

**SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**



**Insurance Group®**  
**ARCH SPECIALTY INSURANCE COMPANY**  
(A Nebraska Corporation)

Home Office Address:  
10306 Regency Parkway Drive,  
Omaha, NE 68113

Administrative Address:  
5601 Mariner Street, Suite 220  
Tampa, FL 33609  
Tel: (813) 207-0594

**FLORIDA COMMERCIAL GENERAL LIABILITY POLICY  
(OCCURRENCE FORM)**

**THIS POLICY IS WRITTEN ON AN OCCURRENCE BASIS. VARIOUS PROVISIONS IN THE POLICY RESTRICT COVERAGE. READ THE ENTIRE POLICY CAREFULLY TO DETERMINE YOUR RIGHTS, DUTIES, AND WHAT IS AND IS NOT COVERED.**

**DECLARATIONS**

Policy No.: RGL0048720-00                      Renewal of: NEW  
Effective Date: March 03, 2012                      Producer Code: P13332  
Expiration Date: March 03, 2013  
*12:01 am standard time at the address of the Named Insured*

**Item 1. Named Insured and Producing Agent:**

Named Insured: Manatee County Board of County Commissioners  
Mailing Address: 1112 Manatee Avenue West  
Suite 969  
Bradenton, FL 34206

Producer: Leo Risk Services, Inc./Element22 Insurance Services, Inc.  
Mailing Address: 811 Douglas Avenue  
Suite B  
Dunedin, FL 34698

Surplus Line Producer: Patrick W. Leo  
Mailing Address: 811 Douglas Avenue  
Suite B  
DUNEDIN, FL 34698

Surplus Lines License Number: A153372                      Expiration Date: N/A

**Item 2. Named Insured Classified as:**

Individual                       Partnership                       Corporation                       Other  
 Joint Venture                       LLC                       LLP

**Item 3. Limits of Insurance:**

Bodily Injury and Property Damage Liability – Each Occurrence	\$3,000,000
Personal and Advertising Injury Limit – Each Offense	Excluded
Medical Expense Limit – Any One Person	Excluded
General Aggregate Limit – Other Than Products – Completed Operations	\$3,000,000
Products – Completed Operations Aggregate Limit	Excluded
Damages to Premises Rented To You Limit – Each Occurrence	Excluded

**Item 4. Policy Premium: \$10,500.00 Minimum and Deposit**

(Including \$0.00 allocated to coverage under the Terrorism Risk Insurance Act)

Minimum Retained Premium 25%, not subject to adjustment in the event of cancellation by you.

**Item 5. Rate:** Flat

**Item 6. Forms & Endorsements attached:** See Schedule of Forms and Endorsements  
Form 00 ML0012 00 01 03

**THESE DECLARATIONS, TOGETHER WITH COMMERCIAL GENERAL LIABILITY POLICY PROVISIONS, AND ENDORSEMENTS, IF ANY, ARE ISSUED AS PART OF, AND IN COMPLETION OF THE ABOVE NUMBERED POLICY.**

Arch Specialty Insurance Company is licensed in the state of Nebraska only.

Arch Specialty Insurance Company is not licensed in the state of New York and is not subject to its supervision.

## SCHEDULE OF FORMS AND ENDORSEMENTS

<b>NAMED INSURED:</b>	Manatee County Board of County Commissioners	<b>TERM:</b> March 03, 2012 to March 03, 2013
<b>POLICY NUMBER:</b>	RGL0048720-00	

ENDT. NO.	FORM NO.	TITLE
	00 RGL0023 00 03 08	COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE FORM)
	06 ML0002 00 12 06	SIGNATURE PAGE
	06 ML0014 00 03 08	CLAIMS HANDLING PROCEDURES
1	00 ML0003 00 08 07	SERVICE OF SUIT
2	00 RGL0029 00 09 05	ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION
3	00 RGL0041 00 01 11	NOTICE OF POTENTIAL CLAIMS
4	00 MLR0020 00 02 06	DEDUCTIBLE LIABILITY ENDORSEMENT
5	00 MLR0011 00 08 04	CROSS SUITS EXCLUSION
6	00 RGL0028 00 08 05	PRODUCTS-COMPLETED OPERATIONS HAZARD EXCLUSION
7	00 MLR0010 00 04 04	LEAD CONTAMINATION EXCLUSION
8	00 MLR0012 00 02 07	SILICA EXCLUSION
9	00 CGL0220 00 09 06	TOTAL TERRORISM EXCLUSION ENDORSEMENT
	00 MLT0031 00 01 08	TERRORISM COVERAGE DISCLOSURE NOTICE
	00 ML0065 00 06 07	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

