

COMMERCIAL LIABILITY COVERAGE

TABLE OF CONTENTS

	Page
Agreement.....	1
Definitions.....	2
Principal Coverages	
Coverage L - Bodily Injury/Property Damage.....	4
Coverage M - Medical Payments	4
Coverage N - Products/Completed Work	5
Coverage O - Fire Legal Liability	5
Incidental Liability Coverages	5
Defense Coverage.....	6
Exclusions That Apply To All Coverages	6
Additional Exclusions That Apply To Property Damage Liability	8
Additional Exclusions That Apply To Medical Payments	9
What Must Be Done In Case Of Loss	9
How Much We Pay	10
Conditions	10
Nuclear Energy Liability Exclusion.....	12
Nuclear Energy Liability Exclusion Definitions.....	12
Common Policy Conditions - These are shown on a separate form.	

Endorsements may also apply. They are identified on the Declarations page.

Refer to the Definitions for words that have special meanings. These words are shown in "**bold type**."

AGREEMENT

Subject to all the **terms** that apply, and in return for **your** payment of the required premium, **we** provide the Commercial Liability Coverage described in this policy during the policy period.

Policy **terms** that relate to cancellation, changes made to the policy, examination of books and records, inspections and surveys, and assignment or transfer of rights or duties also apply.

DEFINITIONS

1. **Auto** - This means a land motor vehicle, a trailer or a semi-trailer which is designed for use on public roads.

Auto includes attached machinery and equipment.

2. **Basic Territory** - This means the United States of America, its territories and possessions, Canada and Puerto Rico.

3. **Bodily Injury** - This means bodily harm, sickness or disease sustained by a person and includes required care and loss of services. **Bodily Injury** includes death that results from bodily harm, sickness or disease.

4. **Coverage Territory** - This means:

a. the **basic territory**;

b. international waters and airspace, only if the **bodily injury** or **property damage** occurs in the course of travel to or from the **basic territory**;

c. the world, if the injury or damage arises out of:

1) **products you** have made or sold in the **basic territory**; or

2) the activities of a person who normally resides in the **basic territory**, but is away for a short time on **your** business; and

provided that **your** liability to pay damages has been determined:

1) in a suit on the merits in the **basic territory**; or

2) in a settlement that **we** have agreed to.

5. **Impaired Property** - This means tangible property (other than **your products** or **your work**):

a. whose value has been decreased:

1) because it includes **your product** or **your work** that is, or is believed to be, deficient or dangerous; or

2) because **you** failed to carry out the terms of a contract; and

b. whose value can be restored:

1) by the repair, replacement, adjustment or removal of **your product** or **your work**; or

2) by **your** fulfilling the terms of the contract.

6. **Incidental Contract** - This means a written:

a. lease of premises;

b. easement agreement (this does not include an agreement in connection with any construction or demolition operation on or adjacent to a railroad);

c. promise to indemnify a municipality if required by an ordinance (this does not apply to connection with work done for the municipality);

d. sidetrack agreement; or

e. elevator maintenance agreement.

7. **Insured** - If shown on the Declarations as an "individual," **insured** means **you** and **your** spouse, but only with respect to the conduct of a business of which **you** are the sole owner.

If shown on the Declarations as a "partnership" or a "joint venture," **insured** means **you** and all **your** partners or members and their spouses, but only with respect to the conduct of the business.

If shown on the Declarations as an "organization" (other than a partnership or a joint venture), **insured** means **you** and all of **your** executive officers and directors, but only while acting within the scope of their duties. It also includes **your** stockholders, but only for their liability as such.

Insured also includes:

a. anyone, except **your** employees, while acting as **your** real estate manager;

b. if **you** die during the policy period, **your** legal representative while acting within the scope of his duties as such, or a person who has custody of **your** property with respect to liability arising out of the maintenance or use of that property until **your** legal representative is appointed.

c. with respect to the operation, with **your** permission, of mobile equipment:

1) **your** employee in the course of employment.

