

0019



Plan: assets to feb #4
Act 10/15/02
GL 20 09
(Ed. 01 73)

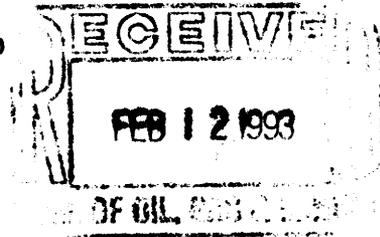
This endorsement forms a part of the policy to which attached, effective on the inception date of the policy unless otherwise stated herein.

(The following information is required only when this endorsement is issued subsequent to preparation of policy.)

Endorsement effective _____ Policy No. _____ Endorsement No. _____
Named Insured _____
Additional Premium \$ _____ Countersigned by _____
(Authorized Representative)

This endorsement modifies such insurance as is afforded by the provisions of the policy relating to the following:
**COMPREHENSIVE GENERAL LIABILITY INSURANCE
MANUFACTURERS AND CONTRACTORS LIABILITY INSURANCE**

ADDITIONAL INSURED
(Owners or Contractors)



Schedule

Name of Person or Organization (Additional Insured)	Premium Bases	Rates	Location of Covered Operations	Advance Premium
STATE OF UTAH DIV/OIL & GAS C/O LOWELL BRAXTON 355 W. NORTH TEMPLE 3 TRIAD CTR; SALT LAKE CITY, UT	Bodily Injury Liability 84180 Property Damage Liability	Cost \$100 of cost Cost \$100 of cost		\$ 250.00 \$
		Total Advance Premium		\$ 250.00

It is agreed that:

- The "Persons Insured" provision is amended to include as an insured the person or organization named above (hereinafter called "additional insured"), but only with respect to liability arising out of (1) operations performed for the additional insured by the named insured at the location designated above or (2) acts or omissions of the additional insured in connection with his general supervision of such operations.
- None of the exclusions of the policy, except exclusions (a), (c), (f), (g), (i), (j) and (m), apply to this insurance.
- Additional Exclusions This insurance does not apply:
 - to bodily injury or property damage occurring after
 - all work on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured at the site of the covered operations has been completed or
 - that portion of the named insured's 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;
 - to bodily injury or property damage arising out of any act or omission of the additional insured or any of his employees, other than general supervision of work performed for the additional insured by the named insured;
 - to property damage to
 - property owned or occupied by or rented to the additional insured,
 - property used by the additional insured,
 - property in the care, custody or control of the additional insured or as to which the additional insured is for any purpose exercising physical control, or
 - work performed for the additional insured by the named insured.
- Additional Definition When used in reference to this insurance, "work" includes materials, parts and equipment furnished in connection therewith.

**WHELMSTEAD INSURANCE COMPANY
COMMON POLICY DECLARATIONS**

POLICY NO. VW80300088

RENEWAL OF :GLM10181

NAMED INSURED CO-OP MINING, INC.

MAILING ADDRESS P.O. BOX 65809

SALT LAKE CITY UT 84165

CITY STATE ZIP
DESCRIPTION OF PREMISES

PREM NO.	BLDG. NO.	LOCATIONS, CONSTRUCTION AND OCCUPANCY
		10 MILES WEST OF HUNTINGTON CANYON HUNTINGTON, UTAH

POLICY PERIOD: From January 1, 1993 to January 1, 1994 at
12:01 A.M. Standard Time at your mailing address shown above.

BUSINESS DESCRIPTION COAL MINING

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

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

PREMIUMS

Owners', Landlords' and Tenants' Liability Coverage Part _____	
Manufacturers' and Contractors' Liability Coverage Part _____	
Commercial Crime Coverage Part _____	
Commercial General Liability Coverage Part _____	\$14,323.00
Commercial Inland Marine Coverage Part _____	
Commercial Property Coverage Part _____	
Farm Coverage Part _____	
Owners & Contractors Protective Liability Coverage Part _____	
	Minimum & Deposit
	TOTAL
	Policy Fee
	Inspection Fee
	State Tax
	Stamping Fee
	\$14,323.00

AUDITABLE

Forms applicable to all Coverage Parts: PVW1016, CC2/90, PVW619GH, IL0017, CG0001
(Show numbers)

CG0300, CG2135, CG2138, CG2139, CG2145

CG2009, MLE89

COUNTERSIGNED RICHARDSON, TEXAS BY *Paul [Signature]* MJH

January 21, 1993

(Authorized Representative)

In witness whereof, the company has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned by a duly authorized representative of the company.