**c. Liquor Liability**

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

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

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

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under workers' compensation, employers liability including occupational disease, disability benefits, retirement or unemployment compensation law, the Federal Employers Liability Act, U.S. Code (1970) Title 45, Chapter 2 Sections 51-60 and as amended, or any similar law(s).

**e. Employer's Liability**

"Bodily injury" to:

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

This exclusion applies:

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

This exclusion does not apply to liability assumed under an "insured contract" provided the "bodily injury" occurs subsequent to the execution of the contract or agreement. However, this exclusion does apply to any obligation under the Federal Employers Liability Act, U.S. Code (1970) Title 45, Chapter 2 Sections 51-60 and as amended, or any similar law(s).

**f. Pollution**

- (1) "Bodily injury" or "property damage" that in any way, in whole or in part, arises out of, relates to or results from the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time, from any site, premises or location; or
- (2) Any loss, cost or expense that in any way, in whole or in part, arises out of, relates to



or results from any:

- (a) Request, demand, order, or statutory or regulatory requirement, or any other action authorized or required by law, that any insured or others investigate, test for, monitor, clean up, remove, dispose of, contain, treat, abate, remediate, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of investigating, testing for, monitoring, cleaning up, removing, disposing of, containing, treating, abating, remediating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**g. Aircraft, Auto Or Watercraft**

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

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

This exclusion does not apply to:

- (1) Parking an "auto" on, or on property adjacent to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (2) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph f. (2) or f. (3) of the definition of "mobile equipment".

**h. Mobile Equipment**

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

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

Any liability directly or indirectly due to, caused by, or in consequence of war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

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

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

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

**k. Damage To Your Product**

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

**l. Damage To Your Work**

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

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

**m. Damage To Impaired Property Or Property Not Physically Injured**

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

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

**n. Recall Of Products, Work Or Impaired Property**

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

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

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

**o. Personal And Advertising Injury**

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

**p. Prior Knowledge**

"Bodily injury" or "property damage" arising out of an "occurrence" you had actual or constructive knowledge of, or information on, prior to the effective date of this policy.

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

Each of the foregoing exclusions, and each exclusion attached as an endorsement to this policy, applies regardless of whether any cause, event, material or product contributed in whole or in part, concurrently or in any sequence to such injury or damage.

**COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

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

- (1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless

explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

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

## **2. Exclusions**

This insurance does not apply to any claim, "suit", demand or loss that alleges:

- a. Knowing Violation Of Rights Of Another**

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

- b. Material Published With Knowledge Of Falsity**

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

- c. Material Published Prior To Policy Period**

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

- d. Criminal Acts**

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

- e. Contractual Liability**

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

- f. Breach Of Contract**

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

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

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

- h. Wrong Description Of Prices**

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

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

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

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

**j. Insureds In Media And Internet Type Businesses**

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content or web-sites for others; or
- (3) An Internet search, access, content or service provider.

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

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

**k. Electronic Chatrooms Or Bulletin Boards**

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

**l. Unauthorized Use Of Another's Name Or Product**

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

**m. Pollution**

- (1) "Personal and advertising injury" that in any way, in whole or in part, arises out of, relates to or results from the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time, from any site, premises or location;
- (2) Any loss, cost or expense that in any way, in whole or in part, arises out of, relates to or results from any:
  - (a) Request, demand, order, or statutory or regulatory requirement, or any other action authorized or required by law, that any insured or others investigate, test for, monitor, clean up, remove, dispose of, contain, treat, abate, remediate, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  - (b) Claim or "suit" by or on behalf of a governmental authority for damages because of investigating, testing for, monitoring, cleaning up, removing, disposing of, containing, treating, abating, remediating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**n. War**

Any liability directly or indirectly due to, caused by, or in consequence of war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

Each of the foregoing exclusions, and each exclusion attached as an endorsement to this policy, applies regardless of whether any cause, event, material or product contributed in whole or in part, concurrently or in any sequence to such injury or damage.