This does not apply to a fellow employee injured in the course of employment;

- 2) any other person. This includes anyone legally liable for the conduct of such person but only:
 - a) for liability arising out of the operation of the equipment; and
 - b) if there is no other insurance covering the liability available to them;
- 3) no one is an **insured** for property damage to property owned by, rented to, in the charge of, or occupied by **you**, or an employee of anyone who is an **insured** under paragraph c.
- d. **your** employees, for acts within the scope of their employment by **you** (this does not include **your** executive officers). None of these employees are **insureds** for:
 - 1) injury to **you** or to a fellow employee;
 - 2) **property damage** to property owned by, rented to or loaned to employees, or any of **your** partners or members and their spouses (if **you** are a joint venture or a partnership).
- e. any organization (other than a joint venture or a partnership) newly acquired or formed by **you**, and in which **you** have a majority interest.

Such an organization is not an **insured**:

- 1) if there is other similar insurance available to it; or
- 2) after 90 days immediately following that acquisition or formation; or
- 3) for **bodily injury** or **property damage** that occurred prior to the acquisition or formation.

No person or organization is an **insured** with respect to the conduct of a current or past partnership or joint venture that is not shown on the Declarations as an **insured**.

8. **Limit** - This means the **limit** of liability that applies.

9. **Loading or Unloading** - This means the movement of property:

- a. starting with the time it is removed from the point

where it has been accepted for transit by **auto**, aircraft or watercraft;

- b. continuing while it is in or on such vehicle; and
- c. ending when it has been removed from the vehicle to its point of destination.

Loading or unloading includes movement by any mechanical device attached to the vehicle.

10. **Occurrence** - This means an accident and includes repeated exposure to similar conditions.

11. **Products/Completed Work Hazard** -

- a. **Products hazard** means **bodily injury** or **property damage** occurring away from premises **you** own or rent and arising out of **your product** after physical possession of it has been relinquished to others.
- b. **Completed work hazard** means **bodily injury** or **property damage** arising out of **your work**. It does not include **work** that has not been completed, or that has been abandoned.

Your work is deemed completed at the earliest of the following times:

- 1) when all **work** specified in **your** contract has been done;
- 2) when all **work** to be done at a job site has been completed if **your** contract includes work at more than one site; or
- 3) when **your work** at a job site has been put to its intended use by someone other than another contractor or subcontractor working on the same job site.

Work which requires further service, maintenance, correction, repair or replacement because of defect or deficiency, but which is otherwise complete, shall be deemed completed.

c. Neither of these hazards 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, created by **loading or unloading**;
- 2) the presence of tools, uninstalled equipment

or abandoned or unused materials; or

- 3) **products** or **work** for which the classification on the Declarations specifies "including **Products/Completed Work.**"

12. **Products** - This means goods or **products** manufactured, sold, handled, distributed or disposed of by **you**, others trading under **your** name, or a person or organization whose business or assets **you** have acquired.

Products includes:

- a. warranties or representations made at any time with respect to the fitness, quality, durability, or performance of **your products**; and
- b. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

Products does not include:

- a. vending machines;
- b. property that is rented to or placed for the use of others, but not sold; or
- c. real property.

13. **Property Damage** - This means;

- a. physical injury or destruction of tangible property; or
- b. the loss of use of tangible property whether or not it is physically damaged.

14. **Terms** - This means all provisions, limitations, exclusions, conditions and definitions that apply.

15. **We, Us, Our** - These words mean the company providing this coverage.

16. **You, Your** - These words mean the person or organization named on the Declarations.

17. **Your Work** - This means:

- a. work or operations performed by **you** or on **your** behalf;
- b. materials, parts and equipment **you** supply for such work or operations; and

- c. written warranties or representations made at any time regarding quality, fitness, durability or performance of any of the foregoing.

PRINCIPAL COVERAGES

We provide insurance for the following coverages indicated by a specific **limit** or premium charge on the Declarations.

