



# Markel Insurance Company

## COMMERCIAL LINES POLICY DECLARATIONS

8502AG060560-15  
Renewal of Policy No.

Policy No. **8502AG060560 - 16**

Named Insured and Mailing Address (No., Street, Town or City, County, State, Zip Code)\*

Members of The Harness Horsemen International  
319 High Street, Suite 2  
Burlington City, NJ 08016

Policy Period: from 06-01-2011 until 06-01-2012, at 12:01 A.M. Standard Time  
at your mailing address shown above.

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

Business Description: See MD011

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

	PREMIUM
Commercial Property Coverage Part	\$ _____
Commercial General Liability Coverage Part	\$ <u>Included</u>
Commercial Crime Coverage Part	\$ _____
Commercial Inland Marine Coverage Part	\$ <u>Included</u>
Boiler and Machinery Coverage Part	\$ _____
Farm Coverage Part	\$ _____
Commercial Auto Coverage Part	\$ _____
Liquor Liability Coverage Part	\$ _____
Capital Assets Program (Output Policy) Coverage Part	\$ _____
<b>Total Advance Premium: \$ 280,000.00</b>	<b>Total <u>280,000.00</u></b>
 GarAss(NJ)	 \$2,520.00

**Form(s) and Endorsement(s) made a part of this policy at time of issue\*:**

MJ1(04/95), MD001(07/02), MGL181(07/05), MAM100(12/08), MAM101(04/01), MAM109(12/08), MD025(04/01), MD011(09/99), CG0068(05/09), CG2173(01/08)  
CG2620(10/93), MAM1425(08/10), MGL-TERR-2(01/08), CG2160(09/98), CG2196(03/05), MIL005(09/95), MIL140(10/01), CM0001(09/04), MD012(09/00), IL0953(01/08)  
MIM-TERR-2(01/08), MIM115(05/10), MIM122(04/08), IL1201(11/85), ILO111(11/03), ILO141(09/08), ILO208(09/07), ILO017(11/98), ILO021(09/08), ILO935(07/02)  
MAM120(05/02), Definitions (06/09), MGL181-A (06/09), MIM122-A (06/09), List of Tracks/Training Centers (07/11), MAM100-A (06/09)

\* Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations.

06-07-2011

KPI Countersigned: Glen Allen, VA

72369 / Smith Brothers Insurance, Inc.  
68 National Drive  
Glastonbury, CT 06033

By Bruce A. Kay



# Markel Insurance Company

## COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy No: 8502AG060560 - 16

Effective Date: 06-01-2011 ,  
12:01 A.M., Standard Time

### LIMITS OF INSURANCE

General Aggregate Limit (Other Than Products--Completed Operations)	\$ 5,000,000	
Products--Completed Operations Aggregate Limit	\$ 1,000,000	
Personal and Advertising Injury Limit	\$ 1,000,000	
Each Occurrence Limit	\$ 1,000,000	
Damage To Premises Rented To You Limit	\$ 100,000	Any One Premises
Medical Expense Limit	\$ 5,000	Any One Person

### RETROACTIVE DATE (CG 00 02 only) N/A IN STATE OF NEW YORK

Coverage A of this Insurance does not apply to 'bodily injury' or 'property damage' which occurs before the Retroactive Date, if any, shown here: None  
(Enter Date or 'None' if no Retroactive Date applies)

### BUSINESS DESCRIPTION AND LOCATION OF PREMISES

Form of Business:  
 Organization  
 Business Description:  
 See MD011

72369 / Smith Brothers Insurance, Inc.  
 68 National Drive  
 Glastonbury, CT 06033

Location of All Premises You Own, Rent or Occupy:  
**SEE ATTACHED "EXTENSION OF DECLARATIONS"**

### PREMIUM

Classification	Code No.	Premium Basis	Rate	Advance Premium
<b>SEE ATTACHED "EXTENSION OF DECLARATIONS"</b>				
				Total Advance Premium: \$ 203,500.00

### FORMS AND ENDORSEMENTS (other than applicable Forms and Endorsements shown elsewhere in the policy)

Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue:  
**SEE POLICY DECLARATIONS**

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.



COMMERCIAL GENERAL LIABILITY  
EXTENSION OF DECLARATIONS

Effective Date: 06-01-2011 ,  
12:01 A.M., Standard Time

LOCATION OF PREMISES

Location of All Premises You Own, Rent or Occupy:

Location #1 Any location in the coverage territory.

PREMIUM

Classification	Code No.	Premium Basis	Rate	Advance Premium
LOCATION #1 Clubs-Civic, Service or Social-No Buildings or Premises Owned or Leased Except for Office Purposes Not for Profit	41670	5809 - Flat	INCL.	INCL.
Extension of Declarations - Total Advance Premium: \$				<b>203,500.00</b>



MARKEL INSURANCE COMPANY  
 TEN PARKWAY NORTH  
 DEERFIELD, ILLINOIS 60015  
**ANIMAL MORTALITY COVERAGE PART  
 DECLARATIONS**

Policy No. 8502AG060560 - 16

Effective Date: 06-01-2011  
 12:01 A.M., Standard Time

AMOUNT OF INSURANCE AND DESCRIPTION OF ANIMALS						
NUMBER	NAME	AGE	SEX	BREED USE	AMOUNT INSURED	PREMIUM
	See MAM100 Animal Mort. Cov				See MAM100-A (06/09)	
	See MAM100-A Amendment Animal Mortality					
	See MAM101 Specified Perils					
	See Definitions					
	Use: Race/Race Training					
<b>TOTAL INSURED AMOUNT:</b>					<b>\$250,000</b>	
PREMIUM						
<b>Total Advance Premium:\$ 0.00</b>						
FORMS AND ENDORSEMENTS						
Forms and Endorsements applying to this Coverage Part and made part of this policy at time of issue: <b>* * SEE POLICY DECLARATIONS PAGE * *</b>						



## Markel Insurance Company

### ANIMAL MORTALITY COVERAGE FORM

In accordance with the terms and conditions stated below, and in consideration of full payment of premium, the Markel Insurance Company (hereafter referred to as "we" or "us") agrees with the Named Insured (hereafter referred to as "you") as follows:

#### PROPERTY COVERED AND AMOUNT INSURED:

Coverage is provided for all animals shown on the attached schedule, while solely and unconditionally owned by you. Coverage is provided while the animal is within the continental United States and Canada unless otherwise indicated by endorsement to this policy and approved by us. The value shown on the attached schedule is the value agreed by us to be the current market value of the animal. In the event of a loss, we will pay no more than the limit shown on the policy schedule. Each animal is separately insured under this schedule.

#### PERILS INSURED:

This policy covers the loss of an animal by death, except where endorsed otherwise. This policy does not cover loss due to the animal becoming unsuitable for a particular use or purpose, regardless of the cause of the unsuitability. This policy does not cover death by intentional destruction due to unsuitability.

However, loss by death does include death by intentional destruction for humane reasons to avoid or terminate incurable and excessive suffering, if such destruction is carried out in accordance with the terms and conditions of this policy.

In addition to the other terms and conditions of the policy, intentional destruction is covered (if not otherwise excluded) if:

- 1) We, in advance of the destruction, grant permission, or
- 2) A licensed veterinarian, appointed by us, certifies, in advance, that the destruction is necessary to terminate incurable and excessive suffering, or
- 3) A licensed veterinarian certifies that the suffering was incurable and so excessive that immediate destruction was needed for humane reasons without waiting for appointment of a veterinarian by us.

We reserve the right to provide, at our own expense, veterinary treatment for any sick or injured animal for which you have not provided adequate treatment and/or care. This includes moving the animal to a treatment facility or securing other veterinary attention.

#### EXTENSION OF COVERAGE:

We will cover all animals shown on the attached schedule for theft (taking by illegal and/or forcible entry into any enclosure where the animal is located). We will not cover loss as a result of escape or mysterious disappearance. We will not cover loss due to voluntary parting with title or possession of the animal, whether or not this is caused by fraud, trick or pretense. We will not cover any injury or damage caused by the theft of the animal, other than its death.

If a theft occurs, you must:

- 1) Immediately notify the local police, and
- 2) Immediately notify us as noted under Duties in the Event of a Loss 2.

**We will not pay:**

- 1) If the animal is recovered within 30 days of the date of loss, unless it is found dead, or
- 2) If we pay a loss due to theft and the animal is recovered thereafter, you must return that payment to us, unless the horse was dead when found.

