



In this endorsement, "you" and "your" refer to the Named Insured as shown on the Personal Umbrella Coverage Part. Your spouse is also a Named Insured if a resident of the same household. "We," "us" and "our" refer to the Company providing this insurance. Other words and phrases that have special meaning appear in quotation marks (refer to the **DEFINITIONS** below).

**We have no duty to provide coverage unless there has been full compliance with all of the provisions of the Sections titled DUTIES AFTER LOSS and OTHER CONDITIONS.**

**I. AGREEMENT**

We will provide the Insurance described in this endorsement in return for the premium and compliance with all applicable provisions of this policy.

**II. DEFINITIONS**

- A. **"Auto"** means a private passenger motor vehicle, trailer or semi-trailer subject to motor vehicle registration. "Motorized land vehicles" are not "autos" except while being towed by an "auto" as described in the preceding sentence.
- B. **"Bodily Injury"** means bodily harm, sickness or disease. This includes resulting death, shock, mental anguish or mental injury from any of these at any time.
- C. **"Business"** means any part-time or full-time trade, profession or occupation, or any activity, enterprise, venture, project or other undertaking engaged in by an "insured" in which an "insured" has any financial interest, or any rights of ownership or control, or in which an "insured" is an employee, stockholder, limited or general partner, director, officer, or joint venturer.
- D. **"Business Property"** means:
  - 1. Property on which a "business" is conducted; or
  - 2. Property rented or held for rental, in whole or in part, to others.
- E. **"Insured"** means:
  - 1. You;
  - 2. The following residents of your household:
    - (a) Your "relatives", wards or foster children;
    - (b) Anyone below the age of 21 under the care of you or a person described in (a) above

provided any such person described in this sub paragraph b is covered by the "underlying insurance" with respect to a given "occurrence" for which coverage is sought hereunder.

- 3. Any person or organization while using or holding an "auto," "motorized land vehicle," or watercraft owned by, rented by or loaned by you, provided that you gave permission for the type of use.  
However, the owner or leasor of an "auto," "motorized land vehicle," or watercraft rented by or loaned to you is not an "insured."

Additionally, a person or organization is not an "insured" if the use or custody is in the course of any "auto," "motorized land vehicle" or watercraft sales, repair, service, storing or parking "business," other than yours, or without your permission.

- F. **"Motorized land vehicle"** means a motorized land conveyance other than an "auto."
- G. **"Net Loss"** means the amount any "insured" is legally obligated to pay as damages because of an "occurrence" for "bodily injury," or "property damage." Damages include prejudgment interest awarded against the "insured."
- H. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions, which results in "bodily injury" or "property damage."
- I. **"Endorsement Period"** means the time between the Effective Date and the Expiration Date as shown on the Personal Umbrella Coverage Part. This endorsement applies only to injury or damage that occurs during the "endorsement period." In the event of cancellation, the effective date of cancellation shall become the Expiration Date of the endorsement and the endorsement period will be amended accordingly.
- J. **"Property Damage"** means:
1. Physical injury to or destruction of tangible property. This includes all resulting loss of use caused by such physical injury or destruction. All such resultant loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  2. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to have occurred at the time of the "occurrence" that caused it.
- K. **"Relative"** means any person related to you by blood, adoption, or marriage.
- L. **"Required Underlying Insurance"** means the types and amounts of coverage listed on the Personal Umbrella Coverage Part under Required Underlying Insurance. These types of coverage and limits are the minimum you must maintain for any exposure you have.
- M. **"Residence Premises"** means:
1. The one family dwelling, other structures, and grounds; or
  2. The two family dwelling, other structures, and grounds; or
  3. That part of any other building;
- where you reside and which is shown as the "residence premises" on the Personal Umbrella Coverage Part.
- N. **"Retained Limit"** means the greater of:
1. The total limits of liability of any "underlying insurance" that applies to the "occurrence;" or
  2. The limits shown on the Personal Umbrella Coverage Part for "Required Underlying Insurance;" which if in effect would have applied to the "occurrence" or
  3. The limits of "Scheduled Underlying Insurance" that apply to the "occurrence" or
  4. The "Self-insured Retention."

- O. **"Self-insured Retention"** means the amount shown on the Personal Umbrella Coverage Part which is not insured under this endorsement. You must defend, adjust and pay all claims for losses within this amount.
- P. **"Scheduled Underlying Insurance"** means any of those policies listed on the Schedule of Underlying Insurance which is a part of the Personal Umbrella Coverage Part.
- Q. **"Underlying Insurance"** means any insurance policy providing the "insured" with liability insurance coverage for an "occurrence" covered by this policy, unless this insurance is expressly stated to be excess over this policy.
- R. **"Sexual Misconduct"** means any conduct, physical acts, gestures, or spoken or written words of a sexual nature, including without limitation sexual intimacy (even if consensual), sexual molestation, sexual assault, sexual battery, sexual abuse, sexual harassment, sexual exploitation, and any sexual act.