COVERAGE L - BODILY INJURY LIABILITY PROPERTY DAMAGE LIABILITY

We pay all sums which an **insured** becomes legally obligated to pay as damages due to **bodily injury** or **property damage** to which this insurance applies. The **bodily injury** or **property damage** must be caused by an **occurrence**. This insurance applies only to **bodily injury** or **property damage** which occur:

1. within the **coverage territory**; and
2. during the policy period.

COVERAGE M - MEDICAL PAYMENTS

We pay the medical expenses defined below for **bodily injury** caused by an accident:

1. on premises **you** own or rent;
2. on ways adjacent or next to premises **you** own or rent; or
3. arising out of **your** operations.

We pay such expenses regardless of fault but only if:

1. they arise out of an accident that occurred in the **coverage territory** and during the policy period; and
2. they are incurred and reported within one year of the accident.

Medical expenses means the reasonable and necessary expenses for:

1. medical, surgical, x-ray and dental services, including prosthetic devices and eye glasses;
2. ambulance, hospital, professional nursing and funeral services; and
3. first aid at the time of an accident.

COVERAGE N - PRODUCTS/COMPLETED WORK

We pay all sums which an **insured** becomes legally obligated to pay as damages due to **bodily injury** or **property damage** arising out of the **Products/Completed Work Hazard** to which this insurance applies. The **bodily injury** or **property damage** must be caused by an **occurrence**. This insurance applies only to **bodily injury** or **property damage** which occur:

1. within the **coverage territory**; and
2. during the policy period.

COVERAGE O - FIRE LEGAL LIABILITY

We pay for **property damage** to buildings, or parts thereof, which **you** rent if the **property damage** is caused by fire for which **you** are legally liable. Buildings include fixtures permanently attached thereto.

All of the exclusions otherwise applicable to **property damage** do not apply to this coverage. However, **we** do not cover:

1. liability arising under any contract to indemnify a person or organization for damages by fire to the premises; or
2. liability arising out of **property damage** expected, directed or intended by an **insured**.

INCIDENTAL LIABILITY COVERAGES

These coverages are subject to all the **terms** of the Principal Coverages. They do not increase the **limits** stated for the Principal Coverages.

INCIDENTAL MEDICAL MALPRACTICE INJURY

We cover **bodily injury** arising out of the rendering or failure to render the following services;

1. medical, surgical, dental, x-ray or nursing services or treatment, or the furnishing of food or beverages in connection therewith; or
2. the furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances.

This coverage does not apply to:

1. expenses incurred by an **insured** for first aid to others at the time of an accident;

2. an **insured** or an employee engaged in the business or occupation of providing any of the services described under 1. and 2. above; or
3. injury caused by an indemnitee if such indemnitee is engaged in the business or occupation of providing any of the services described in 1. and 2. above.

MOBILE EQUIPMENT

We pay all sums for which an **insured** is legally liable for **bodily injury** or **property damage** resulting from mobile equipment, including attached equipment and machinery.

This coverage applies only to land motor vehicles that meet one or more of the following criteria:

1. Those which are used only on premises owned by or rented to **you** (premises includes adjoining ways).
2. Those which are designed primarily for use off public roads.
3. Those which travel on crawler treads.
4. Those which are self-propelled and designed or used only to afford mobility to the following types of equipment, which must be a part of or be permanently attached to such vehicle:
 - a. power cranes, shovels, loaders, diggers or drills;
 - b. concrete mixers (this does not include the mix-in-transit type); and
 - c. graders, scrapers, rollers and other road construction or repair equipment.
5. Those which are not self-propelled, but are used primarily to afford mobility to the following types of equipment permanently attached thereto:
 - a. air compressors, pumps and generators (this includes spraying, welding and building cleaning equipment);
 - b. geophysical exploration, lighting and well servicing equipment; and
 - c. cherry pickers and similar devices used to raise or lower workers.

This coverage does not apply to self-propelled vehicles with the following types of permanently attached

equipment:

1. equipment designed primarily for snow removal, street cleaning, road maintenance other than road construction or resurfacing;
2. cherry pickers and similar devices used to raise or lower workers;
3. air compressors, pumps and generators (this includes spraying, welding and building cleaning equipment);
4. geophysical exploration, lighting and well servicing equipment.