FRANK PERI
SECRETARY

AS THIS IS SURPLUS LINE
BUSINESS, NO FLAT
CANCELLATIONS ALLOWED.

MARTIN BEITLER
PRESIDENT

VAN WAGONER COMPANIES, INC.

801 EAST CAMPBELL ROAD # 390, RICHARDSON, TEXAS 75081
 FAX 214-699-0655 PHONE 214-699-0551

COMMERCIAL GENERAL LIABILITY COVERAGE PART

POLICY NO.: VW80300088

EFFECTIVE DATE: 01/01/93

NAMED INSURED: CO-OP MINING, INC.

LIMITS OF INSURANCE:

EACH OCCURRENCE LIMIT: \$1,000,000.00

(OTHER THAN PRODUCTS/
COMPLETED OPERATIONS)

GENERAL AGGREGATE LIMIT: \$2,000,000.00

(OTHER THAN PRODUCTS/
COMPLETED OPERATIONS)

PRODUCTS/COMPLETED OPERATIONS:

PER OCCURRENCE LIMIT: \$1,000,000.00

ANNUAL AGGREGATE LIMIT: \$2,000,000.00

ADVERTISING LIMIT: \$EXCLUDED

PERSONAL INJURY LIMIT: \$EXCLUDED

FIRE DAMAGE LIMIT: \$EXCLUDED

MEDICAL EXPENSE LIMIT: \$EXCLUDED

COVERAGE LOCATION:

10 MILES WEST OF HUNTINGTON CANYON
HUNTINGTON, UTAH

CLASSIFICATIONS:

DESCRIPTION	CODE NO.	RATE	BASE	ADVANCE PREMIUM
COAL MINE INCL PROD/COMP	98002	\$57.89 (C)	220,000(C)	\$ 12,736.00
COAL DOCK	99999	\$4.05 (C)	330,000(C)	\$ 1,337.00

\$
\$
\$
\$
\$
\$

MINIMUM & DEPOSIT \$ 14,073.00

RATE

BASE

(a) per 1000 sq. ft. area

(b) linear foot

(c) per \$1,000 of remuneration

(d) per \$1000 of receipts

(e) per unit

(f) per \$1000 admissions

(g) per acre

(a) area (sq. ft.)

(b) frontage

(c) remuneration

(d) receipts

(e) units

(f) admissions

(g) acre

PVW1016

GENERAL ENDORSEMENT

MANDATORY NUCLEAR ENDORSEMENT

NUCLEAR CLAUSE (Applicable to the perils of fire and lightning): The word "fire" in this policy or endorsements attached thereto is not intended to and does not embrace nuclear reaction or nuclear radiation or radioactive contamination, whether controlled or uncontrolled, and loss by nuclear reaction or nuclear radiation or radioactive contamination is not intended to be and is not insured against by this policy or said endorsements, whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by "fire" or any other peril insured against by this policy or said endorsements; however, subject to the foregoing and all provisions of this policy, direct loss by "fire" resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured by this policy.

NUCLEAR EXCLUSION CLAUSE (Applicable to all perils insured against under this policy except the perils of fire and lightning which are otherwise provided for in the Nuclear Clause above): Loss by nuclear reaction or nuclear radiation or radioactive contamination, whether controlled or uncontrolled, or due to any act or condition incident to any of the foregoing, is not insured against by this policy, whether such loss be direct, or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by any of the perils insured against by this policy; and nuclear reaction or nuclear radioactive contamination, all whether controlled or uncontrolled, is not "explosion" or "smoke".