**We will not cover:**

- 1) The death of any animal used for any purpose other than that shown on the attached schedule.
- 2) Death directly or indirectly relating to the administration of any medication including, but not limited to, any drug, hormone, vitamin, or protein, or substance other than unadulterated food or drink unless given or directed by a licensed veterinarian (or someone certified by a licensed veterinarian) and was needed due to an accident, illness, injury, disease, disability or certified by that veterinarian to have been of a preventative nature.
- 3) Death as a result of castration or spaying, unless we have granted permission for that operation prior to the surgery being performed. An additional premium may apply. We reserve the right to revise coverage under this policy within 30 days after the surgery.
- 4) Death resulting from any surgical procedure unless conducted by a licensed veterinarian and certified by the veterinarian to have been necessitated by an accident, illness, injury, disease, or disability and not normally associated with the maintenance of an animal. This condition applies unless we have given prior consent for the surgical procedure, in which case, an additional premium may apply.
- 5) Death resulting directly or indirectly from failure to provide proper care and attention or from malicious or willful injury for which you or any of your employees or representatives is responsible.
- 6) The destruction of any animal which merely has contracted or been exposed to any contagious or communicable disease, even if ordered by a Governmental Agency, Humane Society, you, or anyone having care, custody or control of the animal(s).
- 7) Confiscation, nationalization, requisition, or destruction by or under the order of any government, public or local authority, or any person or body having jurisdiction in the matter.
- 8) Any animal which has been "**nerved**" at, above, or below the fetlock, unless specifically endorsed as covered. "**Nerved**" means part or all of the nerve has been removed or excised.
- 9) Loss resulting from:
  - a) Hostile or warlike action, in time of peace or war, including action in hindering, combating or defending against an actual, impending, or expected attack,
    1. by any government or sovereign power de jure or defacto, or by any authority maintaining or using military, naval or air forces, or
    2. military, naval or air forces, or
    3. by an agent of any such government, power, authority or forces.
  - b) Any weapon of war employing atomic fission or radioactive force whether in time of peace or war,
  - c) Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence,
  - d) Seizure or destruction under quarantine of Customs regulations, confiscation by order of any government or public authority or risks of contraband or illegal transportation or trade.
- 10) Loss by nuclear reaction or nuclear radiation or radioactive contamination, whether controlled or uncontrolled, and whether arising directly or indirectly out of any of the perils covered under this policy.

**No coverage shall be provided unless the following warranties are met:**

- 1) At the inception of the policy, all animals must be sound, healthy and have no known accident, illness, injury disease or disability unless the policy is otherwise endorsed.
- 2) At the inception of the policy, you must be the sole owner of each animal insured, unless the policy is otherwise endorsed. Coverage ceases when you sell the animal, or any percentage of the animal, unless the policy is otherwise endorsed.

## **DUTIES IN THE EVENT OF A LOSS**

### **1. NOTICE OF SICKNESS OR INJURY:**

In the event of ANY accident, injury, illness, disease, disability or abnormal condition of an insured animal you shall, immediately, and at your own expense, employ a qualified veterinarian to give proper care and to use every possible means to save the life of the animal. You or your representative SHALL GIVE IMMEDIATE NOTICE to us by telephone or facsimile transmission. We may instruct a veterinarian to examine the animal if we deem it necessary. Any failure by you to give proper care and treatment by a veterinarian or give us proper notice shall render the claim null and void AND release us from all liability in connection with this claim, whether you have personal knowledge of such events or such knowledge is confined to your representatives or anyone who has Care, Custody and Control of the animal. Compliance with this notice provision shall be a condition precedent to recovery on this policy, whether or not the failure to give notice does or does not result in actual prejudice to us. Upon prior notification, permission may be granted for elective surgeries.

In the event of the animal's death, you must, immediately, at your own expense, order a postmortem examination by a licensed veterinarian.

### **2. NOTICE OF LOSS:**

In the event of death or theft of any animal named on the attached schedule, you shall give immediate notice by telephone or facsimile transmission to us or our representatives and shall also file with us or our representatives within sixty (60) days from the date of loss a detailed sworn proof of loss. You shall not dispose of the carcass without obtaining prior consent from us or having an inspection and examination by a qualified veterinarian who shall issue to us, at your expense, a certificate of death which certifies the results of the examination, including a postmortem examination report. Failure by you to report any loss, obtain a postmortem examination and to file the proof of loss shall invalidate any claim under this Policy for such loss.

### **3. EXAMINATION UNDER OATH:**

You shall submit to examinations under oath by any persons named by us, relative to any and all matters in connection with a claim and to subscribe the same. You shall produce for examination all books of account, bills, invoices, and other vouchers, or certified copies if the originals are lost, at a reasonable time and place as designated by us or our representatives and shall permit extracts and copies to be made. Failure by you to comply with the conditions of this section will void all claims for the loss or losses in connection with which such examination is required.

### **4. SALVAGE CLAUSE:**

You have the duty, after receiving permission from us, to dispose of the remains of the animal at your own expense. We are entitled to receive any money recoverable by you in excess of the removal or disposal fees if the remains are sold.

### **5. COOPERATION CLAUSE:**

You must cooperate with us in the investigation or settlement of any claim.

## **GENERAL CONDITIONS**

### **1. NINETY DAY EXTENSION CLAUSE:**

Provided this is an annual policy, we agree to extend our liability on the animal(s) described in the schedule, otherwise subject to the policy terms and conditions, to cover death occurring within ninety (90) days after the policy expiration as a result of any accident, illness, injury, disease or disability occurring during the period of this policy.

It shall be a prior requirement to this extended liability that during the Policy period, you have complied with Duties In The Event Of A Loss 1.

**2. AUTOMATIC COVERAGE EXTENSION:**

We will cover any animal you acquire through claiming races or any animal between the age of 91 days and 15 years acquired at public sales. We will pay the amount you paid for the animal but not more than \$100,000. This extension of coverage shall apply only if within five days you report the acquisition to us and if you pay the additional premium we charge for the animal(s).

**3. AIR TRANSIT CLAUSE/BERSERK EXTENSION:**

This insurance includes air transits within the continental United States of America and/or Canada and the coverage is extended to cover you if your animal has to be destroyed by or on the order of the captain of the aircraft or other responsible authority if while on board the aircraft the animal becomes so uncontrollable as to be a danger to the safety of the aircraft, crew, passengers or other cargo. Confirmation by the captain's sworn statement of the above is required.

**4. MISREPRESENTATION AND FRAUD:**

This policy may be voided if you have concealed or misrepresented any material fact or circumstance concerning this insurance or the animal(s) covered; or in case of fraud, attempted fraud or false swearing by you touching any matter relating to this insurance or the animal(s) covered.

**5. SUIT AGAINST US:**

No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the same is commenced within twelve (12) months after discovery by you of the occurrence which gives rise to the claim; provided, however, that if by the laws of the state where this Policy is issued such limitation is invalid, then any claims shall be void unless such action, suit or proceeding is commenced within the shortest time limit permitted by the laws of that state.

**6. BAILEE CLAUSE:**

No person or organization, other than you, having custody of the covered property will benefit from this insurance.

**7. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY:**

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

**8. OTHER INSURANCE OR BENEFITS:**

Coverage will cease for any covered animal under this policy as of the effective date of other insurance or benefits whether or not such insurance or benefits is valid and/or collectible, unless:

- a. WE give OUR consent; and
- b. such consent is endorsed and indicated on this policy.

**9. SUBROGATION CLAUSE:**

In the event of any payment under this Policy, we shall be subrogated to all of your rights of recovery for such loss to the extent of such payment against any person or organization. We shall be entitled at our expense to sue in your name and you shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. You shall do nothing after the loss to prejudice such rights.

**10. 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 to 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. 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.
7. Return of Premium: Regardless of who cancels the policy, if you are entitled to receive a return premium, it will be calculated on a pro-rata basis. The earned premium shall not be less than the minimum premium specified in the policy.

**11. FULL PREMIUM IF LOSS CLAUSE:**

In the event of a covered loss you agree to pay the difference between the premium paid and the full annual premium (calculated at the rate and value on the policy) for the animal(s) on which the claim is paid.

**12. 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.

**13. INSPECTIONS AND SURVEYS:**

1. We have the right to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
  
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake 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:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

THIS POLICY IS MADE AND ACCEPTED SUBJECT TO THE ABOVE TERMS AND CONDITIONS WHICH ARE HEREBY SPECIFICALLY REFERRED TO AND MADE A PART OF THIS POLICY, TOGETHER WITH SUCH OTHER PROVISIONS, AGREEMENTS OR CONDITIONS AS MAY BE ENDORSED OR ADDED, AND NONE OF OUR OFFICERS OR OTHER REPRESENTATIVES SHALL HAVE THE POWER TO CHANGE OR BE DEEMED TO HAVE WAIVED ANY PROVISIONS OR CONDITIONS OF THIS POLICY UNLESS ATTACHED IN WRITING, NOR SHALL ANY PROVISION AFFECTING THE INSURANCE UNDER THIS POLICY EXIST OR BE CLAIMED BY YOU UNLESS SO WRITTEN OR ATTACHED.

All other terms and conditions remain the same.

# Markel Insurance Company

## GENERAL LIABILITY COVERAGE FORM - HORSE LIABILITY

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" caused solely by a horse that has been specifically scheduled on this policy and is owned by you. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" resulting from any cause other than from your horse. 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 Coverage A or medical payments under Coverage B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGE A.

- b. This insurance applies to "bodily injury" and "property damage" caused solely by a horse that has been specifically scheduled on this policy and is owned by you 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.
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. 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. Expected or Intended Injury

"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. Contractual Liability

"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) That the insured would have in the absence of the contract or agreement; or
- (2) 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. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage," provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Workers Compensation and Similar Laws

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

### d. Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

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

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**e. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time. However, this paragraph does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (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, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

**f. Damage to Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to you;
- (3) Personal property in the care, custody or control of the insured;

Paragraphs (2) and (3) of this exclusion do not apply to liability assumed under a sidetrack agreement.