**COVERAGE C MEDICAL PAYMENTS**

**1. Insuring Agreement**

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

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provide that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

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

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

**2. Exclusions**

We will not pay expenses for "bodily injury":

**a. Any Insured**

To any insured, except "volunteer workers".

**b. Hired Person**

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

**c. Injury On Normally Occupied Premises**

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

**d. Workers Compensation And Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under workers' compensation, employers liability including occupational disease, disability benefits, retirement or unemployment compensation law, the Federal Employers Liability Act, U.S. Code (1970) Title 45, Chapter 2 Sections 51-60 and as amended, or any similar law(s).

**e. Athletics Activities**

To a person injured while taking part in athletics.

**f. Products-Completed Operations Hazard**

Included within the "products-completed operations hazard".

**g. Coverage A Exclusions**

Excluded under Coverage A.

**h. War**

Directly or indirectly due to, caused by, or in consequence of war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

**GENERAL EXCLUSIONS - COVERAGES A, B AND C**

This insurance does not apply to any claim, "suit", demand or loss that alleges:

**a. Asbestos**

"Bodily injury", "property damage" or "personal and advertising injury" that in any way, in whole or in part, arises out of, relates to or results from the "asbestos hazard".

This exclusion includes but is not limited to compliance with any request, demand, order, or statutory or regulatory requirement, or any other action authorized or required by law, or any loss, cost or expense arising out of or relating to the investigation of, abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of asbestos, as well as any costs, fees, expenses, penalties, judgments, fines or sanctions arising from or relating thereto.

As used in this exclusion, "asbestos hazard" means:

(1) the actual, alleged or threatened exposure to, consumption, ingestion of, inhalation of,

absorption of, existence of, or presence of, asbestos in any manner or form whatsoever, either directly or indirectly;

- (2) the actual or alleged failure to warn, advise or instruct related to asbestos in any manner or form whatsoever;
- (3) the actual or alleged failure to prevent exposure to asbestos in any manner or form whatsoever;
- (4) the actual or alleged presence of asbestos in any manner or form whatsoever, in any place whatsoever, whether or not within a building or structure, including its contents.

As used in this exclusion, "asbestos" means any substance, regardless of its form or state, containing asbestos.

**b. Nuclear Liability**

- (1) Under any Liability Coverage, to "bodily injury", "property damage", or "personal and advertising injury":
  - (a) 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
  - (b) 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.
- (2) Under any Medical Payments coverage, or any Supplementary Payments provision, 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.
- (3) Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
  - (a) 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;
  - (b) 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
  - (c) 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 (c) applies only to "property damage" to such "nuclear facility" and any property thereat.



As used in this exclusion:

"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", 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:

- (1) Any "nuclear reactor";
- (2) Any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or utilizing "spent fuel", or (c) handling, processing or packaging "waste";
- (3) 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;
- (4) 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.

**c. Employment Related Practices**

Any "bodily injury" or "personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ;
  - (b) Termination of that person's employment;
  - (c) Employment-related practices, policies, act or omissions such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, sexual harassment, humiliation or discrimination directed at that person; or

(d) Action under Title VII of the 1964 Civil Rights Act and any amendments thereto;  
or

(2) Any other person as a consequence of any injury or damage sustained by that person against whom any of the employment-related practices described in paragraphs (a), (b), (c) or (d) above is directed.

This exclusion applies:

- (1) Whether the insured may be held liable as an employer or in any other capacity; and
- (2) To any obligation to contribute to, or indemnify, another party who is required to pay damages because of the injury.

**d. Professional Services**

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any service, treatment or advice of a professional nature, including any obligation to pay damages by reason of the assumption of liability in a contract or agreement.

**e. E.R.I.S.A.**

Any obligation of the insured under the Employee Retirement Income Security Act of 1974 (ERISA) or amendments thereto or any similar law(s).

Each of the foregoing exclusions, and each exclusion attached as an endorsement to this policy, applies regardless of whether any cause, event, material or product contributed in whole or in part, concurrently or in any sequence to such injury or damage.