Prescribed by The State Board of Insurance.

SERVICE OF SUIT CLAUSE

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver or Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United State District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon: The Insurance Commissioner of the state in which the insured resides and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any state, territory or district of the United States which makes provisions therefore, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designated the above-named as the person to whom the said officer is authorized to mail such process of a true copy thereof.

MINIMUM EARNED PREMIUM CLAUSE

In the event of cancellation of this policy by the Insured, a minimum premium of 25% shall become earned; any cancellation of the policy to the contrary notwithstanding.

Failure of the Insured to make timely payments of premium shall be considered a request by the Insured for the Company to cancel. In the event of such cancellation by the Company for non-payment of premium, the minimum premium shall be due and payable; however, such non-payment cancellation shall be rescinded if the Insured remits the full premium due with 10 days of receiving notice of cancellation.

In the event of any other cancellation by the Company the earned premium shall be computed pro rata, not subject to the minimum premium.

POLICY FEE

The policy fee shown on the face of this policy is charged for the cost of preparing the policy and subsequent endorsements for this coverage. The fee is fully earned and nonreturnable.

TOTAL LOSS ENDORSEMENT

In consideration of the premium charged under this policy, it is understood and agreed that in the event of a constructive total loss of the Insured property, the full policy premium for the property shall be deemed fully earned for all coverages insured hereunder. No return premium shall be payable to the Insured for the unexpired term of the policy.

COMMON POLICY CONDITIONS

All coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

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

D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time.
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

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

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

POLICY NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 03 00 11 85

DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

- COMMERCIAL GENERAL LIABILITY COVERAGE PART
- PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Coverage	Amount and Basis of Deductible	
Bodily Injury Liability	\$-----	per claim
	\$-----	per occurrence
Property Damage Liability	\$-----	per claim
	\$-----	per occurrence
Bodily Injury Liability and Property Damage Liability Combined	\$1,000.00	per claim
	\$-----	per occurrence

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused):—

1. Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages, and the limits of insurance applicable to "each occurrence" for such coverages will be reduced by the amount of such deductible. "Aggregate" limits for such coverages shall not be reduced by the application of such deductible amount.
2. The deductible amounts stated in the Schedule apply as follows:
 - A. **PER CLAIM BASIS**—if the deductible is on a "per claim" basis, the deductible amount applies:
 1. Under the Bodily Injury Liability or Property Damage Liability Coverage, respectively:
 - a. To all damages because of "bodily injury" sustained by one person, or
 - b. To all damages because of "property damage" sustained by one person or organization,
 as the result of any one "occurrence".
 2. Under Bodily Injury Liability and Property Damage Liability Coverage combined to all damages because of "bodily injury" and "property damage" sustained by one person or organization as the result of any one "occurrence".
 - B. **PER OCCURRENCE BASIS**—if the deductible is on a "per occurrence" basis, the deductible amount applies:
 1. Under the Bodily Injury Liability or Property Damage Liability Coverage, respectively:
 - a. To all damages because of "bodily injury" as the result of any one "occurrence", or
 - b. To all damages because of "property damage" as the result of any one "occurrence".
 regardless of the number of persons or organizations who sustain damages because of that "occurrence".
 2. Under Bodily Injury Liability and Property Damage Liability Coverage combined to all damages because of "bodily injury" and "property damage" as the result of any one "occurrence".

(over)



POLICY NUMBER:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 35 01 87

EXCLUSION—COVERAGE C—MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Premises or Classification:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any locations or classification shown in the Schedule, coverage C. MEDICAL PAYMENTS (Section I) does not apply and none of the references to it in the Coverage Part apply.