### III. COVERAGES

#### A. **Personal Liability:**

We will pay the "net loss" to which this insurance applies minus the "retained limit." The most we will pay for a single "occurrence" under this endorsement is the amount shown on the Personal Umbrella Coverage Part as Limits of Insurance. This limit is the same regardless of the number of insureds, claims made, persons injured, vehicles involved, or exposures or premiums shown on the Personal Umbrella Coverage Part.

#### B. **Defense and Settlement:**

1. If a claim is made or a suit is brought against an "insured" for damages because of "bodily injury" or "property damage" caused by an "occurrence" to which this insurance applies, we:
  - (a) May investigate and settle any claim or suit which may result as we decide is appropriate; and
  - (b) Will provide a defense at our expense by counsel of our choice unless the "occurrence" is covered by any "underlying insurance" or would have been covered if "Required Underlying Insurance" were in force.

We may join, at our expense, with the "insured" or any underlying insurer in the investigation, defense or settlement of any claim or suit which we believe may require a payment under this endorsement. We will not contribute to costs and expenses incurred by any underlying insurer, or which any underlying insurer is obligated to provide.

Our duty to defend any claim or suit arising out of a single "occurrence" ends when the amount we have paid for that "occurrence" equals the "Limits of Insurance" shown on the Personal Umbrella Coverage Part.

In any country where we are prevented from defending the "insured" because of laws or other reasons, we will pay any expense incurred with our written consent for the "insured's" defense.

2. When we defend a claim or suit under this endorsement, we will pay:

(a) The cost of:

- (1) Bonds to release attachments up to the endorsement limit;
- (2) Appeal bonds for any suit we defend; and
- (3) Bail bonds not to exceed \$250 if an "insured" has a traffic accident or violates a traffic law.

We have no obligation to apply for or furnish such bonds.

- (b) All reasonable expenses incurred at our request by any "insured;"
- (c) Court costs and expenses on judgments assessed against any "insured;"
- (d) Interest which occurs after entry of the judgment and before we pay or tender, or deposit in court that part of any judgment within the "Limits of Insurance;" and
- (e) Wages lost because an "insured" is absent from work at our request up to \$250 per day to a total of \$5,000.

Payments under Defense and Settlement, except a settlement payment, are in addition to the Limits of Insurance.

#### IV. EXCLUSIONS

We do not provide coverage:

- A. For "bodily injury" or "property damage" either expected or intended from the standpoint of an "insured." This exclusion does not apply to "bodily injury" if such "insured" acted with reasonable force to protect persons or property.
- B. For "bodily injury" to:
  1. You; or
  2. The following residents of your household:
    - (a) Your "relatives," wards or foster children; and
    - (b) Anyone below the age of 21 under the care of a person named above.
- C. For "property damage" to:
  1. Any property owned by the "insured;"
  2. Any aircraft rented, chartered, used or held for others by any "insured;" and
  3. Any property rented to, occupied or used by or in the care, custody or control of the "insured," or for which any "insured" has promised to provide insurance.
- D. For any "occurrence" arising out of:
  - a. harassment or discrimination of any kind, including but not limited to race, creed, color, national origin, religion, age, sex, sexual preference, disability or handicap, whether or

not involving violation of any federal, state or local government law, statute, ordinance or regulation prohibiting such discrimination;

- b. "sexual misconduct;"
  - c. wrongful termination of employment;
  - d. corporal punishment; or
  - e. physical or mental abuse
- E. For "bodily injury" to:
- 1. Any person who is in an "insured's" care because of child care services provided by or at the direction of any "insured" or any other person actually or apparently acting on an "insured's" behalf; or
  - 2. Any person who makes a claim because of "bodily injury" as a consequence of injury in a. above.

This exclusion does not apply when:

- a. an "insured" provides such service for a "relative" of an "insured"; or
  - b. a mutual exchange of services arrangement exists involving no monetary compensation.
- F. For any "occurrence" arising out of any "insured's" "business" operations or "business property" unless "Scheduled Underlying Insurance" provides coverage for the "occurrence."