**g. Athletic or Sports Participants**

This insurance does not apply to "bodily injury" to any person while practicing for, instructing or participating in any sports, athletic contest, exhibition. This includes riding or driving a horse for the purpose of warm up, exercise, practice or race such as jockeys or exercise riders. This exclusion applies to the following operations, including any similar operations: rodeo events, including but not limited to: calf roping, team roping, bull riding, steer wrestling, bareback and saddle bronco riding, bull fighting or calf scrambling and clowns; racing, including but not limited to: harness, steeple chase or flat racing; vaulting, including but not limited to: gymnastics on horseback; hunts, other than members of the Masters of the Foxhounds; jousting, including but not limited to: medieval games; and polo matches and practices.

**h. Cross Liability**

This policy affords no coverage for any claim, suit or cause of action alleging "bodily injury" or "property damage" brought by any insured or additional insured against any other insured or additional insured.

**i. Livery Stable Operations**

This policy affords no coverage for any claim, suit or cause of action arising directly or indirectly out of livery stable operations. Livery stable operations include, but are not limited to: rental of saddle animals, hay rides, carriage rides, sleigh rides, trail rides or pack trips.

**j. Premises and Operations**

This policy affords no coverage for any claim, suit or cause of action arising out of the ownership, use or maintenance of any premises, or from any operations of the insured other than claims arising out of "bodily injury" or "property damage" caused solely by a horse that has been specifically scheduled on this policy and is owned by you.

**k. Punitive Damages**

This policy affords no coverage for any claim, suit, or cause of action arising directly or indirectly out of punitive or exemplary damages, nor to fines, penalties or sanctions imposed by law, nor to defense costs related to any of the above.

**l. "Bodily injury" or "property damage" due to war, however caused, arising directly or indirectly, out of:**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**m. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

**n. Distribution of Material in Violation of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omissions that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**SUPPLEMENTARY PAYMENTS**

**COVERAGE A.**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured 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 \$250 a day because of time off from work.
4. All costs taxed against the insured in the "suit".
5. 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.

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.

These payments will not reduce the limits of insurance.

If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

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

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph **2.b.(2)** of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

(Section I - Coverages), such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph **f**, above, are no longer met.

## **COVERAGE B: MEDICAL PAYMENTS**

### **1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident caused solely by a horse that has been specifically scheduled on this policy and is owned by you 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 administered at the time of an accident:
  - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral expenses.

## 2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured except "volunteer workers",
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To any person where the "bodily injury" was not caused solely by a horse that has been specifically scheduled on this policy and is owned by you;
- 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 practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.
- f. Excluded under Coverage A.

## 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 ownership of a horse that has been specifically scheduled on this policy 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 their ownership of a horse that has been specifically scheduled on this policy.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to their ownership of a horse that has been specifically scheduled on this policy. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured, but only with respect to the ownership of a horse that has been specifically scheduled on this policy. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

(1) "Bodily injury":

(a) To you, to your partners or members (if you are a partnership or joint venture) to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the ownership of your horse that has been specifically scheduled on this policy, or to your "volunteer workers" while performing duties related to the ownership of your horse that has been specifically scheduled on this policy;

(b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraphs (1)(a) or (1)(b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers" any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person or organization (other than your "employee" or "volunteer worker") having proper temporary custody of your horse if you die, but only:

(1) With respect to liability arising out of the care, custody and control of that horse; and

(2) Until your legal representative has been appointed.

c. 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.

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

### SECTION III - LIMITS OF INSURANCE

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

a. Insureds;

b. Claims made or "suits" brought; or

c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of all claims occurring during any one policy period.

3. Subject to 2. above, the Each Occurrence Limit is the most we will pay because of all "bodily injury" and "property damage" arising out of any one "occurrence".

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

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

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

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

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

- a. You must 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 or settlement of the claim or defense against the "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 insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

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

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

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

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

##### **4. Newly Acquired Horses**

- a. We will cover additional horses you acquire during the policy period, for up to 15 days from acquisition as long as all horses owned by you are currently insured under this policy.

- b. You must report such newly acquired horses within 15 days from the date acquired and pay any additional premium due. If you do not report any newly acquired horses, coverage will end 15 days after the date the property is acquired.

## 5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverage A 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 other primary insurance available to you covering liability for damages arising out of the premises or operations or the products and completed operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under COVERAGE A to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". 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.

## 6. 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 and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period 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.

## 7. 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.

## 8. 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.

## 9. 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.

## 10. 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. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

- c. All other parts of the world if:

- (1) The injury or damage arises out of the activities of an owned horse who is permanently stabled in the territory described in a. above, but is away for a short time; 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.

3. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

5. "Insured contract" means:

- a. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

- b. 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.

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

- (1) That indemnifies a railroad 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;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) 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 (2) above and supervisory, inspection, architectural or engineering activities.

6. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the ownership of your horse. "Leased worker" does not include a "temporary worker."
7. Livery stable is defined as "a place where horses and/or vehicles are kept for hire."
8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
9. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

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

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

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

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

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

11. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

12. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

All other terms and conditions remain the same.

## Markel Insurance Company

# 2007 GENERAL LIABILITY MULTISTATE FORMS REVISION ADVISORY NOTICE TO POLICYHOLDERS

This is a summary of the major changes to your policy. This notice does not reference every editorial change made in the coverage form. No coverage is provided by this summary nor can it be construed to replace any provisions of your policy or endorsements. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this summary, **THE PROVISIONS OF THIS POLICY SHALL PREVAIL.**

The major areas within the policy that broaden or reduce coverage are highlighted below. Also, the areas within the policy that do not impact coverage are highlighted below.

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### COVERAGE FORM CHANGES

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#### ***NO IMPACT IN COVERAGE***

#### **SUPPLEMENTARY PAYMENTS SECTION**

- CG 00 01 12 07** - Commercial General Liability Coverage Form (Occurrence Version)
- CG 00 02 12 07** - Commercial General Liability Coverage Form (Claims-made Version)
- CG 00 09 12 07** - Owners And Contractors Protective Liability Coverage Form - Coverage For Operations Of Designated Contractor
- CG 00 33 12 07** - Liquor Liability Coverage Form (Occurrence Version)
- CG 00 34 12 07** - Liquor Liability Coverage Form (Claims-made Version)
- CG 00 35 12 07** - Railroad Protective Liability Coverage Form
- CG 00 37 12 07** - Products/Completed Operations Liability Coverage Form (Occurrence Version)
- CG 00 38 12 07** - Products/Completed Operations Liability Coverage Form (Claims-made Version)
- CG 00 39 12 07** - Pollution Liability Coverage Form Designated Sites
- CG 00 40 12 07** - Pollution Liability Limited Coverage Form Designated Sites
- CG 00 65 12 07** - Electronic Data Liability Coverage Form
- CG 00 66 12 07** - Product Withdrawal Coverage Form

The Supplementary Payments Section in your policy provides coverage for your defense costs with respect to any claim we investigate or settle, or any suit against you that we defend. The Supplementary Payments Section has been revised to reinforce that coverage is provided for court costs taxed against you, but this section does not provide coverage for plaintiff's attorneys' fees or attorneys' expenses taxed against you.

While this change is considered to be a reinforcement of coverage intent, it may result in a decrease in coverage in jurisdictions where courts have ruled that plaintiff's attorneys' fees or attorneys' expenses taxed against the insured can be levied as a supplementary payment.

## **INFRINGEMENT OF COPYRIGHT, PATENT, TRADEMARK OR TRADE SECRET EXCLUSION**

**CG 00 01 12 07** - Commercial General Liability Coverage Form (Occurrence Version)

**CG 00 02 12 07** - Commercial General Liability Coverage Form (Claims-made Version)

**CG 00 65 12 07** - Electronic Data Liability Coverage Form

The Infringement Of Copyright, Patent, Trademark Or Trade Secret Exclusion in your policy has been revised to reinforce that the exclusion does **not** apply to coverage for personal and advertising injury arising out of infringement of other intellectual property rights involving the use of another's advertising idea in your advertisement.

## **DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES EXCLUSION**

**CG 00 01 12 07** - Commercial General Liability Coverage Form (Occurrence Version)

**CG 00 02 12 07** - Commercial General Liability Coverage Form (Claims-made Version)

Previously, this exclusion was added to your policy via mandatory endorsement. The endorsement contained an exclusion addressing injury or damage arising out of any action or omission that violates or is alleged to violate the Telephone Consumer Protection Act (TCPA), the CAN-SPAM Act of 2003 or any other similar statute, ordinance or regulation that prohibits or limits the sending, transmitting, communicating or distribution of material or information. This exclusion has now been incorporated directly into your policy.

## **LIQUOR LIABILITY**

**CG 00 33 12 07** - Liquor Liability Coverage Form (Occurrence)

**CG 00 34 12 07** - Liquor Liability Coverage Form (Claims-made)

The definition of "injury" in your policy has been revised to reinforce that coverage is provided for bodily injury or property damage, as well as any related care, loss of services or loss of support.