**SUPPLEMENTARY PAYMENTS – COVERAGES A AND B**

1. We will pay, with respect to any claim we investigate or settle or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - e. All costs taxed against the insured in the "suit".
  - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - g. All interest on the full amount of any judgment that accrues after entry of the judgment and

before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

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

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

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

- a. We have used up the applicable limit of insurance in the payment of judgments or

settlements; or

- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

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

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a "co-employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that "co-employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
  - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by  
    - you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker") or any organization while acting as your real estate manager.
  - c. Any person or organization having proper temporary custody of your property if you die, but only:
    - (1) With respect to liability arising out of the maintenance or use of that property; and
    - (2) Until your legal representative has been appointed.
  - d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
- a. "Bodily injury" to a "co-employee" of the person driving the equipment; or
  - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 30th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

### SECTION III – LIMITS OF INSURANCE

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

- b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
    - a. Medical expenses under Coverage **C**;
    - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
    - c. Damages under Coverage **B**.
  3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
  4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
  5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
    - a. Damages under Coverage **A**; and
    - b. Medical expenses under Coverage **C**
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
  6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
  7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

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

#### **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

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

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

- a. You must notify us immediately in writing of any "occurrence", offense, claim or "suit", regardless of whether you believe you are liable or not, involving:

- (1) Any "occurrence" which involves "bodily injury" or "property damage" occurring during the policy period and in the "coverage territory" which may result in a claim or "suit" under this policy;
  - (2) Any offense which involves "personal and advertising injury" if the offense arises out of your business and was committed during the policy period, and in the "coverage territory" which may result in a claim or "suit" under this policy; or
  - (3) Any knowledge, allegation or confirmation of serious "bodily injury" or death.
- b.** You must notify us immediately in writing, regardless of whether you believe you are liable or not, and furnish complete information on any "occurrence" involving a minor child, a death, or any of the following injuries:
- (1) Brain damage;
  - (2) Spinal cord injury or any type of paralysis;
  - (3) Loss of vision or hearing;
  - (4) Loss of limb;
  - (5) Second or third degree burns over 10% or more of the body;
  - (6) Multiple bone fractures, including fracture of both heel bones;
  - (7) Nerve damage;
  - (8) Back injury, including injury to nerves at the base of the spinal canal, involving intervertebral discs, or resulting in incontinence of bowel or bladder;
  - (9) Internal injuries affecting body organs; or
  - (10) Injuries requiring hospitalization for more than 30 consecutive days.
- c.** If a claim is made or "suit" is brought, you must notify us immediately in writing. Notice of a claim or "suit" shall be deemed to have been made by the insured when written notice of such claim or "suit" is received by us.
- d.** Written notice with respect to paragraphs **a.**, **b.** and **c.** above should be sent directly to:

Arch Specialty Insurance Company  
Casualty Claims  
10909 Mill Valley Road, Suite 210  
P.O. Box 542033  
Omaha, NE 68154  
Phone: 877 688-ARCH (2724)  
Fax: 866 266-3630  
Emergency Report 1-866-SOS-ARCH  
1-866-(767-2724)  
E-mail: Claims@ArchInsurance.com

Such notice must include:

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



- (2) The names and addresses of any injured persons and witnesses;
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- e. You and any other involved insured must:
- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with a claim or a "suit";
  - (2) Authorize us to obtain records and other information from any insured and from any third party;
  - (3) Assist us and cooperate with us in the investigation or settlement of the claim or defense of the "suit";
  - (4) Assist us, upon our request, in the enforcement of any right against any person, organization, or entity which may be liable to the insured or to us (including any other insurers) because of injury, damage or expenses to which this insurance may also apply; and
  - (5) Provide us access, upon our request, to all records, information, and investigation regarding claims or "suits" against the insured.
- f. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- g. Compliance with the notice provisions and duties herein are conditions precedent to coverage under this policy. In the event of a breach of duties by any insured the insurance provided by this policy will be void, unless we waive the breach in writing.

### **3. Legal Action Against Us**

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

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

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

### **4. Other Insurance**

This insurance is excess over any other valid and collectible insurance that applies to any claim or "suit" to which this insurance applies, whether such other insurance is written on a primary, excess, contingent or on any other basis (except if that other insurance is specifically written to apply excess of this insurance), and this insurance will not contribute with any other such insurance.

