

PERSONAL UMBRELLA LIABILITY COVERAGE

The following Table of Contents shows how this policy is organized. It will help "you" locate particular sections of this form.

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Endorsements and schedules may also be part of this policy. They are identified on the "declarations".

Refer to the Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks.

AGREEMENT

This policy, subject to all of its "terms", provides the coverages described herein during the policy period. In return "you" must pay the required premium.

DEFINITIONS

1. The words "you" and "your" mean the person or persons named as the insured on the "declarations". This includes "your" spouse if a resident of "your" household.
2. The words "we", "us", and "our" mean the company providing this policy.
3. "Bodily injury" means bodily harm to a person and includes sickness, disease, or death. This also includes required care and loss of services.

"Bodily injury" does not mean bodily harm, sickness, disease, or death that arises out of:

- a. a communicable disease;
 - b. the actual, alleged, or threatened sexual molestation of a person;
 - c. mental or emotional injury, suffering, or distress that does not result from physical injury;
 - d. physical abuse;
 - e. corporal punishment; or
 - f. the use, sale, manufacture, delivery, transfer, or possession by any person of Controlled Substances as defined by the Federal Food and Drug Law at 21 U.S.C.A. Sections 811 and 812, including any amendments. Controlled Substances include but are not limited to cocaine, LSD, marijuana, and all narcotic or hallucinogenic drugs. However, this does not apply to the legitimate use of prescription drugs by a person following the orders of a licensed physician.
4. "Business" means a trade, a profession, or an occupation, including farming, all whether full or part time. This includes the rental of property to others.

"Business" includes services regularly provided by an "insured" for the care of others and for which an "insured" is compensated. A mutual exchange of like services is not considered compensation.

"Business" does not include:

- a. part time or seasonal activities that are performed by minors; or
 - b. activities that are related to "business", but are usually not viewed as "business" in nature.
5. "Declarations" are all pages labeled Declarations, Supplemental Declarations, or Schedules that pertain to this policy.
 6. "Domestic employee" means a person employed by an "insured" to perform duties that relate to the use and care of the "insured premises". This includes a person who performs duties of a similar nature elsewhere for an "insured". This does not include a person while performing duties in connection with the "business" of an "insured".
 7. Except as stated within this definition, "insured" means all persons or entities covered by "underlying insurance". Each such person or entity is a separate "insured", but this does not increase "our" "limit".

No person is an "insured" with respect to the use of a "motorized vehicle", watercraft, or trailer unless that person has a reasonable expectation that he or she has a right to such use. However, this does not apply to the use of a "motorized vehicle", watercraft, or trailer that "you" own or lease by a person who is:

- a. "your" relative and a resident of "your" household; or
- b. under the age of 21, residing in "your" household, and in "your" care or in the care of "your" resident relatives.

8. "Insured premises" means all premises covered by "underlying insurance".
9. "Limit" means the amount of coverage that applies.
10. "Motorized vehicle" means a self-propelled land or amphibious vehicle regardless of method of surface contact. This does not include vehicles that are designed and used to assist the handicapped and are not required to be licensed for road use.
11. "Occurrence" means an accident, including repeated exposures to similar conditions, that results in "bodily injury" or "property damage" during the policy period.
12. "Personal injury" means false arrest, false imprisonment, wrongful eviction, wrongful entry, wrongful detention, malicious prosecution, misrepresentation, libel, slander, defamation of character, or invasion of privacy.
- "Personal injury" does not mean false arrest, false imprisonment, wrongful eviction, wrongful entry, wrongful detention, malicious prosecution, misrepresentation, libel, slander, defamation of character, or invasion of privacy that arises out of:
- a communicable disease; or
 - the actual, alleged, or threatened sexual molestation of a person.
13. "Pollutant" means:
- any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - electrical or magnetic emissions, whether visible or invisible, and sound emissions.
14. "Property damage" means:
- physical injury or destruction of tangible property; or
 - the loss of use of tangible property whether or not it is physically damaged.
15. "Suit" means any civil proceeding in a court of law in which damages because of "bodily injury", "personal injury", or "property damage" to which this insurance applies are sought.
- "Suit" may also include arbitration proceedings in which damages for "bodily injury", "personal injury", or "property damage" are claimed and to which the "insured" must submit or does submit with "our" consent, or any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" does submit with "our" consent.
16. "Terms" means all provisions, limitations, exclusions, conditions, "declarations", and definitions used in this policy.
17. "Underlying insurance" means the liability insurance coverage provided under policies shown in the Schedule of Underlying Insurance on the "declarations" for the "limits" and policy periods indicated. It includes any policies issued to replace those policies during the term of this policy that provide:
- at least the same "limits"; and
 - the same hazards insured against, except as modified by general program revisions or as agreed to by "us" in writing.
18. "Underlying insurer" means any insurer who issues a policy of "underlying insurance".