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## **MULTISTATE ENDORSEMENTS**

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### ***BROADENINGS IN COVERAGE***

#### **Existing Endorsements**

**CG 22 60 12 07** - Limitation Of Coverage - Real Estate Operations

When this revised endorsement is attached to your policy, coverage is provided for injury and damage arising out of the ownership, operation, maintenance or use of premises listed **or shown** by you. The addition of the words "or shown" accommodates real estate agents who provide real estate professional services for properties shown but not listed by such agents.

**CG 22 93 12 07** - Lawn Care Services Coverage

When this revised endorsement is attached to your policy, insureds who apply herbicides/pesticides on lawns under their regular care are now provided bodily injury and property damage coverage.

## **New Endorsements**

### **CG 22 92 12 07 - Snow Plow Operations Coverage**

When this endorsement is attached to your policy, coverage is provided for bodily injury and property damage arising out of snow plow operations performed by an auto.

### **CG 24 16 12 07 - Canoes Or Rowboats**

When this endorsement is attached to your policy, coverage is provided for bodily injury and property damage arising out of the operation of any canoe or rowboat owned or used by or rented to you.

## ***REDUCTIONS IN COVERAGE***

### **Existing Endorsements**

**CG 21 47 12 07 - Employment-related Practices Exclusion (For Use With Commercial General Liability Coverage Forms)**

**CG 29 51 12 07 - Employment-related Practices Exclusion (For Use With The Owners And Contractors Protective Liability And Pollution Liability Coverage Forms)**

The Employment-related Practices Exclusion is revised to reinforce that, when these endorsements are attached to your policy, coverage is not provided for any injury to a person associated with the employment of that person, whether it occurs before employment, during employment or after employment of that person. Additionally, the exclusion is revised to reinforce that coverage does not apply for injury to a person caused by the malicious prosecution of that person.

While these changes are each a reinforcement of coverage intent, they may result in a decrease in coverage in jurisdictions where courts have ruled the exclusion to be inapplicable in employment-related malicious prosecution claims and/or post-employment claims. For that reason, out of caution, we are listing it as a decrease.

### **New Endorsements**

**CG 21 97 12 07 - Abuse Or Molestation Exclusion - Specified Professional Services**

When this endorsement is attached to your policy, coverage is not provided for injury or damage arising out of the actual or threatened abuse or molestation of a person while in the care, custody or control of any insured, during the rendering of the specified professional service.

**CG 21 98 12 07 - Total Pollution Exclusion Endorsement (For Use With The Products/Completed Operations Coverage Forms)**

When this endorsement is attached to your policy, coverage is not provided for bodily injury or property damage (including any loss, cost or expense) arising out of any pollution exposure.

## Markel Insurance Company

# RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION ENDORSEMENT ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), **the provisions of the policy (including its endorsements) shall prevail.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement, which applies to your renewal policy being issued by us:

### **Recording And Distribution Of Material Or Information In Violation Of Law Exclusion Endorsement CG 00 68 05 09**

This endorsement replaces the current Distribution Of Material In Violation Of Statutes Exclusion in your policy with a revised exclusion, newly titled Recording And Distribution Of Material Or Information In Violation Of Law Exclusion. The revised exclusion contains language that elaborates on the intent of the Distribution Of Material In Violation Of Statutes Exclusion to reflect that, in addition to the TCPA and CAN-SPAM Act of 2003, the exclusion will more explicitly exclude liability coverage for bodily injury, property damage or personal and advertising injury arising out of any action or omission that violates, or is alleged to violate, the Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA) and any other similar federal, state or local statute, ordinance or regulation concerning disposal and dissemination of personal information.

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

## **RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Exclusion q. of Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

#### **q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

**B. Exclusion p. of Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability** is replaced by the following:

#### **2. Exclusions**

This insurance does not apply to:

#### **p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1)** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2)** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3)** The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4)** Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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

## **EXCLUSION - YEAR 2000 COMPUTER-RELATED AND OTHER ELECTRONIC PROBLEMS**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability and Paragraph 2., Exclusions of Section I - Coverage B - Personal and Advertising Injury Liability:

#### **2. Exclusions**

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" (or "personal and advertising injury" if defined as such in your policy) arising directly or indirectly out of:

a. Any actual or alleged failure, malfunction or inadequacy of:

(1) Any of the following, whether belonging to any insured or to others:

- (a) Computer hardware, including micro-processors;
- (b) Computer application software;
- (c) Computer operating systems and related software;

(d) Computer networks;

(e) Microprocessors (computer chips) not part of any computer system; or

(f) Any other computerized or electronic equipment or companies; or

(2) Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph 2.a.(1) of this endorsement.

due to the inability to correctly recognize, process, distinguish, interpret or accept the year 2000 and beyond.

b. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph 2.a. of this endorsement.

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

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

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

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B.** The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

## **SILICA OR SILICA-RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

### **2. Exclusions**

This insurance does not apply to:

#### **Silica or Silica-Related Dust**

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust"
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust"
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating, or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust" by any insured or by any other person or entity.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**

### **2. Exclusions**

This insurance does not apply to:

#### **DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-Spam Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

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

## **NEW JERSEY CHANGES - LOSS INFORMATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART ("OCCURRENCE" VERSION)

The following Condition is added TO COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV):

### **10. Your Right to Loss Information**

We will provide the first Named Insured shown in the Declarations the following loss information relating to this and any preceding general liability Coverage Part we have issued to you during the previous three years:

- a. A list or other record of each "occurrence" of which we were notified in accordance with paragraph 2.a. of the Duties in the Event of Occurrence, Offense, Claim or Suit Condition in this Section. We will include a brief description of the "occurrence" and information on whether any claim arising out of the "occurrence" is open or closed.
- b. A summary by policy year, of payments made and amounts reserved, stated separately under any applicable General Aggregate Limit and Products-Completed Operations Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

You must not disclose this information to any claimant or any claimant's representative without our consent.

We will provide this information only if we receive a written request from the first Named Insured during the policy period. We will provide this information within 45 days of receipt of the request.

We compile claim and "occurrence" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers or others to whom this information is furnished by or on behalf of any insured.



# Markel Insurance Company

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

## **SPECIFIED PERILS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

ANIMAL MORTALITY COVERAGE FORM

**THIS ENDORSEMENT LIMITS YOUR POLICY AS NOTED BELOW. NO LOSS WILL BE COVERED IF YOUR ANIMAL(S) DIES OR IS DESTROYED FROM ANY CAUSE OTHER THAN THE FOLLOWING CAUSES OF LOSS:**

It is understood and agreed that the animal(s) shown on the declaration is/are covered for death or destruction caused by or made necessary from:

- a) Fire and Lightning;
- b) Collision, derailment or overturn of conveyances while in transit by railroad and/or motor vehicles (but the coming together of railroad cars during coupling operations shall not be deemed a collision within the meaning of this policy);
- c) Stranding, sinking, burning or collision of ferries including general average and/or salvage charges incurred in connection therewith;
- d) Collision of the vehicle in which the animal(s) is/are being conveyed or collision of the animal(s) with vehicles other than those owned or operated by you, your employees or agents;
- e) Collapse of bridges or culverts;
- f) Earthquake and/or flood, volcanic action, windstorm, cyclone, tornado, hail, explosion, riot, riot attending a strike, civil commotion, aircraft and objects falling therefrom, smoke;
- g) Theft, meaning a taking by illegal and forcible entry into an enclosure where the insured animal is located. This policy does not cover loss resulting from escape, mysterious disappearance or voluntary parting with title or possession of an insured animal by you or by others to whom the animal(s) have been entrusted, whether or not such parting is induced by fraud, trick or pretense; nor does this policy cover any injury or damage caused by theft of an insured animal, other than its death;
- h) Loading or unloading from an aircraft licensed for passenger and/or cargo carrying or while being transported between the places of departure and destination or while on board said aircraft.

IT IS UNDERSTOOD AND AGREED THAT:

- i) The animal(s) is/are covered against the risk of jettison, theft, maintenance due to an accident or mishap, forced landing or mechanical breakdown of the aircraft carrying said animal(s).
  - ii) The said animal(s) shall not be loaded on any aircraft with any other animal to which they may have a natural antipathy;
  - iii) That the said animal(s) may be exercised only under control at any port of call.
- i) Accidental Shooting;  
but we will not pay for loss if horse is shot by:
- a) you; or
  - b) any other insured;or
  - c) your employees;or
  - d) other persons residing on the insured location.
- j) Drowning from external causes;
- k) Electrocuting;
- l) Attack by dogs or wild animals;  
but we will not pay for loss caused by dogs or wild animals owned by you, your employees, or other persons residing on the insured location;
- m) Loading/Unloading accidents, meaning sudden, unforeseen and unintended events causing or necessitating death of covered animal(s) and occurring while they are being unloaded from or loaded onto vehicles used or to be used to transport them;
- n) Collapse;  
We will pay for loss or damage caused by or resulting from risks of direct physical loss involving collapse of a building caused only by one or more of the following:
1. Fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire extinguishing equipment, sinkhole collapse, volcanic action, breakage of building glass, falling objects, weight of snow, ice, or sleet, water damage, all only as insured against in this coverage form;
  2. Hidden decay;
  3. Hidden insect or vermin damage;
  4. Weight of people or personal property;
  5. Weight of rain that collects on a roof;
  6. Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- Collapse does not include settling, cracking, shrinkage, bulging or expansion.