This exclusion does not apply to incidental "business" use of any "auto," "motorized land vehicle" or watercraft if:

- 1. "Scheduled Underlying Insurance" applies to the "occurrence;" and
  - 2. Such "auto," "motorized land vehicle" or watercraft is not being used to carry persons or property for a charge, other than a share-the-expense car pool.
- G. For any "occurrence" arising out of any "insured's" act, error or omission as a member of a corporation's board of directors or as an officer of a corporation. This exclusion does not apply if the corporation was formed as a not-for-profit corporation and such "insured's" service is without remuneration.
- H. For any "occurrence" arising out of any "insured's" ownership, maintenance, operation, loading or unloading, entrustment to others or supervision of any aircraft; or arising out of vicarious parental liability, whether or not statutorily imposed, for the actions of a child or minor using such aircraft.
- I. For any "occurrence" arising out of any "insured's" ownership, maintenance, use, operation, loading or unloading, entrustment to others or supervision of any "motorized land vehicle" unless "Scheduled Underlying Insurance" provides coverage for the "occurrence" at the full limits shown.
- J. The use of "autos," "motorized land vehicles" or watercraft while they are being operated in, or practicing for, any prearranged or organized race, speed contest or other similar competition. However, this exclusion does not apply to

1. sailboats; or
  2. watercraft involved in predicted log cruises.
- K. For any "occurrence" arising out of any "insured's" ownership, maintenance, use, operation, loading or unloading, entrustment to others or supervision of any watercraft unless "Scheduled Underlying Insurance" provides coverage for the "occurrence" at the full limits shown.
- L. For any "occurrence" arising out of a person using an "auto," "motorized land vehicle" or watercraft without a reasonable belief the person is entitled to do so. This exclusion does not apply to a "relative" using an "auto," "motorized land vehicle" or watercraft you own.
- M. For any "occurrence" arising out of the rendering of or failure to render professional services by or for any "insured."
- N. For your share of any loss assessment charged against you as a member of an association, corporation or community of property owners.
- O. To any claim for Uninsured/Underinsured motorists coverage(s) or No-fault benefits unless this endorsement is endorsed to provide such coverage.
- P. For any "occurrence" in which the "insured" or "insured's" insurer is required to provide benefits under any worker's compensation, unemployment compensation, disability benefits law or any similar law.
- Q. For any "occurrence" caused by any pollution to land, water or air including the expense of complying with any request, demand or order that any person or any entity test for, mitigate, or eliminate such pollution.
- R. For "bodily injury" or "property damage" for which any "insured" is:
1. Also insured under a nuclear energy liability policy; or
  2. Would be insured under that policy but for the exhaustion of its limit of liability.

A nuclear energy liability policy is one issued by:

1. American Nuclear Insurers;
  2. Mutual Atomic Energy Liability Underwriters;
  3. Nuclear Insurance Association of Canada; or
  4. Any of their successors
- S. For any "occurrence" caused directly or indirectly by war, including undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, destruction or seizure or use for a military purpose, and including any consequence of any of these. Discharge of a nuclear weapon will be deemed a warlike act even if accidental.
- T. For any "occurrence" which arises out of the transmission of a communicable disease by an "insured."
- U. For any "occurrence" arising out of the sale, manufacture, delivery, transfer or possession by any person of a Controlled Substance(s) as defined by the Federal Food and Drug Law at 21

U.S.C.A. Sections 811 and 812. Controlled Substances include but are not limited to cocaine, LSD, marijuana and all narcotic drugs.

However, this exclusion does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.

V. For:

1. "Bodily injury" and "property damage" arising out of, resulting from, caused by or contributed to by the toxic or pathological properties of lead, lead compounds or lead contained in any materials;
2. Any cost or expense to abate, mitigate, remove or dispose of lead, lead compounds or materials containing lead;
3. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with parts (a.) or (b.) above; or
4. Any obligation to share damages with or repay someone else who must pay damages in connection with parts (a.), (b.) or (c.) above.

W. For any "occurrence" arising out of facts or circumstances known to any "insured" at the effective date of this policy as likely to give rise to a claim or suit covered by this policy.

X. For any related series of "occurrences," the first of which took place prior to the policy period.

Y. To "bodily injury" or "property damage" arising out of assault and battery or physical altercations:

1. whether or not caused by, at the instigation of, or with the direct or indirect involvement of the "insured", the "insured's" employees, guests or other persons on the "insured's" premises, or
2. whether or not caused by or arising out of the "insured's" failure to properly hire, supervise or keep the "insured's" premises in a safe condition.

## V. DUTIES AFTER LOSS

These are things any person qualifying as an "insured" must do for us. We do not have to provide coverage if the "insured" refuses to assist us.

The "insured" must:

1. Notify us of an "occurrence." If something happens that might involve this endorsement, you or the involved "insured" must let us know promptly by sending written notice to us or our agent. Include the names and addresses of the injured and any witnesses or other involved "insureds." Include the time, place and description of the accident.
2. Notify us and any underlying insurer of a claim, suit or arbitration proceeding alleging an "occurrence." Send us copies of every demand, notice, summons or other process received.
3. Help and cooperate with us and any underlying insurer at all times regarding:

- a. Settlement of claims;
  - b. Enforcement of rights against others;
  - c. Attendance at hearings and trials;
  - d. Preservation of evidence; and
  - e. Identification and location of witnesses.
4. Obtain our written consent before making any payments, assuming any obligations or incurring any expenses with respect to an "occurrence" covered by this endorsement. Any "insured" who makes any payment, assumes any obligation or incurs any expense with respect to an "occurrence" covered by this endorsement without our written consent undertakes such actions voluntarily and at the "insured's" own cost.