PRINCIPAL COVERAGE

"We" pay, up to "our" "limit", all sums for which an "insured" is liable by law because of "bodily injury", "personal injury", or "property damage" to which this Personal Umbrella Liability Coverage applies.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Defense Coverage.

Subject to the Exclusions, this insurance applies only to:

1. "bodily injury" and "property damage" that is caused by an "occurrence"; and
2. "personal injury" arising from an offense committed during the policy period.

DEFENSE COVERAGE

1. "We" have the right to defend, investigate, and settle any claim or "suit" seeking damages covered by this policy. "We" may elect at any time to participate with the "insured" and with any "underlying insurer" or other insurer in the defense, investigation, and settlement of any claim or "suit" arising out of an "occurrence" or an offense that, in "our" opinion, may involve damages to which this policy may apply. However, "we" have no obligation to share in or contribute to any costs or expenses incurred by any "underlying insurer" or other insurer.
2. "We" have the duty to defend any claim or "suit" seeking damages to which this insurance applies, but only with respect to damages:

- a. covered by "underlying insurance" or any other valid and collectible insurance available to the "insured" except for exhaustion of a "limit" by the payment of losses; or
- b. not covered by "underlying insurance" or any other valid and collectible insurance available to the "insured". However, "we" have no duty to defend a claim or "suit" seeking damages for an amount that does not exceed the Retained Limit shown on the "declarations".

"Our" duty to defend ends when "we" have paid an amount equal to "our" "limit" as a result of a judgment or written settlement.

If "we" are prevented by law or otherwise prevented from carrying out this agreement, "we" will pay the "insured" for any expense incurred with "our" written consent.

3. If "we" defend a "suit", "we" pay:
 - a. the costs taxed to an "insured";
 - b. the costs incurred by "us";
 - c. the actual loss of earnings by an "insured" for time spent away from work at "our" request ("We" pay up to \$100 per day.);
 - d. the necessary costs incurred by "you" at "our" request;
 - e. the interest that accrues after the entry of a judgment, but ending when "we" tender or pay up to "our" "limit";
 - f. the premiums on appeal bonds or bonds for the release of attachments up to "our" "limit" ("We" are not required to apply for or furnish bonds.);
 - g. the premiums up to \$500 per bail bond required of an "insured" because of an accident or a traffic law violation arising out of the use of a vehicle to which this policy applies ("We" are not required to apply for or furnish bonds.); and

- h. prejudgment interest awarded against an "insured" on that part of the judgment "we" pay. If "we" offer to pay the "limit", "we" will not pay any prejudgment interest based on that period of time after the offer.

These payments will not reduce the "limit" as described under How Much We Pay.

EXCLUSIONS

This Personal Umbrella Liability Coverage does not apply to:

1. "bodily injury" or "property damage" that results from the ownership, leasing, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of aircraft. However, this exclusion does not apply to:
 - a. "bodily injury" to a person while performing duties as a "domestic employee"; or
 - b. model aircraft not designed or used to carry people or cargo.
2. liability imposed by law on an "insured" for "bodily injury" or "property damage" that results from the use of:
 - a. a "motorized vehicle", watercraft, or trailer by another person. However, this exclusion does not apply to the extent that such liability is covered by "underlying insurance" at the time of the "occurrence"; or
 - b. an aircraft by another person.

3. "bodily injury" or "property damage" that results from the ownership, leasing, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of "motorized vehicles" or trailers. Except as stated in the following paragraph, this exclusion does not apply to the extent that such "bodily injury" or "property damage" is covered by "underlying insurance" at the time of the "occurrence".

Regardless of the "terms" of the "underlying insurance", this Personal Umbrella Liability Coverage does not provide:

- a. automobile no fault or any similar coverage;
 - b. uninsured motorists coverage or underinsured motorists coverage or any similar coverage; or
 - c. automobile medical expense, automobile medical payments, or any similar coverage.
4. "bodily injury" or "property damage" that results from the ownership, leasing, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of watercraft. Except as stated in the following paragraph, this exclusion does not apply to the extent that such "bodily injury" or "property damage" is covered by "underlying insurance" at the time of the "occurrence".