**THIS POLICY DOES NOT INSURE AGAINST (IN ADDITION TO THE GENERAL EXCLUSIONS):**

- a) Loss caused by or resulting from illness or disease;
- b) Loss or damage caused by infidelity of your employees or persons to whom the animal(s) is/are entrusted (carriers for hire excepted);
- c) Willful misconduct or negligence of you, your servants or agents;
- d) You, your servants or agents having caused or allowed anything to be done whereby the risks insured against are or may be increased;
- e) Any breach of law by you;
- f) The omission or failure of you, your servants or agents to comply with any order or instructions of the pilot or other persons in supreme authority and control over the aircraft;
- g) Prohibition of Import or Export or failure to pass tests.

**NOTHING HEREIN CONTAINED SHALL VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, REPRESENTATIONS, CONDITIONS OR AGREEMENTS OF THE POLICY OTHER THAN AS STATED ABOVE.**

All other terms and conditions remain the same.



## Markel Insurance Company

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

### **VALUATION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

ANIMAL MORTALITY COVERAGE FORM

Your policy is an Agreed Value policy and the value shown on the attached schedule is the value agreed by us to be the current market value of the animal. However, if at any time during the policy period the horse is:

- a) entered or raced in any claiming race where the claiming price for your proportionate interest in the horse is less than the amount of insurance shown on the attached schedule, then the amount of insurance will automatically be reduced to the lowest amount for which your proportionate interest in the horse could have been claimed or sold in such race; or
- b) entered into a public auction but not sold and the amount of insurance shown on the attached schedule exceeds the highest amount bid for your proportionate interest in the horse, then the amount of insurance will automatically be reduced on the eighth (8th) day after such public auction to the highest amount bid for you proportionate interest in the horse, unless you:
  - i) notify us within seven (7) days after such public auction; and
  - ii) substantiate any amount of insurance shown on the attached schedule which exceeds the highest amount bid for your proportionate interest in the horse; or
- c) appraised and the appraisal value for your proportionate interest in the horse is less than the amount of insurance shown on the attached schedule, then the amount of insurance will automatically be reduced to the lowest amount at which your proportionate interest in the horse was appraised.

A prorated premium will be allowed if the amount of insurance is reduced for any of the above reasons.

All other terms and conditions remain the same.



## Markel Insurance Company

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

### **NEW JERSEY AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

ANIMAL MORTALITY COVERAGE FORM  
HORSE SPECIFIED PERILS COVERAGE FORM

**A. General Conditions - CANCELLATION - is amended by the following:**

Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an insurer can use to cancel or nonrenew this policy are maintained by the insurer in writing and will be furnished to the insured and/or the insured's lawful representative upon written request.

This provision shall not apply to any policy which has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.

**1. Cancellation of Policies In Effect For Less Than 60 Days**

- a.** We may cancel this policy by mailing or delivering to the first Named Insured and any person entitled to notice under this policy written notice, of cancellation, at least:

**(1)** 10 days before the effective date of cancellation if we cancel for:

**(a)** Nonpayment of premium; or

**(b)** Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f) as follows:

**(i)** "The risk, danger or probability that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. Any change in the circumstances of an insured that will increase the probability of such a destruction may be considered a 'moral hazard'; and

**(ii)** "The substantial risk, danger or probability that the character, circumstances or personal habits of the insured may increase the possibility of loss or liability for which an insurer will be held responsible. Any change in the character or circumstances of an individual, corporate, partnership or other insured that will increase the probability of such a loss or liability may be considered a 'moral hazard'".

**(2)** 30 days before the effective date of cancellation if we cancel for any other reason.

**(b)** In the notice of cancellation which is sent to the first Named Insured, we will state the reason for cancellation.

**2. Cancellation of Policies In Effect 60 Days Or More**

- a.** If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

**(1)** Nonpayment of premium;

**(2)** Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f);

**(3)** Material misrepresentation or nondisclosure to us of a material fact at the time of acceptance of the risk;

- (4) Increased hazard or material change in the risk assumed which we could not have reasonably contemplated at the time of assumption of the risk;
- (5) Substantial breaches of contractual duties, conditions or warranties that materially affect the nature and/or insurability of the risk;
- (6) Lack of cooperation from the insured on loss control matters materially affecting insurability of the risk;
- (7) Fraudulent acts against us by the insured or its representative that materially affect the nature of the risk insured;
- (8) Loss of or reduction in available insurance capacity;
- (9) Material increase in exposure arising out of changes in statutory or case law subsequent to the issuance of the insurance contract or any subsequent renewal;
- (10) Loss of or substantial changes in applicable reinsurance;
- (11) Failure by the insured to comply with any Federal, State or local fire, health, safety or building or construction regulation, law or ordinance with respect to an insured risk which substantially increases any hazard insured against within 60 days of written notification of a violation of any such law, regulation or ordinance;
- (12) Failure by the insured to provide reasonable and necessary underwriting information to us upon written request therefor and a reasonable opportunity to respond;
- (13) Agency termination, provided:
  - (a) We document that replacement coverage at comparable rates and terms has been provided to the first Named Insured, and we have informed the first Named Insured, in writing, of the right to continue coverage with us; or
  - (b) We have informed the first Named Insured, in writing, of the right to continue coverage with us and the first Named Insured has agreed, in writing, to the cancellation or nonrenewal based on the termination of the first Named Insured's appointed agent.
- (14) Any other reasons in accordance with our underwriting guidelines for cancellation of commercial lines coverage.

If we cancel this policy based on the above, we will mail or deliver a written notice, to the first Named Insured and any person entitled to notice under this policy, at least 10 days before the effective date of cancellation. If we cancel this policy for any other reason listed above, we will mail or deliver a written notice to the first Named Insured and any person entitled to notice under this policy, not more than 120 days nor less than 30 days before the effective date of such cancellation.

In the notice of cancellation which is sent to the first Named Insured, we will state the reason for cancellation. For cancellation due to the nonpayment of premium, the notice will state the effect of nonpayment by the due date. Cancellation for nonpayment of premium will not be effective if payment of the amount due is made before the effective date set forth in the notice.

Notice will be sent to the last mailing address known to us by:

- (1) Certified mail; or
- (2) First class mail, if we have obtained from the post office a date stamped proof of mailing showing names and addresses.

We need not send notice of cancellation if you have:

- (1) Replaced coverage elsewhere; or
- (2) Specifically requested termination.

**B.** The following is added and supersedes any other provision to the contrary:

**NONRENEWAL**

- 1. We may elect not to renew this policy for any reason permitted to cancel it. If we elect not to renew this policy, we will mail a notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured at least 30 days but not more than 120 days before the expiration date of this policy. If this policy does not have a fixed expiration date, it shall be deemed to expire annually on the anniversary of its inception.

2. This notice will be sent to the first Named Insured at the last mailing address known to us by:
  - a. Certified mail; or
  - b. First class mail, if we have obtained from the post office a date stamped proof of mailing showing the first Named Insured's name and address.
3. We need not mail or deliver this notice if you have:
  - a. Replaced coverage elsewhere; or
  - b. Specifically requested termination.

All other terms and conditions remain the same.



**MARKEL INSURANCE COMPANY  
MARKEL AMERICAN INSURANCE COMPANY**

**COMMERCIAL GENERAL LIABILITY**

**CONFIRMATION OF EXCLUSION OF CERTIFIED ACTS OF  
TERRORISM COVERAGE - COMMERCIAL GENERAL LIABILITY  
TERRORISM RISK INSURANCE ACT**

**Disclosure Of Premium**

We have notified you that under the Terrorism Risk Insurance Act we must make certified acts of terrorism coverage available in the policies we offer. At that time we advised you that the premium for such terrorism coverage would be \$ 100.00 .

**Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If you have not indicated to us or your agent that certified acts of terrorism coverage is desired, a certified act of terrorism exclusion will be attached to your policy and we will not charge your policy for terrorism coverage.

If you desire to purchase terrorism coverage, please contact us or your agent.

# MARKEL INSURANCE COMPANY

ATTACHED TO AND FORMING PART OF  
POLICY NUMBER: 8502AG060560 - 16

FARM PROPERTY  
COMMERCIAL GENERAL LIABILITY  
CARE, CUSTODY & CONTROL  
INLAND MARINE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MINIMUM EARNED PREMIUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

FARM PROPERTY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CARE, CUSTODY, & CONTROL COVERAGE PART  
INLAND MARINE COVERAGE PART

It is hereby understood and agreed that if this policy is canceled, the base premium of \$ 100,000.00 is fully earned.

All other terms and conditions remain the same .

## Markel Insurance Company

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

### MOLD EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL GENERAL LIABILITY EXTENSION ENDORSEMENT  
GARAGE COVERAGE PART  
FARM LIABILITY COVERAGE FORM  
COMMERCIAL UMBRELLA LIABILITY POLICY

The following is added to Exclusions in all sections of the Commercial General Liability Coverage Form, Farm Liability Coverage Form, Garage Coverage Form and the Commercial Umbrella Liability Policy. This also applies to any endorsement attached to any of the applicable Coverage Forms.