The following is added to SUPPLEMENTARY PAYMENTS (Section I):

8. Expenses incurred by the insured for first aid to others at the time of an accident for "bodily injury" to which this insurance applies.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 38 11 85

EXCLUSION—PERSONAL AND ADVERTISING INJURY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

COVERAGE B (Section I) does not apply and none of the references to it in the Coverage Part apply.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 39 11 85

CONTRACTUAL LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

Definition 6. "insured contract" of the DEFINITIONS section is replaced by the following:

"Insured Contract" means any written:

1. Lease of premises;
2. Easement agreement, except in connection with construction or demolition operations on or adjacent to a railroad;
3. Indemnification of a municipality as required by ordinance, except in connection with work for the mu-

nicipality;

4. Sidetrack agreement or any easement or license agreement in connection with vehicle or pedestrian private railroad crossings at grade; or
5. Elevator maintenance agreement.

An "insured contract" does not include that part of a contract or agreement that indemnifies any person or organization for damage by fire to premises rented or loaned to you.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 45 11 85

EXCLUSION—FIRE DAMAGE LEGAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. The last paragraph of 2. EXCLUSIONS under Coverage A. (Section I) does not apply.
2. Paragraph 6. of LIMITS OF INSURANCE (Section III) does not apply.
3. Any reference in the Declarations to "Fire Damage Legal Liability" does not apply.



CERTIFICATE CONDITIONS

1. THIS CERTIFICATE is made and accepted subject to all the provisions, conditions and warranties set forth herein or appearing on the reverse side hereof, which are specially referred to and made a part of this Certificate, together with such other provisions, conditions and warranties as may be endorsed hereon, or added hereto; and no officer, agent or representative, other than Van Wagoner Co's., Inc., Richardson, Texas or the Underwriters shall have power to waive or be deemed to have waived any provision, condition or warranty of this Certificate unless such waiver, if any, shall be issued and executed by Van Wagoner Co's., Inc., Richardson, Texas, nor shall any privilege or permission affecting the Insurance under this Certificate exist or be claimed by the Assured unless so issued and executed.
2. This entire Certificate shall be void if the Assured has concealed or misrepresented any material fact or circumstances concerning this insurance or the subject thereof or in the case of any fraud or false swearing by the Assured touching any matter relating to this insurance or the subject thereof before or after a loss.
3. Any provisions or conditions appearing in any form(s) attached hereto and made a part hereof, which conflict with or alter the Certificate conditions, shall supersede the conditions appearing in this Certificate, in so far as the latter are inconsistent with the provisions and conditions appearing in such attached form(s).
4. It is expressly understood and agreed by the Underwriters by accepting this instrument that Van Wagoner Co's., Inc. is not one of the Underwriters hereunder and neither is nor shall be in any way or to any extent liable for any loss or claim whatever, but the Underwriters hereunder are only those Underwriters whose names are on file as hereinbefore set forth.
5. Loss, if any shall be payable in Richardson, Texas, in United States Currency.
6. This Certificate and attachments thereto shall not be valid unless signed by Van Wagoner Co's., Inc., endorsed hereon.
7. This Certificate of Insurance shall not be assigned either in whole or in part without the written consent of Van Wagoner Co's., Inc., endorsed hereon.
8. TAX PAID CLAUSE: Notice is hereby given that the Underwriters have agreed to allow for the purpose of paying the Federal Excise Tax 4 percent of the premium payable hereon to the extent such premium is subject to Federal Excise Tax.
9. TAX CLAUSE: It is understood and agreed that in the event of any return of premium becoming due hereunder the Underwriters will deduct from the amount of the return the same percentage as the allowance which they have made towards the Federal Excise Tax.
Nevertheless where such return of premium becomes due owing to the cancellation hereof by Underwriters the above deduction of the tax allowance shall not be made except in so far as the Assured has a right to recover the tax from the U.S. Government.
10. WAR AND CIVIL WAR EXCLUSION CLAUSE: Notwithstanding anything to the contrary contained herein this Certificate does not cover loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts 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.
11. SERVICE OF SUIT CLAUSE: It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' right to commence an action in any Court or competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.
It is further agreed that service of process in such suit may be made upon Van Wagoner Co's., Inc., Richardson, Texas, or Mendes and Mount, 3 Park Avenue, New York, NY, and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.
The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.
Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.
12. CLAIM NOTIFICATION CLAUSE: The Assured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give written notice with thirty days from date of loss to the Underwriters through Van Wagoner Co's., Inc., Richardson, Texas, who through the Underwriters, shall appoint an adjuster to assess the loss on behalf of Underwriters.
13. The Assured shall give immediate written notice to the Underwriters of any loss and within thirty days after the loss, unless such time is extended in writing by or on behalf of the Underwriters, the Assured shall render to the Underwriters a proof of loss, signed and sworn to by the Assured. The Assured, as often as may be reasonably required, shall submit to examinations under oath by any person named by the Underwriters and shall subscribe the same; and as often as may be reasonably required, shall produce for examination all books of accounts, bills, invoices and other vouchers, or certified copies thereof if original be lost, at such reasonable time and place as may be designated by the Underwriters or their representatives, and shall permit extracts and copies thereof to be made.
14. It is a condition of this Certificate that no suit, action or proceeding for the recovery of any claim under this Certificate shall be maintainable in any court of law or equity unless the same be commenced within twelve (12) months next after the time a cause of action for the loss accrues provided, however, that if by the laws of the state shown in the address of Assured in this Certificate such limitation is invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted by the laws of such state.
15. CANCELLATION CLAUSE: This Certificate may be cancelled on the customary short rate basis by the Assured at any time by written notice or by surrender of this Certificate to Van Wagoner Co's., Inc. This Certificate may also be cancelled, with or without the return or tender of the unearned premium by the Underwriters, or by Van Wagoner Co's., Inc., in their behalf, by delivering to the Assured or by sending to the Assured by mail, registered or unregistered, at the Assured's address as shown herein, not less than ten days written notice stating when the cancellation shall be effective, and in such case the Underwriters shall refund the paid premium less the earned portion thereof on demand, (subject always to the retention by Underwriters hereon of any minimum premium stipulated herein or proportion thereof previously agreed upon) in the event of cancellation either by Underwriters or Assured.