We cover **bodily injury** or **property damage** arising out of the operation of any of the equipment listed in paragraphs 2., 3. and 4. above.

We will provide any liability, uninsured motorists, no fault or other coverages required by any motor vehicle insurance law. **We** will provide the required **limits** for such required coverage.

DEFENSE COVERAGE

Payments under this coverage are in addition to the **limits** for the Commercial Liability Coverage.

We have the right and duty to defend a suit seeking damages for **bodily injury** or **property damage** which may be covered under the Commercial Liability Coverage. **We** may make investigations and settle claims or suits **we** decide are appropriate. Suit includes any alternative dispute resolution proceeding involving **bodily injury** or **property damage** to which:

1. **you** must submit; or
2. **you** submit with **our** consent.

We do not have to provide defense after **we** have paid an amount equal to the **limit** as the result of:

1. a judgment; or
2. a written settlement agreed to by **us**.

If **we** defend a suit, **we** will pay:

1. The costs taxed to the **insured**.
2. The expenses incurred by **us**.

3. The actual loss of earnings by an **insured** for the time spent away from work at **our** request. **We** pay up to \$100 per day.
4. The necessary expenses incurred by an **insured** at **our** request.
5. Pre-judgment interest awarded against any **insured** on that part of the judgment **we** pay. If **we** offer to pay the **limit**, **we** will not pay any pre-judgment interest based on that period of time after the offer.
6. The interest which accrues beginning with entry of a judgment and ending when **we** tender, deposit in court, or pay up to **our limit**.
7. The cost of appeal bonds or bonds for the release of attachments up to **our limit**. **We** are not required to apply for or furnish such bonds.
8. The cost, up to \$500, for bail bonds required of an **insured** because of an accident or traffic violation arising out of the use of a vehicle to which coverage L applies. **We** are not required to apply for or furnish such bonds.

EXCLUSIONS THAT APPLY TO ALL COVERAGES

We do not pay for a loss if one or more of the following excluded events apply to the loss, regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded event.

1. **We** do not pay for **bodily injury** or **property damage** which is expected by, directed by, or intended by an **insured**. This exclusion does not apply to **bodily injury** that arises out of the use of reasonable force to protect people or property.
2. **We** do not pay for **bodily injury** or **property damage** liability which is assumed under a contract or an agreement. This exclusion does not apply to an **incidental contract**.
3. **We** do not pay for **bodily injury** or **property damage** that arises out of the rendering or the failure to render a professional service, except as provided by the coverage under Incidental Medical Malpractice Injury.
4. **We** do not pay for **bodily injury** or **property damage**

that arises out of the use of mobile equipment in or in the practice or preparation for racing, speed, pulling or pushing, demolition or stunt activities or contests.

5. **We do not pay for **bodily injury** or **property damage** that arises out of transporting mobile equipment by an **auto** owned by, operated by, rented to or loaned to an **insured**.**
6. **We do not pay for **bodily injury** or **property damage** that arises out of the ownership, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, **loading or unloading** of:**
- a. an aircraft;
 - b. an **auto**, except as provided under the Incidental Coverage - Mobile Equipment. This exclusion does not apply to the parking of an **auto** on premises owned by, rented to or controlled by **you** or on the ways immediately adjoining if the **auto** is not owned by or rented to or loaned to an **insured**;
 - c. a watercraft. This exclusion does not apply if the watercraft:
 - 1) is on shore on premises owned by, rented to or controlled by **you**; or
 - 2) is not owned by **you** and is:
 - a) less than 26 feet in length, and
 - b) not being used to carry persons or property for a charge;
 - d. mobile equipment, except as provided under Incidental Coverage - Mobile Equipment.

Exclusion 7, applies if **you** are in the business of manufacturing, distributing, selling or serving alcoholic beverages.