### **5. Premiums and Premium Audit**



- a. We will compute all premiums for this policy, including any applicable audit premium and Minimum and Deposit Premium as shown on the Declarations.
- b. The first Named Insured:
  - (1) Is responsible for payment of all premiums when due; and
  - (2) Will be the payee for any return premiums we pay.
- c. The Minimum and Deposit Premium set forth in the Declarations is adjustable. Such Minimum and Deposit Premium is an estimated premium for the policy period. At the end of such policy period, we will compute any additional premium. If any additional premium is greater than the paid Minimum and Deposit Premium such additional premium is due and payable by the first Named Insured upon notice by us.
- d. The first Named Insured must keep and maintain records for the information we require for premium computation, and send us copies at such times as we may request. We have the right to request, review and audit such records as they relate to this insurance during the policy period and for a period of 3 years following the expiration date of this policy. Any additional premium as a result of such audit is due and payable by the first Named Insured upon notice by us.
- e. The Minimum Retained Premium stated in the Declarations shall be considered as fully earned at the inception of the policy.

**6. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

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

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

**8. Transfer Of Rights Of Recovery Against Others To Us**

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

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 90 days before the expiration date.

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

If we offer to renew this policy and the First Named Insured does not accept our offer during the current policy period, this policy will expire at the end of such policy period.

## **10. Cancellation**

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
- b. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
  - (1) 30 days before the effective date of cancellation if we cancel for non-payment of premium; or
  - (2) 90 days before the effective date of cancellation if we cancel for any other reason.
- c. We will mail or deliver our notice to the First Named Insured's last mailing address known to us.
- d. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
- e. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel the policy, the refund due the first Named Insured will be pro rata. If the first Named Insured cancels, the earned premium retained by us shall be the customary short rate amount of the annual premium subject to any Minimum Retained Premium shown on the Declarations. The cancellation will be effective even if we have not made or offered a refund.
- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

## **11. Changes**

This policy contains all agreements between you and us concerning the insurance afforded. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

## **12. Inspection**

We have the right but not the duty to make inspections, sample and monitor the insured's property or operations at any time. Neither our right to make inspections, sample and monitor nor the actual undertaking thereof nor any report thereon shall constitute an undertaking, on behalf of the insured or others, to provide for the health or safety of workers or the public. We do not warrant that conditions are safe or healthful or conform to acceptable engineering practices or comply with any laws, regulations, ordinances, codes or standards.

We have the right and permission to inspect the insured's property and operations as often as we reasonably require as part of any investigation of an "occurrence", offense, "covered expenses", claim or "suit" or any notice of such provided by you in accordance with your duties as described in Condition 2. Duties in the Event of Occurrence, Offense, Claim or Suit.

## **13. Named Insureds**

- a. The first Named Insured is authorized to act on behalf of all persons, organizations, or

entities insured under this policy with respect to all matters pertaining to the insurance afforded by the policy.

- b. Each Named Insured is jointly and severally liable for:
  - (1) All premiums due under this policy; and
  - (2) Any other financial obligations of the Named Insured to us arising out of any agreements contained in this policy.

#### **14. 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 to an individual Named Insured.

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

#### **15. Entire Agreement**

This policy is a freestanding contract. This policy, including the Declarations, Schedules, and endorsements, if any, embodies all agreements between you and us relating to this insurance. This policy is not subject to the terms and conditions of any other insurance, contract or agreement and contains provisions which may be different from those of any other insurance. Nothing contained in this policy shall make this policy subject to the terms and conditions of any other insurance.

#### **16. Non-Cumulation of Liability**

This policy shall not apply to any claim made against any insured during this policy period if such claim is covered in whole or in part or would have been but for its termination upon the exhaustion of its Limit of Liability under any prior policy issued by us. No Limits of Insurance cumulates from policy period to policy period.

### **SECTION V – DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily Injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time and mental injury, anguish or shock sustained as a result of such "bodily injury", sickness or disease.

4. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in a. above;
    - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, articles of incorporation, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
9. **"Insured contract" means:**
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality);

but only under which you assume the "tort liability" of another party to pay for "bodily injury" or "property damage" to a third person or organization. "Tort liability" means liability that would be imposed by law in the absence of any contract or agreement.

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

- (1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (1) above and supervisory, inspection, architectural or engineering activities.