Regardless of the "terms" of the "underlying insurance", this Personal Umbrella Liability Coverage does not apply to "bodily injury" or "property damage" that results from the use of watercraft in or in the practice or the preparation for any prearranged or organized racing, speed, or stunt activities or contests. This does not apply to watercraft used in predicted log cruises or to sailing vessels.

5. "bodily injury", "property damage", or "personal injury" that results from activities related to the "business" of any "insured", whether or not the "bodily injury", "property damage", or "personal injury" is covered by "underlying insurance" at the time of the "occurrence" or offense. However, this exclusion does not apply to:
 - a. with respect to an "insured premises" normally occupied by "your" household:
 - 1) the occasional rental or holding for rental for use as a residence of that part of the "insured premises" normally occupied solely by "your" household; or
 - 2) the rental or holding for rental for use as a residence of part of the "insured premises" not normally occupied solely by "your" household, but only if no family unit houses more than two roomers or boarders;
 - b. the rental or holding for rental, in whole or in part, of an "insured premises", other than an "insured premises" described in 5.a.1) or 5.a.2) above, for use as a residence;
 - c. the rental or holding for rental of part of an "insured premises" for use as a school, studio, office, or private garage; or
 - d. the use of a "motorized vehicle" or a trailer, but only to the extent that such use is covered by "underlying insurance" at the time of the "occurrence" or offense.
6. "bodily injury", "property damage", or "personal injury" assumed by an "insured" under any contract or agreement. However, this exclusion does not apply:
 - a. where the liability of others is assumed by an "insured" under a written contract that directly relates to the ownership, maintenance, or use of an "insured premises"; or
 - b. to the extent that such "bodily injury", "property damage", or "personal injury" is covered by "underlying insurance" at the time of the "occurrence" or offense.
7. "property damage" to property owned by an "insured".
8. "property damage" to any property for which an "insured" is contractually obligated to provide insurance at the time of the "occurrence". However, this exclusion does not apply to "property damage" caused by fire, smoke, or explosion.
9. "bodily injury" or "property damage":
 - a. that is expected by, directed by, or intended by an "insured";
 - b. that is the result of a criminal act of an "insured"; or
 - c. that is the result of an intentional and malicious act by or at the direction of an "insured".

This exclusion applies even if the "bodily injury" or "property damage" that occurs is different than what was expected by, directed by, or intended by the "insured"; or is suffered by someone other than the person or persons expected by, directed by, or intended by the "insured". However, this exclusion does not apply to "bodily injury" or "property damage" that arises out of the use of reasonable force to protect people or property.
10. "bodily injury" or "personal injury" to "you" and, if residents of "your" household, to "your" relatives and to persons under the age of 21 in "your" care or in the care of "your" resident relatives.
11. "bodily injury" or "property damage" that results from premises that are owned, rented, or controlled by an "insured" and that are not "insured premises". However, this exclusion does not apply to the extent that such "bodily injury" or "property damage" is covered by "underlying insurance" at the time of the "occurrence".

12. "bodily injury", "property damage", or "personal injury" that results from the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of "pollutants" into or upon land, water, or air. However, this exclusion does not apply to:
 - a. "bodily injury", "property damage", or "personal injury" that results from the heat, smoke, or fumes of a fire on the "insured premises" that becomes uncontrollable or breaks out from where it was intended to be; or
 - b. "bodily injury" or "property damage" that arises out of the ownership, leasing, operation, maintenance, use, occupancy, renting, loaning, entrusting, supervision, loading, or unloading of a motor vehicle that is subject to motor vehicle registration or designed for use on public roads, but only to the extent that such "bodily injury" or "property damage" is covered by "underlying insurance" at the time of the "occurrence".
13. any loss, cost, or expense arising out of any:
 - a. request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "pollutants"; or
 - b. claim or "suit" by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of "pollutants".
14. "bodily injury", "property damage", or "personal injury" that results from the rendering of or the failing to render a professional service.
15. "bodily injury" or "property damage" that results from the use of a "motorized vehicle" or a trailer in or in the practice or the preparation for racing, speed, pulling or pushing, demolition, or stunt activities or contests.
16. "bodily injury", "property damage", or "personal injury" arising out of lead in any form.
17. any loss, cost, or expense arising out of any:
 - a. request, demand, or order that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of lead; or
 - b. claim or "suit" by or on behalf of any governmental authority for damages resulting from testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of lead.
18. "bodily injury", "property damage", or "personal injury" resulting from an "insured's" service as an officer or member of a board of directors. However, this exclusion does not apply to "bodily injury", "property damage", or "personal injury" resulting from an "insured's" service as an officer or member of a board of directors for a not for profit organization for which the "insured" is not compensated.