7. **We do not pay for **bodily injury** or **property damage** for which an **insured** may be held liable by reason of:**
- a. causing or contributing to the intoxication of a person;
 - b. the furnishing of alcoholic beverages to a person under the influence of alcohol; or
 - c. a law or regulation relating to the sale, gift,

distribution or use of alcoholic beverages.

8. **We do not pay for:**

- a. **bodily injury** to an employee of an **insured** if it occurs in the course of employment; or
- b. consequential injuries to a spouse, child, parent, brother or sister of such injured employee.

Exclusion 8 applies where:

- 1) the **insured** is liable either as an employer or in any other capacity; or
- 2) there is an obligation to fully or partially reimburse a third person for damages arising out of paragraph 8.a. or 8.b. above.

Exclusion 8 does not apply to liability assumed by an **insured** under an **incidental contract**.

9. **We do not pay for **bodily injury** or **property damage**:**

- a. arising wholly or partially out of the actual, alleged or threatened discharge, dispersal, release or escape of pollutants:
 - 1) at or from premises **you** own, rent, use or occupy, unless the **bodily injury** or **property damages** arise from the heat, smoke or fumes of a fire which becomes uncontrollable or breaks out from where it was intended to be;
 - 2) at or from premises **you**, or for **you** or others, for the handling, storage, disposal, processing or treatment of waste;
 - 3) occurring in the transporting, handling, treatment, storage, disposal or processing of any material, including waste, by or for **you** or by any person or organization for whom **you** may be legally liable; or
 - 4) at or from any premises where **you** or any contractor or subcontractor, directly or indirectly under **your** control, are working or have completed work:
 - a) if the pollutant is on the premises in connection with such work, unless the **bodily injury** or **property damages** arise from the heat, smoke or fumes of a fire which becomes uncontrollable or breaks out from where it was

intended to be; or

b) if the work in any way involves testing, monitoring, clean-up, containing, treating or removal of pollutants.

b. due to any loss, cost or expense arising out of governmental action or inaction involving in any way the testing, monitoring, clean-up, containing, treating or removal of pollutants.

Pollutants means:

1) any solid, liquid, gaseous, thermal, electrical emission (visible or invisible) or sound emission pollutant, irritant or contaminant; or

2) waste, including materials to be recycled, reclaimed or reconditioned as well as disposed of.

10. **We** do not pay for **bodily injury** if benefits are provided or are required to be provided by an **insured** under a workers' compensation, nonoccupational disability, occupational disease or like law.

11. **We** do not pay for **bodily injury** or **property damage** that arises out of war. War includes undeclared war, civil war, insurrection, rebellion or revolution, or an act or a condition of war.

ADDITIONAL EXCLUSIONS THAT APPLY TO PROPERTY DAMAGE LIABILITY

1. **We** do not pay for **property damage** to property owned by, occupied by or rented to an **insured**, except as covered under Coverage O.

2. **We** do not pay for **property damage** to premises **you** sell, give away or abandon, if the **property damage** arises out of any part of those premises. This exclusion does not apply if the premises are **your work** and were not occupied, rented or held for rental by **you**.

3. **We** do not pay for **property damage** to property used by or loaned to **you**. This exclusion does not apply with respect to liability assumed under a written sidetrack agreement.

4. **We** do not pay for **property damage** to property in the care, custody or control of an **insured**. This exclusion does not apply with respect to liability

assumed under a written sidetrack agreement.

5. **We** do not pay for **property damage** to that specific part of real property on which work is being performed by:

a. **you**, or

b. a contractor or subcontractor working on **your** behalf, if the **property damage** arises out of such work. This exclusion does not apply with respect to liability assumed under a written sidetrack agreement.

6. **We** do not pay for **property damage** to that specific part of any property that must be restored, repaired or replaced because of faulty workmanship. This exclusion does not apply to:

a. **property damage** covered under the **Products/Completed Work Hazard**: or

b. liability assumed under a written sidetrack agreement.

7. **We** do not pay for **property damage** to **your products** if the damage is caused by the **product** or a part of it.