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

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

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
    - (a) Snow removal;
    - (b) Road maintenance, but not construction or resurfacing; or
    - (c) Street cleaning;
  - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.
13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
- a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

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

16. "Products-completed operations hazard":

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

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

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

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

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

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

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

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

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

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

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

17. "Property damage" means:

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

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

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

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

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



- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
- 21. "Your product":
  - a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
- 22. "Your work":
  - a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work" and
    - (2) The providing of or failure to provide warnings or instructions.





Signature Page

IN WITNESS WHEREOF, Arch Specialty Insurance Company has caused this policy to be executed and attested.

A handwritten signature in black ink that reads "Mark D. Lyons". The signature is written in a cursive style with a large, looped initial "M".

---

Mark D. Lyons  
President

A handwritten signature in black ink that reads "Martin J. Nilsen". The signature is written in a cursive style with a large, looped initial "M".

---

Martin J. Nilsen  
Secretary

## Claims Handling Procedures

An important value of your insurance coverage is the ability of the insurance company to respond when you have a claim. Arch Specialty Insurance Company is committed to providing its insureds with effective claim services.

Notices of each incident, claim or suit must be sent immediately to:

Arch Specialty Insurance Company  
Casualty Claims  
10909 Mill Valley Road, Suite 210  
P.O. Box 542033  
Omaha, NE 68154  
Phone: 877 688-ARCH (2724)  
Fax: 866 266-3630  
Emergency Report 1-866-SOS-ARCH  
1-866-(767-2724)  
E-mail: [Claims@ArchInsurance.com](mailto:Claims@ArchInsurance.com)

You will be contacted by a representative of the company's Claim Department. This representative will confirm receipt of the loss notice directly to you, provide a company claim number for all future correspondence, refer to legal counsel if necessary, and discuss further handling of the claim.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SERVICE OF SUIT**

It is agreed that:

1. In the event of the failure of the Insurer to pay any amount claimed to be due hereunder, the Insurer, at the request of the Insured, will submit to the jurisdiction of any court of competent jurisdiction within the United States and will comply with all requirements necessary to give such court jurisdiction. All matters arising under this Policy shall be determined in accordance with the law and practice of such Court, provided that nothing shall prohibit the Insurer from removing any action, suit or proceeding to a United States District Court. The Insurer shall abide by the final decision of such court or any appellate court in the event of an appeal.
2. Service of process in the above described action, suit or proceeding may be made upon: General Counsel, Arch Insurance Group Inc., One Liberty Plaza, 53rd floor, New York, NY 10006. Upon the request of the Insured, such General Counsel shall give a written undertaking to enter an appearance on behalf of the Insurer in the event that such an action, suit or proceeding shall be instituted.
3. Pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Insurer hereby designates the Superintendent, Commissioner, or Director of Insurance or other officer specified in such statute as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted against the Insurer upon this Policy. The Superintendent, Commissioner or Director of Insurance or other officer is hereby authorized and directed to accept service of process on behalf of the Insurer in any such action, suit or proceeding and to mail a copy of such process to the above mentioned General Counsel.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 1

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

<b>Name Of Additional Insured Person(s) Or Organization(s):</b>	<b>Location(s) Of Covered Operations</b>
CSX Railroad 500 Water Street J-180 Jacksonville, FL 32202	N/A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for “bodily injury”, “property damage” or “personal and advertising injury” caused, in whole or in part, by:

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

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to “bodily injury” or “property damage” occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of “your work” out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 2

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**NOTICE OF POTENTIAL CLAIMS**

**A.** Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, it is agreed that Condition **2.** paragraphs **c.** and **d.** are deleted in their entirety and replaced by the following:

- c.** If a claim is made or “suit” is brought, you must notify us immediately in accordance with paragraph **d.** below. Notice of a claim or “suit” shall be deemed to have been made by you when notice of such claim or “suit” is received by us. If, during the policy period specified in the Declarations, you notify us directly of an “occurrence” or offense which begins prior to the end of the policy period then all claims arising out of the “occurrence” or offense which are subsequently made against the insured shall be deemed to have been made on the date of that first notification.
- d.** Notice with respect to paragraphs **a.**, **b.** and **c.** above should be sent directly to us:

Arch Specialty Insurance Company  
Casualty Claims  
10909 Mill Valley Road, Suite 210  
P.O. Box 542033  
Omaha, NE 68154  
Phone: 877 688-ARCH (2724)  
Fax: 866 266-3630  
Emergency Report 1-866-SOS-ARCH  
1-866-(767-2724)  
E-mail: Claims@ArchInsurance.com

We agree that any notice to us by telephone, facsimile, registered mail or email at the mail or email address or telephone number(s) shown above shall be considered valid notice.