**A.** As respects the Commercial General Liability Coverage Part, Commercial General Liability Extension Endorsement, Garage Coverage Form and the Farm Liability Coverage Form, this insurance does not apply to:

1. "Bodily injury", "property damage" and/or "personal and advertising injury" which would not have occurred in whole or in part but for the actual, alleged or threatened contact with, exposure to, or inhalation, ingestion, absorption, discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of "mold".

**B.** As respects the Commercial Umbrella Liability Policy, this insurance does not apply to:

1. "Ultimate net loss" arising from "bodily injury", "property damage", "personal injury" or "advertising injury" which would not have occurred in whole or in part but for the actual, alleged or threatened contact with, exposure to, or inhalation, ingestion, absorption, discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of "mold".

**C.** As respects all coverages in **A.** and **B.** above, this insurance does not apply to:

1. Costs and expenses to investigate or defend any claim or "suit" or payment of any fine or penalty for **A.1.** or **B.1.**, above.

2. Any loss, cost, expense, fine or penalty arising out of any:

(a) Claim, "suit", request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, abate, mitigate, remediate, dispose of, contain, treat, detoxify or neutralize, or in any way respond to, or assess the concentration or effects of "mold", or

(b) Claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, abating, mitigating, remediating, disposing of, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the concentration or effects of "mold".

This exclusion **2(a)** and **2(b)** applies to any actual or alleged supervision, instructions, recommendations, warnings or advice given or which should have been given by any insured or others.

Exclusions **A.1.**, **C.1.** and **C.2.** above apply to:

(a) "bodily injury", "property damage" and "personal and advertising injury" regardless of whether such is included within the "products-completed operations hazard";

Exclusions **B.1.**, **C.1.** and **C.2.** above apply to:

- (a) "Ultimate net loss" arising from "bodily injury", "property damage", "personal injury" or "advertising injury" regardless of whether such is included within the "products-completed operations hazard".

All exclusions in **A.**, **B.** and **C.** apply to:

- (a) any obligations to share damages with or repay someone else who must pay damages; and
- (b) "mold" existing, emanating from or moving anywhere indoors or outdoors.

As used in this endorsement, the following term has the following meaning:

"Mold" means any permanent or transient fungus, mold, mildew or mycotoxin, or any of the spores, scents or by-products resulting therefrom regardless of whether they are proved to cause disease, injury or damage.

The addition of this endorsement does not imply that other provisions, including but not limited to any pollution exclusion, do not also exclude coverage for mold related injury, damage, expense, cost, loss, liability or legal obligation.

All other terms and conditions remain the same.



## COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their difference to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of the loss; or
- b. An appraisal award has been made.

6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### **G. Pair, Sets Or Parts**

##### **1. Pair Or Set**

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### **I. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

#### **J. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you.

This will not restrict your insurance.

#### **GENERAL CONDITIONS**

##### **A. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

##### **B. Control Of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

##### **C. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

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

**EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

**SCHEDULE**

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
CA, ME, MO, OR, WI	Commercial Property Coverage Part Commercial Inland Marine Coverage Part
CT, GA, HI, IL, IA, MA, NJ, NC, NY, RI, VA, WA, WV	Commercial Property Coverage Part
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A.** The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

**CERTIFIED ACT OF TERRORISM EXCLUSION**

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**C. Exception Covering Certain Fire Losses**

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

**D. Application Of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.



**MARKEL INSURANCE COMPANY  
MARKEL AMERICAN INSURANCE COMPANY**

**COMMERCIAL INLAND MARINE**

**CONFIRMATION OF EXCLUSION OF CERTIFIED ACTS  
OF TERRORISM COVERAGE -  
COMMERCIAL INLAND MARINE  
TERRORISM RISK INSURANCE ACT**

**Disclosure Of Premium**

We have notified you that under the Terrorism Risk Insurance Act we must make certified acts of terrorism coverage available in the policies we offer. At that time we advised you that the premium for such terrorism coverage would be \$ 100.00.

**Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If you have not indicated to us or your agent that certified acts of terrorism coverage is desired, a certified act of terrorism exclusion will be attached to your policy and we will not charge your policy for terrorism coverage.

If you desire to purchase terrorism coverage, please contact us or your agent.



# Markel Insurance Company

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

## **MOLD EXCLUSION**

This endorsement modifies insurance provided under the following:

ANNUAL TRANSIT COVERAGE FORM  
 AUCTION HOUSE COVERAGE FORM  
 BAILEE'S CUSTOMER INSURANCE  
 BUILDERS RISK COVERAGE FORM  
 COMMERCIAL ARTIST COVERAGE FORM  
 COMPUTER SYSTEMS COVERAGE FORM  
 CONSERVATOR COVERAGE FORM  
 CONTRACTORS EQUIPMENT COVERAGE FORM  
 CORPORATE FINE ARTS COLLECTION COVERAGE FORM  
 EXHIBITION COVERAGE FORM  
 FINE ART DEALER COVERAGE FORM  
 INSTALLATION COVERAGE FORM  
 MISCELLANEOUS ARTICLES COVERAGE FORM  
 MOTOR TRUCK CARGO-CARRIERS COVERAGE FORM  
 MOTOR TRUCK CARGO-OWNERS COVERAGE FORM  
 MUSEUM COVERAGE FORM  
 RADIO AND TELEVISION TOWERS AND EQUIPMENT COVERAGE FORM  
 TRIP TRANSIT COVERAGE FORM  
 WAREHOUSE OPERATORS LEGAL LIABILITY COVERAGE FORM

The following Exclusion is added to Section **B. Exclusions**:

We will not pay for loss or damage caused directly or indirectly by or resulting directly or indirectly from "mold" existing, emanating or moving anywhere indoors and outdoors. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

This Exclusion applies to:

1. The actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape, presence, growth or re-production of "mold" as well as testing for, monitoring, cleaning up, removing, abating, mitigating, remediating, disposing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the concentration or effect of "mold"; and
2. The cost of rebuilding, restoring, repairing or replacing any real or personal property, diminution in property value or any consequential loss, damage or expense caused directly or indirectly by or resulting directly or indirectly from "mold".

As used in this endorsement, the following term has the following meaning:

"Mold" means any permanent or transient fungus, mold, mildew or mycotoxin, or any of the spores, scents or by-products resulting therefrom regardless of whether they are determined to cause loss or damage.

All other terms and conditions remain the same.

# Markel Insurance Company

## OWNED HORSE EQUIPMENT 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. The words "we", "us" and "our" refer to the Company providing this coverage.

Other words and phrases that appear in quotation marks have special meaning.

### SCHEDULE

#### LIMITS OF INSURANCE

##### (A) **Unscheduled Horse Equipment**

The most we will pay for loss in any one occurrence for all Horse Equipment is \$ \_\_\_\_\_.  
The most we will pay for loss to any one item of Horse Equipment is \$ \_\_\_\_\_.

##### (B) **Scheduled Horse Equipment**

(The limit shown in this Schedule is the most that we will pay for loss or damage to an item of **Scheduled Horse Equipment**.)

<u>Description</u>	<u>Value</u>
1 See MIM122-A(06/09)	\$
	\$
	\$
	\$
	\$

Schedule attached

**Deductible:** \$ \_\_\_\_\_ per Occurrence

#### **A. Coverage**

We will pay for direct physical loss or damage to your Covered Property from any Covered Causes of Loss.

#### **B. Covered Property**

As respects this Coverage Form, Covered Property means any horse equipment owned by you used to ride a horse. This includes but is not limited to: saddles; bits; caparison; cinches or girths; hames; harnesses; headgear; martingales; horse blanket, saddle blankets or saddlecloths; and yokes.

#### **C. Covered Causes of Loss**

1. As respects this Coverage Form, Covered Causes of Loss means the following:

- a. Fire,
- b. Lightning,
- c. Explosion,
- d. Windstorm or Hail,
- e. Smoke, and
- f. Theft.

## 2. Cap On Certified Terrorism Losses

a. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- (1) The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
- (2) The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceeds \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

### b. Application Of Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

## D. Exclusions

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

### a. Government Action

Seizure or destruction of property by order of government authority. But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.

### b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for direct loss or damage caused by that fire.

### c. War and Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force in hindering or defending against an actual or expected attack, by a government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Exclusions C.1.a. through C.1.c. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Theft from any unattended vehicle unless at the time of theft its windows, doors, and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.
- b. Delay, loss of use, loss of market or any other consequential loss.
- c. Unexplained disappearance.
- d. Shortage found upon taking inventory.
- e. Dishonest or criminal act committed by:
  - (1) You, any of your partners, employees, directors, trustees, or authorized representatives;
  - (2) A manager or a member if you are a limited liability company;
  - (3) Anyone else with an interest in the property, or their employees or authorized representatives; or
  - (4) Anyone else to whom the property is entrusted for any purpose.

This exclusion applies whether or not such person is acting alone or in collusion with other persons or such act occurs during the hours of employment.

- f. Any repairing, restoration or retouching of the Covered Property.
- g. Marring, scratching, chipping or denting.

- h. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.
    - a. Wear and tear.
    - b. Any quality in the property that causes it to damage or destroy itself, gradual deterioration.
    - c. Insects, vermin or rodents.