8. **We** do not pay for **property damage** to work performed by **you** if the damage is caused by the work or a part of the work and included in the **Products/Completed Work Hazard**. This exclusion does not apply if damage to the work or the part of the work out of which the damage arises is performed by a subcontractor on **your** behalf.

9. **We** do not pay for **property damage** to property that has not been physically injured or destroyed, or to **impaired property** that results from:

a. a delay or failure to perform a contract by **you** or one acting on **your** behalf; or

b. a defect, deficiency, inadequacy or unsafe condition in **your product** or **work** performed by **you** or on **your** behalf.

This exclusion does not apply to the loss of use of property resulting from sudden and accidental injury to or destruction of **your products** or **your work** after the **products** or **work** have been put to their intended use.

10. **We** do not pay for any loss or expense incurred by

you or anyone else arising out of the loss of use, disposal, withdrawal or recall (including any expenses involved in the withdrawal or recall) of **your products, your work or impaired property**. This applies when the loss of use, disposal, withdrawal or recall was because of a known or suspected defect, deficiency or unsafe condition.

ADDITIONAL EXCLUSIONS THAT APPLY TO MEDICAL PAYMENTS

1. **We** do not pay for medical expenses for **bodily injury** to an **insured**.
2. **We** do not pay for medical expenses for **bodily injury** to:
 - a. a person hired by or on behalf of any **insured** to do work for an **insured**; or
 - b. a tenant of an **insured**.
3. **We** do not pay for medical expenses for **bodily injury** to a person injured on that part of the premises owned by or rented to **you** that the person normally occupies.
4. **We** do not pay for medical expenses for **bodily injury** to a person while taking part in athletic activities.
5. **We** do not pay for medical expenses for **bodily injury** included in the **Products/Completed Work Hazard**.
6. **We** do not pay for medical expenses for **bodily injury** to any member of the named **insured**, if the named **insured** is a club.
7. **We** do not pay for medical expenses for **bodily injury** to a guest of the named **insured**, if the named **insured** is a hotel, motel or tourist court.
8. **We** do not pay for medical expenses for **bodily injury** to a person if benefits are provided or required to be provided under any workers' compensation, nonoccupational disability, occupational disease or like law.
9. **We** do not pay for medical expenses for **bodily injury** to a student, camper, patient or inmate enrolled in a program of any facility owned or operated by **you** or on **your** behalf.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -
 - a. In the case of an **occurrence**, or if an **insured** becomes aware of anything that indicates that there might be a claim under the Commercial Liability Coverage, the **insured** must promptly give notice to **us** or **our** agent.
 - b. The notice to **us** must state;
 - 1) the **insured's** name;
 - 2) the policy number;
 - 3) the time, the place and the circumstances of the **occurrence**; and
 - 4) the names and addresses of all known potential claimants and witnesses.
2. **Cooperation** - The **insured** must cooperate with **us** in performing all acts required by the Commercial Liability Coverage.
3. **Volunteer Payments** - An **insured** must not make payments or assume obligations or other costs except at the **insured's** own cost. This does not apply to first aid to others at the time of **bodily injury**.
4. **Other Duties** -
 - a. If a claim is made or suit is brought, the **insured** must:
 - 1) promptly send to **us** copies of all legal papers, demands and notices; and
 - 2) at **our** request, assist in:
 - a) a settlement;
 - b) the conduct of suits. This includes the attendance at trials or hearings;
 - c) the enforcing of rights against all parties who may be liable to an **insured** for the injury or damage;
 - d) the securing of and giving of evidence; and
 - e) obtaining the attendance of all witnesses.
 - b. In the case of a medical payments loss:

- 1) the injured person (or one acting on such person's behalf) must:
 - a) give **us** written proof of claim (under oath if requested) as soon as practicable; and
 - b) give **us** permission to get copies of the medical records;
- 2) the injured person must submit to medical exams by doctors chosen by **us** when and as often as **we** may reasonably require.