16. MINIMUM EARNED PREMIUM CLAUSE: In the event of cancellation of this policy by the Insured, a minimum premium of 25% shall become earned; any cancellation of the policy to the contrary notwithstanding.

Failure of the Insured to make timely payments of premium shall be considered a request by the Insured for the Company to cancel. In the event of such cancellation by the Company for non-payment of premium, the minimum premium shall be due and payable; however, such non-payment cancellation shall be rescinded if the Insured remits the full premium due within 10 days of receiving notice of cancellation.

In the event of any other cancellation by the Company the earned premium shall be computed pro rata, not subject to the minimum premium.

17. POLICY FEE: The policy fee shown on the face of this policy is charged for the cost of preparing the policy and subsequent endorsements for this coverage. The fee is fully earned and nonreturnable.

18. TOTAL LOSS ENDORSEMENT: In consideration of the premium charged under this policy, it is understood and agreed that in the event of a constructive total loss of the Insured property, the full policy premium for the property shall be deemed fully earned for all coverages insured hereunder. No return premium shall be payable to the Insured for the unexpired term of the policy.

MINE INDUSTRIES LIMITATION CLAUSES #MLE 89-1 (Ed. 4/92)

UNDERGROUND RESOURCES AND EQUIPMENT EXCLUSION

1. This insurance does not apply to:
 - a. "Property damage" included within the "underground resources and equipment hazard"; or
 - b. The cost of reducing any property included within the "underground resources and equipment hazard" to physical possession above the surface of the earth or of any body of water, or to the expense incurred or rendered necessary to prevent or minimize "property damage" to other property resulting from acts or omission causing "property damage" included within the "underground resources and equipment hazard."
2. "Underground resources and equipment hazard" includes "property damage" to any of the following:
 - a. Oil, gas, water, or other mineral substances which have not been reduced to physical possession above the surface of the earth or above the surface of any body of water;
 - b. Any well, hole, formation, strata, or area in or through which exploration for or production of any substance is carried on; or
 - c. Any casing, pipe, bit, tool, pump, or other drilling or well servicing machinery or equipment located beneath the surface of the earth in any such well or hold or beneath the surface of any body of water.