Such notice must include:

- (1) How, when and where the “occurrence” or offense took place;
  - (2) The names and addresses of any injured persons and witnesses;
  - (3) The nature and location of any injury or damage arising out of the “occurrence” or offense.
- B.** This Condition shall not extend the policy period. The Limits of Insurance specified in Item 3 of the Declarations are the only limits that shall apply to claims subsequently made against the Insured which result from the “occurrence” or offense. The Limits of Insurance shall not be increased by this Condition.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 3

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**DEDUCTIBLE LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE FORM)

**SCHEDULE**

Specific coverages to which a deductible(s) applies and amount of deductible(s):		
	<u>Coverages</u>	<u>Amount of Deductible</u>
<input checked="" type="checkbox"/>	All Coverages	\$5,000
<input type="checkbox"/>	Products/Completed Operations	\$
<input type="checkbox"/>	All coverages other than Products/Completed Operations	\$
The deductible applies to:		
<input checked="" type="checkbox"/>	Indemnity and Expenses	
<input type="checkbox"/>	Indemnity Only	

**Application of the Deductible Liability Endorsement**

The deductible(s) set forth in the Schedule apply to indemnity and expenses, (or indemnity only if the appropriate box is checked in the Schedule), on a "per occurrence" basis. The insured is responsible for payment of the deductible(s).

The insured is responsible for all payments within the deductible amount. Subject to Limits of Liability and all other terms and conditions for this policy, our obligation to pay damages and expenses on your behalf applies only to the amount of damages and expenses in excess of the deductible amounts set forth in the Schedule. We may pay any part or the entire deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount that has been paid by us.

Our limits of liability are not increased by the presence of a deductible.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 4

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CROSS SUITS EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE FORM)

This insurance does not apply to and we have no duty to investigate, settle or defend any claim or "suit" for any liability for damages of one insured against another insured. However, this exclusion does not apply to "bodily injury" to the "employee" of one insured for which another insured is or may be liable.

The Limits of Insurance shall not be increased and shall be the most we will pay regardless of the number of insureds involved in the claim or "suit".

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 5

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PRODUCTS-COMPLETED OPERATIONS HAZARD EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

This insurance does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 6

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**LEAD CONTAMINATION EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE FORM)

This insurance does not apply to and we will not have the duty to investigate or defend any suit brought against you, or pay any costs or expenses of such investigation and defense for liability, claims, damage or loss arising out of: the ingestion, inhalation or absorption of lead in any form.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 7

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SILICA EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM (OCCURRENCE FORM)**

This insurance does not apply to any claim, suit, demand or loss that alleges "bodily injury", "property damage" or "personal and advertising injury" that, in any way, in whole or in part, arises out of, relates to or results from:

- (1) The actual, alleged or threatened exposure to, consumption of, ingestion of, inhalation of, or absorption of "silica", either directly or indirectly;
- (2) The actual, alleged or threatened exposure to, consumption of, ingestion of, inhalation of, absorption of, existence of or presence of, "silica dust" either directly or indirectly;
- (3) The actual or alleged failure to warn, advise or instruct related to "silica" in any manner or form whatsoever; or
- (4) The actual or alleged failure to prevent exposure to "silica".

This exclusion includes, but is not limited to, compliance with any request, demand, order, or statutory or regulatory requirement, or any other action authorized or required by law, or any other claim, "suit", demand, loss, cost, or expense arising out of, relating to or resulting from the investigation of, abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of "silica", as well as any loss, costs, fees, expenses, penalties, judgments, fines, or sanctions arising or resulting therefrom or relating thereto.

As used in this exclusion:

- (1) "Silica" means any substance containing silicon dioxide (SiO<sub>2</sub>), including, but not limited to, crystalline or non-crystalline silica, silica particles, silica compounds, "silica dust" or synthetic silica, including but not limited to precipitated silica, silica gel, fumed silica or silica-flour.
- (2) "Silica dust" means dust containing "silica" alone or mixed with any other dust or fiber(s).