HOW MUCH WE PAY

1. The **limits**, shown on the Declarations and subject to the following conditions, are the most **we** pay regardless of the number of:
 - a. **insureds** under the Commercial Liability Coverage;
 - b. persons or organizations who sustain injury or damage; or
 - c. claims made or suits brought.

The payment of a claim under Coverage M does not mean that **we** admit **we** are liable under other coverages.

2. The General Aggregate is the most **we** will pay during a policy period for the sum of:
 - a. all damages under Coverage L, except damages due to injury or damage included in the **Products/Completed Work Hazard**; and
 - b. all medical expenses under Coverage M.
3. The Aggregate **Limit** shown for **Products/Completed Work Hazard** is the most **we** will pay during a policy period under Coverage N for damages due to injury or damage included under the **Products/Completed Work Hazard**.
4. The Each **Occurrence Limit**, subject to the General Aggregate **Limit** and the **Products/Completed Work Hazard Limit**, is the most **we** will pay for the total of:
 - a. damages under Coverages L and N, and
 - b. medical expenses under Coverage M.

due to all **bodily injury** and **property damage** arising out of a single **occurrence**.

5. Subject to the Each **Occurrence Limit** and the General Aggregate **Limit**, **our limit** for **property damage** covered under Fire Legal Liability is \$50,000 for each **occurrence** unless otherwise shown on the Declarations.
6. Subject to the General Aggregate and Each **Occurrence Limit**, the Medical Payment **Limit** is the most that **we** will pay under Coverage M for all medical expenses because of **bodily injury** sustained by any one person.

The General Aggregate and Aggregate **Limit** shown for **Products/Completed Work Hazard** apply separately to each consecutive 12-month period beginning with the inception date of the Commercial Liability Coverage shown on the Declarations. They also apply separately to any remaining policy period of less than 12 months, unless the Commercial Liability Coverage has been extended after it was written. In that case, the additional period will be considered part of the last preceding period for the purpose of determining **limits**.

CONDITIONS

1. **Bankruptcy** - Bankruptcy or insolvency of an **insured** does not relieve **us** of **our** obligations for Commercial Liability Coverage.
 2. **Suit Against Us** - No suit may be brought against **us** unless:
 - a. all the **terms** of the Commercial Liability Coverage have been complied with; and
 - b. the amount of the **insured's** liability has been determined by:
 - 1) a final judgment against an **insured** as a result of a trial; or
 - 2) a written agreement by the **insured**, the claimant and **us**.
- No person has a right under the Commercial Liability Coverage to join **us** or implead **us** in actions that are brought to determine an **insured's** liability.
3. **Subrogation** - If **we** pay under the Commercial Liability Coverage, **we** may require from an **insured**

an assignment of any right of recovery. **We** are not liable under the Commercial Liability Coverage if any **insured** has impaired **our** right to recover. An **insured** may waive its right to recover, in writing, before an **occurrence** takes place without voiding coverage.

4. **Commercial Liability Coverage Premium** - If the premium is shown on the Declarations as a deposit premium, **we** will compute the final earned premium at the end of each audit period shown on the Declarations. If it is more than the deposit premium paid by **you**, **we** will bill **you** for the difference. If the final earned premium is less than the deposit premium paid by **you**, **we** will return the difference to **you**. **You** must maintain records of the information that is necessary for computing the premium. Copies of the records must be sent to **us** at the end of the audit period or when requested by us.

5. **Insurance Under More Than One Policy** - (Applies to all coverages except Coverage M - Medical Payments.)

a. Insurance under this Commercial Liability Coverage is primary except as provided under paragraph 5.c. below, or unless otherwise stated. The amount of **our** liability is not reduced because of other insurance which applies to the loss on other than a primary basis.

b. If the other insurance is also primary, **we** will share in the loss as follows:

1) If the other insurance provides for contribution by equal shares, **we** will pay equal amounts with other insurers until:

a) the lowest applicable **limit** under any one policy is reached; or

b) the full amount of the loss is paid. If part of the loss remains unpaid, **we** will pay an equal share with the other insurers until the full amount of the loss is paid, or until **we** have paid **our limit** in full.