LAND SUBSIDENCE EXCLUSION

The policy does not apply to property damage directly or indirectly arising out of, caused by, resulting from, contributed to or aggravated by the subsidence, collapse, settling, sinking, slipping, falling away, caving in, shifting, eroding, mud flow, rising, tilting, or any other movement of land or earth; if any of the foregoing emanates from a mine, whether active, inactive or abandoned, or operations while being conducted therein.

RECLAMATION EXCLUSION

It is agreed that insurance does not apply to any liability for restoration, reclamation, backfilling, grading, planting, covering, or other modification of workings, high walls, spoil banks, haulage ways, or streams.

LAND CONDEMNATION EXCLUSION

This policy does not apply to:

Property damage, bodily injury, advertising injury or personal injury arising out of any act, direct condemnation or property or exercise of power of eminent domain by the insured, any act by the insured or inverse condemnation, any taking of property by the insured which is compensable under the fifth or fourteenth amendment to the United States Constitution, or any taking of property by the insured which is compensable under the Constitution of the State in which the claim is made.

LIMITATION OF DAMAGES

This policy does not apply to any treble damages or any other damages resulting from the multiplication of compensatory damages, or any punitive damages, exemplary damages, fines or penalties.

EARTHQUAKE AND VOLCANO EXCLUSION

Notwithstanding anything to the contrary in this endorsement or the policy of which this is a part, there is no coverage for any claim caused by or attributable to earthquake or volcanic eruption, not to fire and/or explosion and/or tidal wave resulting directly or indirectly from an earthquake or volcanic eruption.

OPERATIONS LIMITATION

The coverage provided by the policy of which this is a part is limited to the operations described under "Classification" on the Declarations Page.

SERVICE OF SUIT

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Company or Underwriters at the request of the Assured (or Reassured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States of America.

Notwithstanding any provision elsewhere in this insurance relating to jurisdiction. It is agreed that the Company or Underwriters have the right to commence an action in any court of competent jurisdiction as permitted by the laws of the United States of America or any state therein.

It is further agreed that the Insured may serve process upon VAN WAGONER COMPANIES, INC., Richardson, Texas and, that in any suit instituted against any one of them upon this contract, Company or Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The right of the Assured (or Reassured) to bring suit as provided herein shall be limited to a suit brought in its own name and for its own account. For the purpose of suit as herein provided, the word "Assured" includes any mortgagee under a ship mortgage and any person succeeding to the rights of any such mortgagee.

The above named are authorized and directed to accept service of process on behalf of Company or Underwriters in any such suit and/or upon the request of the Assured (or Reassured) to give a written undertaking to the Assured (or Reassured) that they will enter a general appearance upon Company or Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, Company or Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office (the Officer), as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Assured (or Reassured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

MINIMUM EARNED 25% ENDORSEMENT

In consideration of premium for which this insurance is written, it is understood and agreed, in event of cancellation, a minimum earned premium of 25% shall apply.

MALPRACTICE AND PROFESSIONAL SERVICES EXCLUSION

It is agreed that with respect to any operation above or designated in the policy as subject to this endorsement, this insurance does not apply to bodily injury or property damage due to the rendering of or failure to render any professional service.

EMPLOYEE BODILY INJURY EXCLUSION

It is agreed that exclusion (e) CL100 relating to bodily injury to any employee is replaced by the following:

(e) "bodily injury" to:

- (1) an employee of the Insured arising out of and in the course of employment by the Insured;
- (2) a past, present or prospective employee of the Insured, arising from any employment action, practice or policy of the Insured including but not limited to that on hiring or firing, promotion or demotion, performance evaluation, compensation, disciplinary action, retirement, layoff or transfer, or
- (3) any relative or member of the family of that past, present, or prospective employee as a consequence of (1) or (2) above.

