insurance provided under the following:**

**ALL COVERAGE FORMS**

By signing and delivering this policy to you, we state that it is a valid contract when signed as below by our authorized representatives.



Secretary



President

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

## **U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC)**

### **ADVISORY NOTICE TO POLICYHOLDERS**

This Notice shall not be construed as part of your policy and no coverage is provided by this Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages your policy provides.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. Please read this Notice carefully.

The Office of Foreign Assets Control administers and enforces sanctions policy, based on Presidential declarations of national emergency. OFAC has identified and listed numerous Foreign Agents, Front Organizations, Terrorists, Terrorist organizations and Narcotics traffickers as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site—<http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a "Specially Designated National and Blocked Person", as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments and no premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.