2) If the other insurance does not provide for contribution by equal shares, **we** will pay no more than that proportion of the loss to which the applicable **limit** under this policy for such loss bears to the total applicable **limit** for all insurance against the loss.

c. Insurance under this Commercial Liability

Coverage is excess over any other insurance:

1) if the other insurance, whether primary, excess, contingent or on any other basis, provides:

a) fire, extended coverage, builders' risk, installation risk or similar coverage for **your** work; or

b) fire insurance for premises rented to **you**; or

2) if the other insurance applies to any loss arising out of the maintenance or use of aircraft, **autos** or watercraft which may be covered by this policy.

d. When this insurance is excess over any other insurance:

1) **we** will have no duty under Coverage L to defend any claim or suit that any other insurer has a duty to defend. If no other insurer defends, **we** will do so. However, **we** will be entitled to the **insured's** rights against all those other insurers.

2) **we** will pay **our** share of the amount of loss, if any, that exceeds the sum of:

a) the total amount that all such other insurance would pay for the loss in the absence of this insurance; and

b) the total of all deductibles and self-insured amounts required by such other insurance.

We will share the remaining loss with any other insurance that is not described in this excess insurance provision and was not bought specifically to apply in excess of the **limits** of insurance shown on the Declarations page of this Commercial Liability Coverage.

6. **Misrepresentation, Concealment or Fraud** - This coverage is void if before or after a loss:

a. any **insured** has concealed or misrepresented:

1) a material fact or circumstance that relates to this insurance or the subject thereof; or

2) the **insured's** interest herein;

b. there has been fraud or false swearing by any

insured with regard to a matter that relates to this insurance or the subject thereof.

7. **Separate Insureds** - Coverage provided under the Commercial Liability Coverage applies separately to each **insured** against whom claim is made or suit is brought. This does not affect the **limits** stated under How Much We Pay.

8. **Motor Vehicle Financial Responsibility Certification** - When Commercial Liability Coverage is certified as proof of financial responsibility for the future under the provisions of any motor vehicle financial responsibility law, the insurance provided for **bodily injury** liability or **property damage** liability will comply with the provisions of the law to the extent of the coverage and **limits** of insurance required by that law.

NUCLEAR ENERGY LIABILITY EXCLUSION

This insurance does not apply:

1. under any liability coverage, to **bodily injury** or **property damage**:

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 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:

1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereto; or

2) 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, 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 the **hazardous properties** of **nuclear material**, if:

a. the **nuclear material**:

1) is at any **nuclear facility** owned by, or operated by or on behalf of, an **insured**; or

2) has been discharged or dispersed therefrom;

b. the **nuclear material** is contained in **spent fuel** or **waste** at any time possessed, handled, used, stored, processed, 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.

DEFINITIONS

The following definitions apply to the Nuclear Energy Liability Exclusion:

1. **Hazardous Properties** - These include radioactive, toxic or explosive properties.

2. **Nuclear Material** - This means **source material**, **special nuclear material** or **by-product material**.

3. **Source Material, Special Nuclear Material, By-product Material** - These have the meanings given them in the Atomic Energy Act of 1954, or in any law amendatory thereof.

4. **Spent Fuel** - This means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

5. **Waste** - This means any **waste** material:

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

6. **Nuclear Facility** - This means:

- a. any **nuclear reactor**.
- b. any equipment or device designed or used for:
 - 1) separating the isotopes of uranium or plutonium;
 - 2) processing or utilizing **spent fuel**; or
 - 3) handling, processing or packaging **waste**.
- c. any equipment or device used for the processing, fabricating or alloying of **special nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium-233 or any combination thereof, or more than 250 grams of uranium-235.

- d. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste**;

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

7. **Nuclear Reactor** - This means any apparatus designed or used:

- a. to sustain nuclear fission in a self-supporting chain reaction; or
- b. to contain a critical mass of fissionable material.

8. **Property Damage** - This includes all forms of radioactive contamination of property.