With respect to this exclusion, reimbursement for expenses is not considered compensation.
19. "bodily injury" or "property damage" that results from war. (This includes undeclared war, civil war, insurrection, rebellion, revolution, warlike act by a military force or military personnel, or destruction, seizure, or use of property for a military purpose. Discharge of a nuclear weapon is deemed a warlike act even if accidental.)

20. "bodily injury" or "property damage" that results from an "occurrence" for which an "insured" is also an insured under a nuclear energy liability policy or would be an insured but for the exhaustion of its "limits". (A nuclear energy liability policy is a policy issued by the American Nuclear Insurers, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or their successors.)
21. "bodily injury" to a person, including a "domestic employee", if the "insured" has a workers' compensation policy covering the injury or if benefits are payable or are required to be provided by the "insured" under a workers' compensation, non-occupational disability, occupational disease, or like law.
22. liability for any assessment made by "your" homeowners, condominium, mobile-homeowners, or similar residential association.
23. "personal injury" that results from the willful violation of a law or ordinance by, at the direction of, or with the knowledge or consent of an "insured".
24. "personal injury" to a person that results from an offense directly or indirectly related to the person's employment by an "insured".
25. "personal injury" caused by a publication, statement, or act by, at the direction of, or with the knowledge or consent of an "insured" before the effective date of this insurance.
26. "personal injury" caused by a publication or statement made by, at the direction of, or with the knowledge or consent of an "insured", if the "insured" knew or had reason to believe that the publication or statement was false.

WHAT YOU MUST DO IN CASE OF LOSS

1. "You" must cooperate with the "underlying insurers" as required by the terms of their policies and comply with all terms and conditions of those policies.
2. "You" must see to it that "we" receive notice as soon as practical of an "occurrence" or an offense to which this insurance may apply. The notice to "us" must state:
 - a. the name of the "insured"; the policy number; and the time, place, and details of the "occurrence" or offense; and
 - b. the names and addresses of all known potential claimants and witnesses.
3. **Cooperation** -- The "insured" must cooperate with "us" in performing all acts required by this policy.
4. **Volunteer Payments** -- An "insured" must not make payments, pay or offer rewards, or assume obligations or other costs except at the "insured's" own cost.
5. **Other Duties** -- In case of an "occurrence" or offense that might result in a claim, the "insured" must promptly give "us" copies of all notices, demands, and legal papers that relate to the "occurrence", offense, or claim.

At "our" request, the "insured" must help "us":

 - a. to settle a claim;
 - b. to conduct "suits" (This includes being at trials and hearings.);
 - c. to enforce the right of recovery or indemnification against all parties who may be liable to an "insured" for the injury or damage;

- d. in the securing of and giving of evidence;
and
- e. in obtaining the attendance of all
witnesses.

HOW MUCH WE PAY

The "limit" shown on the "declarations" for this Personal Umbrella Liability Coverage is the most "we" pay for loss for each "occurrence" or offense. This applies regardless of the number of:

- 1. persons insured under this policy;
- 2. parties who sustain injury or damage;
- 3. claims made or "suits" brought; or
- 4. vehicles, watercraft, or trailers involved in an accident.

EXCESS INSURANCE

- 1. **Other Insurance** -- The insurance provided by this policy is excess over "underlying insurance", whether or not valid and collectible, and any other valid and collectible insurance available to the "insured", except insurance that is specifically purchased by the "insured" as excess insurance over the insurance provided by this policy.

If there is no "underlying insurance" or valid and collectible insurance available to the "insured" with respect to an "occurrence" or offense to which the insurance provided by this policy applies, then this insurance will apply as excess over the Retained Limit shown on the "declarations", except when:

- a. the "underlying insurer" is bankrupt or insolvent as stated below under item 3., Bankruptcy of Underlying Insurer; or

- b. "you" fail to maintain "underlying insurance" as stated under Condition 8., Maintenance of Underlying Insurance.