This exclusion applies:

- (1) whether the Insured is or may be held 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.

ASSAULT AND BATTERY EXCLUSION

It is agreed that the insurance does not apply to bodily injury or property damage arising out of assault and battery or out of any act or omission in connection with the prevention or suppression of such acts, whether caused by or at the instigation or direction of the Insured, his employees, patrons or any other person.

SEXUAL ABUSE EXCLUSION

In consideration of the premium charged, it is understood and agreed that such coverage as is provided by this policy shall not apply to any claim, demand or cause of action arising out of or resulting from either sexual abuse or licentious, immoral or sexual behavior intended to lead to or culminating in any sexual act, whether caused by, or at the instigation of, or at the direction of, or resulting directly from any omission by, the Insured, his employees, patrons or any other causes whatsoever.

ASBESTOS AND RADON GAS EXCLUSION

In consideration of the premium charged and notwithstanding anything contained in this policy to the contrary, it is agreed as follows:

The coverage afforded by this policy does not apply to Bodily Injury, Personal Injury or Property Damage arising out of:

1. Inhaling, ingesting or prolonged physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in constructing or manufacturing any goods, product or structure; or
3. The removal or containment of asbestos from or within any goods, product or structure; or
4. The installation, manufacture, transportation, storage or disposal of asbestos or goods or products containing asbestos.
5. The presence of or causing to be exposed to any Radon Gas by the named Insured or the Insureds failure to detect, disclose or identify such presence of Radon Gas.

The coverage afforded by the policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

ABSOLUTE POLLUTION EXCLUSION

The pollution exclusion contained in wording CL100 is void and replaced with the following.

No coverage shall be provided by the policy for claims, suits, actions or proceedings against any Insured alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of, is contributed to by, or would not have occurred but for an actual or threatened exposure to the corrosive, toxic or other harmful properties of any solid, liquid, gaseous or thermal pollutants, contaminants, irritants or toxic substances, including, but not limited to vapors, soot, fumes, acids or alkalis, and waste materials consisting of or containing any of the foregoing.

DISCOVERY CLAUSE

No Claims for Property Damage or Bodily Injury as provided, will be honored hereunder unless the Company or Underwriters are notified of such claim, accident or loss within 36 months of expiration of this policy.

SUPPLEMENTARY PAYMENTS

As part of the overall Limits of Liability of this Insurance we will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur.
2. 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.
3. 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 \$100 a day because of time off from work.
4. All costs taxed against the Insured in the "suit".
5. Pre-judgment 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 pre-judgment interest based on that insurance, we will not pay any pre-judgment interest based on that period of time after the offer.
6. 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.
7. Expenses incurred by the Insured for first aid to others at the time of an event to which this insurance applies.

These payments are part of and will reduce the limits of insurance. This section replaces: Supplementary Payments - coverages A and B, in CL100.

CLOSED OR ABANDONED MINE CLAUSE

No coverage is provided by this policy for bodily injury or property damage arising out of trespassers entering mine shafts or tunnels that are not sealed, locked shut, fenced or in some way closed.

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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (SECTION II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (SECTION V).

SECTION I—COVERAGES**COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement.**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); 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 "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
- (2) The "bodily injury" or "property damage" occurs during the policy period.

- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions.

This insurance does not apply to:

- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This

exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

- b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- (2) That the insured would have in the absence of the contract or agreement.

- c. "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. Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

- e. "Bodily injury" to:

- (1) An employee of the insured arising out of and in the course of employment by the insured; or
- (2) The spouse, child, parent, brother or sister of that employee as a consequence of (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 by the insured under an "insured contract".

- f. (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:
- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;
 - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
 - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:
 - (i) if the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or
 - (ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants.

Subparagraphs (a) and (d) (i) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

- (2) 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 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 testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means 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.