## VI. OTHER CONDITIONS

- A. **Appeals:** If the "insured" or any underlying insurer chooses not to appeal a judgment that exceeds the "retained limit," we may do so. If we choose to appeal, we will be responsible for:
1. The judgment amount above the "retained limit" not to exceed the Limits of Insurance; and
  2. The additional costs and interest incurred during such appeal.
- B. **Assignment:** An assignment of this endorsement will be valid only after we give our written consent.
- C. **Bankruptcy:** If any "insured" or "insured's" estate becomes bankrupt or insolvent, we will still honor this endorsement.
- D. **Changes:** Waivers of our rights or changes to this policy must be issued by us in writing
- E. **Death:** If you die, this endorsement will cover your estate's legal representative until the end of the "endorsement period."
- F. **Insolvent Underlying Insurer:** Bankruptcy, insolvency or receivership of any company that has issued "Scheduled Underlying Insurance" will not relieve us of our obligations under this endorsement. With regard to bankruptcy, insolvency or receivership of any such company this endorsement shall not apply as a replacement of a policy of "Scheduled Underlying Insurance" and our "Limits of Insurance" will apply only in excess of the limits of "Scheduled Underlying Insurance" as listed on the Personal Umbrella Coverage Part. If you learn of the bankruptcy or insolvency of any company providing "Scheduled Underlying Insurance", you must notify us within 30 days.
- G. **Liberalization:** If we broaden the coverage in our Personal Umbrella Endorsement without increasing the premium, we will also apply such broadened coverage to your endorsement. The broadened coverage will apply only to an "occurrence" that occurs after the date such broadened coverage is effective in your state
- H. **Maintenance of "Scheduled Underlying Insurance":** All "Scheduled Underlying Insurance" must be maintained at no less than full limits shown on the Personal Umbrella Coverage Part. If the limits of any policy of "Scheduled Underlying Insurance" are not maintained, we will not be liable under this policy for more than we would have been liable if

that policy (including its corresponding limits and defense provisions) was in effect. If any limits on a policy of "Scheduled Underlying Insurance" are used up, reduced or cancelled, such "insured" must:

- a. Try to replace the coverage; and
  - b. Notify us immediately.
- I. **"Required Underlying Insurance"**: If a claim is made or suit is brought against an "insured" for damages caused by an "occurrence" which would have been covered by a policy listed in "Required Underlying Insurance" and if such a policy is not in effect, we will not be liable under this endorsement for more than we would have been liable if that policy (including its limits and defense provisions) was in effect.
- J. **Other Insurance**: This endorsement is excess over any other insurance except insurance written specifically as excess insurance over the limit of this endorsement.
- K. **Payment of Loss**: After any "insured's" legal obligation has been set by final judgment or by agreement between us and the claimant or the claimant's legal representative:
1. We will pay the amount of "net loss," minus the "retained limit" directly to the claimant, if the "insured" wishes; or
  2. The "insured" may pay the "net loss" and submit proof of payment to us. We will then pay the "insured" the amount of "net loss" minus the "retained limit."

In either case, our payment for a single "occurrence" under this endorsement will not exceed the amount shown on the Personal Umbrella Coverage Part as Limits of Insurance.

- L. **Endorsement Territory**: This insurance provided by this coverage part applies anywhere in the world if an "insured's" responsibility to pay damages is determined:
- a. In a suit on the merits, in the United States of America (including its territories and possessions), Puerto Rico or Canada; or
  - b. In a settlement to which we agree in writing.

However, to the extent suits outside the United States of America (including its territories and possessions), Puerto Rico, or Canada are within the definition of Endorsement Territory and, therefore, covered by the "Underlying Insurance," Endorsement Territory shall include all portions of the world included in the definition of Policy Territory in the "Underlying Insurance," subject to the following conditions:

- A. We will reimburse you for any covered loss or expense paid by you if we are prevented by law or otherwise from making such payment directly on your behalf;
- B. Notwithstanding any other provision of this endorsement or of the policy, in the event we are not permitted to investigate, settle or defend any "occurrence", claim, or suit, you shall, with our supervision, make or cause to be made such investigation and defenses as are reasonably necessary and, subject to our prior authorization, you will effect to the extent possible any settlement to which we and you mutually agree. We will reimburse you for the reasonable cost of such investigation and defense and, within the applicable limits of liability of the policy, for the amount of such authorized settlement.