- 2. **Failure To Maintain Underlying Insurance**

-- If "you" fail to maintain "underlying insurance" as required by Condition 8., Maintenance of Underlying Insurance, the insurance provided by this policy will not replace such "underlying insurance" but will apply as if the "underlying insurance" were valid and collectible.

- 3. **Bankruptcy Of Underlying Insurer** -- In the event of bankruptcy or insolvency of any "underlying insurer", the insurance provided by this policy will not replace such "underlying insurance", but will apply as if the "underlying insurance" were valid and collectible.

CONDITIONS

- 1. **Appeals** -- If an "underlying insurer" elects not to appeal a judgment in excess of the "limit" of any "underlying insurance", "we" may elect to make such appeal. If "we" so elect, "we" will be liable, in addition to the applicable "limit", for all expenses "we" incur that pertain to such appeal.
- 2. **Bankruptcy Of An Insured** -- Bankruptcy or insolvency of an "insured" does not relieve "us" of "our" obligations under this policy.
- 3. **Cancellation and Nonrenewal** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel or not renew this policy by written notice to "you" at the address shown on the "declarations". Proof of delivery or mailing is sufficient proof of notice.

If "we" cancel this policy during the first 60 days that it is in effect, "we" will give "you" notice at least ten days before cancellation is effective.

If "we" cancel this policy after it has been in effect 60 days or more or if it is a renewal of a policy issued by "us", "we" will give "you" notice:

- a. at least ten days before cancellation is effective, if cancellation is because the premium has not been paid when due; or
- b. at least 30 days before cancellation is effective, if cancellation is for any reason other than nonpayment of premium.

If "we" do not renew this policy, "we" will give "you" notice at least 30 days before nonrenewal is effective.

"Your" return premium, if any, will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.

4. **Change, Modification, or Waiver of Policy Terms** -- A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.

If "we" adopt a revision that broadens coverage under this edition of "our" policy without an additional premium, the broadened coverage will apply to "your" policy as of the date "we" adopt the revision in the state in which "your" mailing address shown on the "declarations" is located. This applies only to revisions adopted 60 days prior to or during the policy period shown on the "declarations". This does not apply to changes adopted as a result of the introduction of a subsequent edition of "our" policy.

"Our" request for an appraisal or examination under oath does not waive policy "terms".

If this policy has no expiration date, "we" may substitute or "we" may add, at each anniversary date, forms that are then authorized for use.

5. **Conformity With Statute** -- "Terms" in conflict with the laws of the state in which "your" mailing address shown on the "declarations" is located are changed to conform to such laws.
6. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.
7. **Legal Action Against Us** -- No legal action may be brought against "us" unless:
 - a. all the "terms" of this policy have been complied with; and
 - b. the amount of an "insured's" liability has been fixed by:
 - 1) a final judgment against an "insured" as a result of a trial; or
 - 2) a written agreement of the "insured", the claimant, and "us".

No person has a right under this policy to join "us" or implead "us" in actions that are brought to fix the liability of an "insured".

8. **Maintenance Of Underlying Insurance** -- "You" must maintain the "underlying insurance" in full force and effect during the term of this policy.

If any "underlying insurance" is canceled or not renewed and not replaced or is at any time materially changed in "limits" or coverages, "you" must notify "us" at once. "We" will not be liable under this policy for more than "we" would have been liable if that "underlying insurance" had not been terminated or had been kept at its original "limits" or coverages.

Reduction or exhaustion of any aggregate "limit" in any "underlying insurance" by payments for judgments, settlements, or expenses for "occurrences" or offenses during the policy period of this policy will not be a failure to maintain "underlying insurance" in full force and effect.

No statement contained in this condition limits "our" right to cancel or not renew this policy.

9. **Misrepresentation, Concealment, or Fraud**

-- This coverage is void as to "you" and any other "insured" if before or after a loss:

- a. "you" or any other "insured" has willfully 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; or
- b. there has been fraud or false swearing by "you" or any other "insured" with regard to a matter that relates to this insurance or the subject thereof.

10. **Subrogation** -- If "we" pay for a loss, "we" may require that "you" assign to "us" the right of recovery up to the amount "we" pay. "We" are not liable for a loss if, after the loss, "you" impair "our" right to recover against others. "You" may waive "your" right to recover, in writing, before a loss occurs, without affecting coverage.

11. **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 "your" death.

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