- g. "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 does not apply to:
- (1) A watercraft while ashore on premises you own or rent;
 - (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
 - (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
 - (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
 - (5) "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" (Section V.8.).
- h. "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 or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.
- i. "Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.
- j. "Property damage" to:
- (1) Property you own, rent or occupy;
 - (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.

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

Exclusions c. through n. do not apply to damage by fire to premises rented to you. A separate limit of insurance applies to this coverage as described in LIMITS OF INSURANCE (SECTION III).

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 injury" or "advertising injury" to which

this coverage part applies. We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); 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 Coverage 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:

- (1) "Personal injury" caused by an offense arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you;
- (2) "Advertising injury" caused by an offense committed in the course of advertising your goods, products or services;

but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions.

This insurance does not apply to:

- a. "Personal injury" or "advertising injury":

- (1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (2) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or
- (4) 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.

- b. "Advertising injury" arising out of:

- (1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- (2) The failure of goods, products or services to conform with advertised quality or performance;
- (3) The wrong description of the price of goods, products or services; or
- (4) An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

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;
- provided 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 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. To any insured.
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an employee of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "products-completed operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS—COVERAGES A AND B

We will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur.

2. 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.
3. 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.
4. 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 \$100 a day because of time off from work.
5. All costs taxed against the insured in the "suit".
6. 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.
7. 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.

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. An organization other than a partnership or joint venture, 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.
2. Each of the following is also an insured:
 - a. Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, no employee is an insured for:
 - (1) "Bodily injury" or "personal injury" to you or to a co-employee while in the course of his or her employment, or the spouse, child, parent, brother or sister of that co-employee as

a consequence of such "bodily injury" or "personal injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury; or

- (2) "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
 - (3) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
- b. Any person (other than your employee), 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 or joint venture, 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 90th 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 does not apply to "personal injury" or "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 or joint venture 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 injury" and all "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 Fire Damage Limit is the most we will pay under Coverage A for damages because of "property damage" to premises rented to you arising out of any one fire.
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 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, Claim Or Suit.

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

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 obtained after an actual trial; 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.

If other valid and collectible insurance is available to the insured for a loss we cover under Coverage A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
- (2) That is Fire insurance for premises rented to you; or
- (3) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Coverage A (Section I).

When this insurance is excess, we will have no duty under Coverage A or B to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, 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 in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes

equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit.

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

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 30 days before the expiration date.

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

SECTION V—DEFINITIONS

1. "Advertising injury" means injury arising out of one or more of the following offenses:
 - a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - b. Oral or written publication of material that violates a person's right of privacy;
 - c. Misappropriation of advertising ideas or style of doing business; or
 - d. Infringement of copyright, title or slogan.
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.
4. "Coverage territory" means:
 - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
 - c. All parts of the world if:
 - (1) The injury or damage arises out of:
 - (a) Goods or products made or sold by you in the territory described in a. above; or
 - (b) 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; and
 - (2) 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. "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.
6. "Insured contract" means:
 - a. A lease of premises;
 - b. A sidetrack agreement;

- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- 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) 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 a liability that would be imposed by law in the absence of any contract or agreement.

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
 - b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
 - (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
 - c. 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 b. above and supervisory, inspection or engineering services; or
 - d. That indemnifies any person or organization for damage by fire to premises rented or loaned to you.
7. "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".

8. "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;
 - (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.
9. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
10. "Personal injury" means injury, other than "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 by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or
 - e. Oral or written publication of material that violates a person's right of privacy.
- 11. a.** "Products-completed operations hazard" 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.
- b. "Your work" will be deemed completed at the earliest of the following times:
- (1) When all of the work called for in your contract has been completed.
 - (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
 - (3) 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.
- c. This hazard 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 created by the "loading or unloading" of it;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials;
 - (3) Products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.
- 12. "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 of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the "occurrence" that caused it.

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

- a. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

14. "Your product" means:

- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (1) You;
 - (2) Others trading under your name; or
 - (3) A person or organization whose business or assets you have acquired; and
- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

15. "Your work" means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- b. The providing of or failure to provide warnings or instructions.