**E. Deductible**

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits of Insurance exceeds the Deductible shown in the SCHEDULE of this Coverage Form. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

**F. Additional Condition**

The following condition applies in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**1. Coverage Territory**

- a. We will cover property wherever located within:
  - (1) The United States of America (including its territories and possessions);
  - (2) Puerto Rico; and
  - (3) Canada.
- b. We also cover property being shipped by air within and between points in Paragraph a.

**G. Additional Exclusions**

**Mold**

We will not pay for loss or damage caused directly or indirectly by "mold" existing, emanating or moving anywhere indoors and outdoors. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

This exclusion applies to:

1. The actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape, presence, growth or reproduction of "mold" as well as testing for, monitoring, cleaning up, removing, abating, mitigating, remediating, disposing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the concentration or effect of "mold"; and

2. The cost of rebuilding, restoring, repairing or replacing any real or personal property, diminution in property value or any consequential loss, damage or expense caused directly or indirectly by or resulting directly or indirectly from "mold".

**Pollutant Clean Up or Removal**

We will not pay for:

1. The expense or cost to extract "pollutants" from land or water regardless of whether the discharge, dispersal, seepage, migration, release or escape of pollutants results from a Covered Cause of Loss or not.

However, this exclusion does not apply to loss or damage to Covered Property that arises out of heat, smoke or fumes from a "hostile fire".

2. Any loss, cost or expense arising out of any:
  - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, 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".

As used in this Coverage Form, the following terms have the following meanings:

"Mold" means any permanent or transient fungus, mold, mildew or mycotoxin, or any of the spores, scents, or by-products resulting therefrom regardless of whether they are determined to cause loss or damage.

"Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

"Pollutants" means any solid, liquid or 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.

## 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 to 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.

#### INSPECTIONS AND SURVEYS

1. We have the right to:
  - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake 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:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of 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.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

### 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 this 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 representatives 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.

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

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

**(Broad Form)**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:
 

"Hazardous properties" includes radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";

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

"Nuclear facility" means:

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

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

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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

## **NEW JERSEY CHANGES**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

**A.** The following exclusion and related provisions are added:

1. We will not pay for loss or damage arising out of any act committed:
  - a. By or at the direction of any insured; and
  - b. With the intent to cause a loss.
2. However, this exclusion will not apply to deny payment to a co-insured who did not cooperate in or contribute to the creation of the loss if the loss arose out of domestic violence.
3. If we pay a claim pursuant to Paragraph **A.2.**, our payment to the insured is limited to that insured's insurable interest in the property. In no event will we pay more than the Limit of Insurance.

To the extent that the Concealment, Misrepresentation Or Fraud Condition conflicts with the provisions of Paragraph **A.2.** above, the provisions of **A.2.** will apply.

**B.** The following is added to the **Transfer Of Rights Of Recovery Against Others To Us** Condition:

If we pay a co-insured for loss arising out of an act of domestic violence by another insured, the rights of the co-insured, who did not cooperate in or contribute to the creation of the loss, to recover damages from the perpetrator of domestic violence are transferred to us to the extent of our payment. Following the loss, the co-insured who did not cooperate in or contribute to the loss may not waive such rights to recover against the perpetrator of domestic violence.

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

## **NEW JERSEY CHANGES - CIVIL UNION**

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 ELECTRONIC DATA LIABILITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 UNDERGROUND STORAGE TANK POLICY

**A.** The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under New Jersey law.

**B.** Under the Commercial Auto Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to the:

1. Individual Named Insured by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of such Named Insured's household, including a ward or foster child; or
2. Individual named in the Schedule by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage - Broadened Coverage For Named Individual Endorsement is attached.

**C.** With respect to coverage for the ownership, maintenance, or use of "covered autos" provided under the Commercial Liability Umbrella Coverage Part, the term "family member" is replaced by the following:

"Family member" means a person related to you by blood, adoption, marriage or civil union recognized under New Jersey law, who is a resident of your household, including a ward or foster child.

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

## **NEW JERSEY CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
 COMMERCIAL AUTOMOBILE COVERAGE PART  
 COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL LIABILITY UMBRELLA COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
 EQUIPMENT BREAKDOWN COVERAGE PART  
 FARM COVERAGE PART  
 FARM UMBRELLA LIABILITY POLICY  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** Pursuant to New Jersey law, this policy cannot be cancelled or nonrenewed for any underwriting reason or guideline which is arbitrary, capricious or unfairly discriminatory or without adequate prior notice to the insured. The underwriting reasons or guidelines that an insurer can use to cancel or nonrenew this policy are maintained by the insurer in writing and will be furnished to the insured and/or the insured's lawful representative upon written request.
- This provision shall not apply to any policy which has been in effect for less than 60 days at the time notice of cancellation is mailed or delivered, unless the policy is a renewal policy.
- B.** Paragraph 2. of the **Cancellation** Common Policy Condition is replaced by the following:
2. If this policy has been in effect for less than 60 days, we may cancel this policy for any reason subject to the following:
- a. We may cancel this policy by mailing or delivering to the first Named Insured and any person entitled to notice under this policy written notice, of cancellation, at least:
- (1) 10 days before the effective date of cancellation if we cancel for:
- (a) Nonpayment of premium; or
- (b) Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f) as follows:
- (i) "The risk, danger or probability that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. Any change in the circumstances of an insured that will increase the probability of such a destruction may be considered a 'moral hazard'"; and
- (ii) "The substantial risk, danger or probability that the character, circumstances or personal habits of the insured may increase the possibility of loss or liability for which an insurer will be held responsible. Any change in the character or circumstances of an individual, corporate, partnership or other insured that will increase the probability of such a loss or liability may be considered a 'moral hazard'".
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- b. In the notice of cancellation which is sent to the first Named Insured, we will state the reason for cancellation.
- C.** The following is added to the **Cancellation** Common Policy Condition:
- 7. Cancellation Of Policies In Effect For 60 Days or More**

- a. If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:
  - (1) Nonpayment of premium;
  - (2) Existence of a moral hazard, as defined in N.J.A.C. 11:1-20.2(f);
  - (3) Material misrepresentation or nondisclosure to us of a material fact at the time of acceptance of the risk;
  - (4) Increased hazard or material change in the risk assumed which we could not have reasonably contemplated at the time of assumption of the risk;
  - (5) Substantial breaches of contractual duties, conditions or warranties that materially affect the nature and/or insurability of the risk;
  - (6) Lack of cooperation from the insured on loss control matters materially affecting insurability of the risk;
  - (7) Fraudulent acts against us by the insured or its representative that materially affect the nature of the risk insured;
  - (8) Loss of or reduction in available insurance capacity;
  - (9) Material increase in exposure arising out of changes in statutory or case law subsequent to the issuance of the insurance contract or any subsequent renewal;
  - (10) Loss of or substantial changes in applicable reinsurance;
  - (11) Failure by the insured to comply with any Federal, State or local fire, health, safety or building or construction regulation, law or ordinance with respect to an insured risk which substantially increases any hazard insured against within 60 days of written notification of a violation of any such law, regulation or ordinance;
  - (12) Failure by the insured to provide reasonable and necessary underwriting information to us upon written request therefor and a reasonable opportunity to respond;
- (13) Agency termination, provided:
  - (a) We document that replacement coverage at comparable rates and terms has been provided to the first Named Insured, and we have informed the first Named Insured, in writing, of the right to continue coverage with us; or
  - (b) We have informed the first Named Insured, in writing, of the right to continue coverage with us and the first Named Insured has agreed, in writing, to the cancellation or nonrenewal based on the termination of the first Named Insured's appointed agent.
- (14) Any other reasons in accordance with our underwriting guidelines for cancellation of commercial lines coverage.
- b. If we cancel this policy based on Paragraphs 7.a.(1) or (2) above, we will mail or deliver a written notice, to the first Named Insured and any person entitled to notice under this policy, at least 10 days before the effective date of cancellation. If we cancel this policy for any other reason listed above, we will mail or deliver a written notice to the first Named Insured and any person entitled to notice under this policy, not more than 120 days nor less than 30 days before the effective date of such cancellation.
- c. In the notice of cancellation which is sent to the first Named Insured, we will state the reason for cancellation. For cancellation due to the nonpayment of premium, the notice will state the effect of nonpayment by the due date. Cancellation for nonpayment of premium will not be effective if payment of the amount due is made before the effective date set forth in the notice.
- d. Notice will be sent to the last mailing addresses known to us, by:
  - (1) Certified mail; or
  - (2) First class mail, if we have obtained from the post office a date stamped proof of mailing showing names and addresses.
- e. We need not send notice of cancellation if you have:
  - (1) Replaced coverage elsewhere; or
  - (2) Specifically requested termination.

- D. The following is added and supersedes any other provision to the contrary:

**NONRENEWAL**

1. We may elect not to renew this policy for any reason permitted to cancel it. If we elect not to renew this policy, we will mail a notice of nonrenewal, stating the reasons for nonrenewal, to the first Named Insured at least 30 days but not more than 120 days before the expiration date of this policy. If this policy does not have a fixed expiration date, it shall be deemed to expire annually on the anniversary of its inception.
2. This notice will be sent to the first Named Insured at the last mailing address known to us by:
  - a. Certified mail; or
  - b. First class mail, if we have obtained from the post office a date stamped proof of mailing showing the first Named Insured's name and address.
3. We need not mail or deliver this notice if you have:
  - a. Replaced coverage elsewhere; or
  - b. Specifically requested termination.