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 8

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TOTAL TERRORISM EXCLUSION ENDORSEMENT**

This endorsement modifies insurance provided under this policy.

**A.** The following definitions are added and apply under this endorsement whenever the term terrorism, or the phrase any injury or damage, are enclosed in quotation marks:

1. "Terrorism" means activities against persons, organizations or property of any nature:
  - a. That involve the following or preparation for the following:
    - (1) use or threat of force or violence; or
    - (2) commission or threat of a dangerous act; or
    - (3) commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
  - b. When:
    - (1) the effect is to intimidate or coerce a government or a civilian population or any segment thereof, or to disrupt any segment of the economy; and/or
    - (2) it appears that the intent is to intimidate or coerce a government or a civilian population, or to further a philosophical, political, ideological, religious, social or economic objective or to express (or express opposition to) a philosophical, political, ideological, religious, social or economic objective.
2. "Any injury or damage" means any injury or damage covered under this policy to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in this policy.

**B.** The following exclusion is added:

**EXCLUSION OF TERRORISM**

This insurance does not apply to any claim, "suit", demand, or loss that alleges "any injury or damage" that, in any way, in whole or in part, arises out of, relates to or results from "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. This exclusion also applies when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" involves the use, release, or escape of nuclear materials, or that directly or

indirectly results in nuclear reaction, nuclear 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.

All other terms and conditions of this Policy remain unchanged.

Endorsement Number: 9

Policy Number: RGL0048720-00

Named Insured: Manatee County Board of County Commissioners

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: March 03, 2012

# TERRORISM COVERAGE DISCLOSURE NOTICE

## TERRORISM COVERAGE PROVIDED UNDER THIS POLICY

The Terrorism Risk Insurance Act of 2002 and amendments thereto (collectively referred to as the "Act") established a program within the Department of the Treasury, under which the federal government shares, with the insurance industry, the risk of loss from future terrorist attacks. An act of terrorism is defined as any act certified by the Secretary of the Treasury, in concurrence with the Secretary of State 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.

In accordance with the Act we are required to offer you coverage for losses resulting from an act of terrorism **that is certified under the federal program** as an act of terrorism. The policy's other provisions will still apply to such an act. **This offer does not include coverage for incidents of nuclear, biological, chemical, or radiological terrorism which will be excluded from your policy.** Your decision is needed on this question: do you choose to pay the premium for terrorism coverage stated in this offer of coverage, or do you reject the offer of coverage and not pay the premium? You may accept or reject this offer.

If your policy provides commercial property coverage, in certain states, statutes or regulations may require coverage for fire following an act of terrorism. In those states, if terrorism results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms, or to Legal Liability coverage forms or Leasehold Interest coverage forms.

**Your premium will include the additional premium for terrorism as stated in the section of this Notice titled DISCLOSURE OF PREMIUM.**

### 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 85% of that portion of the amount of such insured losses that exceeds the applicable insurer deductible during Program Year 2008 and each Program Year thereafter through 2014.**

### DISCLOSURE OF CAP ON ANNUAL LIABILITY

If the aggregate insured terrorism losses of all insurers exceed \$100,000,000,000 during any Program Year provided in the Act, the Secretary of the Treasury shall not make any payments for any portion of the amount of such losses that exceed \$100,000,000,000, and if we have met our insurer deductible, we shall not be liable for the payment of any portion of such losses that exceeds \$100,000,000,000.

### DISCLOSURE OF PREMIUM

Your premium for terrorism coverage is: \$0.00

(This charge/amount is applied to obtain the final premium.)

**You may choose to reject the offer by signing the statement below and returning it to us. Your policy will be changed to exclude the described coverage.** If you chose to accept this offer, this form does not have to be returned.

### REJECTION STATEMENT

I hereby decline to purchase coverage for certified acts of terrorism. I understand that an exclusion of certain terrorism losses will be made part of this policy.

_____ Policyholder/Legal Representative/Applicant's Signature	_____ Manatee County Board of County Commissioners Named Insured
_____ Print Name of Policyholder/Legal Representative /Applicant	_____ Arch Specialty Insurance Company Insurance Company
_____ Date:	_____ Policy Number: RGL0048720-00

# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

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

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.