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

## **EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART  
 COMMERCIAL PROPERTY COVERAGE PART  
 CRIME AND FIDELITY COVERAGE PART  
 STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
    - a.** Any of the following, whether belonging to any insured or to others:
      - (1)** Computer hardware, including microprocessors;
      - (2)** Computer application software;
      - (3)** Computer operating systems and related software;
      - (4)** Computer networks;
      - (5)** Microprocessors (computer chips) not part of any computer system; or
      - (6)** Any other computerized or electronic equipment or components; or
    - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;
 

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss - Special Form: or
    - b.** In a Covered Cause of Loss under the Causes of Loss - Basic Form or the Causes of Loss - Broad Form;
 

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGES

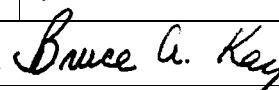
THIS ENDORSEMENT FORMS A PART OF THE POLICY NUMBERED BELOW:

POLICY NUMBER  <b>8502AG060560 - 16</b>	POLICY CHANGES EFFECTIVE  06-01-2011	COMPANY  Markel Insurance Company		
NAMED INSURED Members of The Harness Horsemen International		AUTHORIZED REPRESENTATIVE Bruce A. Kay		
COVERAGE PARTS AFFECTED Commercial Inland Marine Package General Liability Package Misc				
<b>CHANGES</b>				
<p>It is agreed that such insurance as is afforded by this policy are payable only in excess of any expenses payable by other valid and collectible insurance. In the absence of other valid and collectible insurance it is our intention that expenses incurred in connection with any covered peril shall be payable subject to the terms, conditions and limitations of this policy.</p> <p>"Other valid and collectible insurance" shall mean any individual insurance.</p> <p>This provision shall apply in determining the coverage as to a member covered under this policy for any claim determination period. If an claim exceeds the amount of coverage payable under any other valid and collectible insurance for such member during such time period, the Company will pay such excess coverage incurred due to a covered peril.</p> <p>A member who owns twenty (20) or more horses, must provide proof of primary coverage with "A" rated admitted carrier with limits equal to or greater than the named insured to be eligible for coverage under this policy.</p> <p>All other terms and conditions remain the same.</p>				
The above amendment(s) result in a change in premium as follows:				
<input type="checkbox"/>	NO CHANGES	<input type="checkbox"/>	TO BE ADJUSTED AT AUDIT	ADDITIONAL PREMIUM
			\$	\$

GarAss(NJ)

\$2,520.00

Bruce A. Kay



Authorized Representative Signature



# Markel Insurance Company

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

## **EXCLUSION OF TERRORISM**

This endorsement modifies insurance provided under the following:

Animal Mortality Coverage Form  
Horse Specified Perils Coverage Form

This endorsement applies to locations in the following states: AL, AZ, CO, MI, MN, MS, NJ, NM, PA, RI, TN & TX

- A.** We will not pay for any loss or damage caused directly or indirectly by, resulting from or in connection with or arising out of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.
- B.** As used in **A.** above, "terrorism" means any act against any person, tangible or intangible property, or infrastructure that:
1. Is determined by governmental authority to be an act of terrorism; or
  2. We reasonably determine to be:
    - a. In furtherance of political, religious, ideological or cultural objectives; and
    - b. Committed for the purpose of:
      - (1) Intimidating, coercing or punishing a civilian population or a segment thereof or its government;
      - (2) Influencing the policy of a government by intimidation or coercion; or
      - (3) Disrupting any segment of a national economy.
- 3.** Terrorism does not include "vandalism".
- "Vandalism" means willful and malicious damage to or destruction of property which is not committed for the purpose of:
- (1) Intimidating, coercing or punishing a civilian population or a segment thereof or its government;
  - (2) Influencing the policy of a government by intimidation or coercion; or
  - (3) Disrupting any segment of a national economy.

As used in this Endorsement the word act includes any preparation for or threat or attempt to commit such act.

# Markel Insurance Company

## GENERAL LIABILITY COVERAGE FORM - HORSE LIABILITY

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" caused solely by a horse that has been specifically scheduled on this policy and is owned by you. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" resulting from any cause other than from your horse. 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 Coverage A or medical payments under Coverage B.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGE A.

- b. This insurance applies to "bodily injury" and "property damage" caused solely by a horse that has been specifically scheduled on this policy and is owned by you 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.
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. 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. Expected or Intended Injury

"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. Contractual Liability

"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) That the insured would have in the absence of the contract or agreement; or
- (2) 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. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage," provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Workers Compensation and Similar Laws

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

### d. Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

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

This exclusion does not apply to liability assumed by the insured under an "insured contract".

#### e. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time. However, this paragraph does not apply to "bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (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, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

#### f. Damage to Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Property loaned to you;
- (3) Personal property in the care, custody or control of the insured;

Paragraphs (2) and (3) of this exclusion do not apply to liability assumed under a sidetrack agreement.

#### g. Athletic or Sports Participants

This insurance does not apply to "bodily injury" to any person while practicing for, instructing or participating in any sports, athletic contest, exhibition. This includes riding or driving a horse for the purpose of warm up, exercise, practice or race such as jockeys or exercise riders. This exclusion applies to the following operations, including any similar operations: rodeo events, including but not limited to: calf roping, team roping, bull riding, steer wrestling, bareback and saddle bronco riding, bull fighting or calf scrambling and clowns; racing, including but not limited to: harness, steeple chase or flat racing; vaulting, including but not limited to: gymnastics on horseback; hunts, other than members of the Masters of the Foxhounds; jousting, including but not limited to: medieval games; and polo matches and practices.

#### h. Cross Liability

This policy affords no coverage for any claim, suit or cause of action alleging "bodily injury" or "property damage" brought by any insured or additional insured against any other insured or additional insured.

**i. Livery Stable Operations**

This policy affords no coverage for any claim, suit or cause of action arising directly or indirectly out of livery stable operations. Livery stable operations include, but are not limited to: rental of saddle animals, hay rides, carriage rides, sleigh rides, trail rides or pack trips.

**j. Premises and Operations**

This policy affords no coverage for any claim, suit or cause of action arising out of the ownership, use or maintenance of any premises, or from any operations of the insured other than claims arising out of "bodily injury" or "property damage" caused solely by a horse that has been specifically scheduled on this policy and is owned by you.

**k. Punitive Damages**

This policy affords no coverage for any claim, suit, or cause of action arising directly or indirectly out of punitive or exemplary damages, nor to fines, penalties or sanctions imposed by law, nor to defense costs related to any of the above.

**l. "Bodily injury" or "property damage" due to war, however caused, arising directly or indirectly, out of:**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**m. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

**n. Distribution of Material in Violation of Statutes**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omissions that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- (3) Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**SUPPLEMENTARY PAYMENTS**

**COVERAGE A.**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured 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 \$250 a day because of time off from work.
4. All costs taxed against the insured in the "suit".
5. 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.

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.

These payments will not reduce the limits of insurance.

If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit," we will defend that indemnitee if all of the following conditions are met:

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

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph 2.b.(2) of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY

(Section I - Coverages), such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

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

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in paragraph f, above, are no longer met.

## **COVERAGE B: MEDICAL PAYMENTS**

### **1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident caused solely by a horse that has been specifically scheduled on this policy and is owned by you 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 administered at the time of an accident:
  - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral expenses.

## 2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured except "volunteer workers",
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To any person where the "bodily injury" was not caused solely by a horse that has been specifically scheduled on this policy and is owned by you;
- 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 practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.
- f. Excluded under Coverage A.

## 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 ownership of a horse that has been specifically scheduled on this policy 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 their ownership of a horse that has been specifically scheduled on this policy.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to their ownership of a horse that has been specifically scheduled on this policy. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured, but only with respect to the ownership of a horse that has been specifically scheduled on this policy. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

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

(1) "Bodily injury":

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

(2) "Property damage" to property:

- (a) Owned, occupied or used by,
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers" any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person or organization (other than your "employee" or "volunteer worker") having proper temporary custody of your horse if you die, but only:

- (1) With respect to liability arising out of the care, custody and control of that horse; and
- (2) Until your legal representative has been appointed.

c. 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.

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

### SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
- 2. The General Aggregate Limit is the most we will pay for the sum of all claims occurring during any one policy period.

3. Subject to 2. above, the Each Occurrence Limit is the most we will pay because of all "bodily injury" and "property damage" arising out of any one "occurrence".

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

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

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

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

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

- a. You must 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 or settlement of the claim or defense against the "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 insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

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

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

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

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

##### **4. Newly Acquired Horses**

- a. We will cover additional horses you acquire during the policy period, for up to 15 days from acquisition as long as all horses owned by you are currently insured under this policy.

- b. You must report such newly acquired horses within 15 days from the date acquired and pay any additional premium due. If you do not report any newly acquired horses, coverage will end 15 days after the date the property is acquired.

## 5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverage A 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 other primary insurance available to you covering liability for damages arising out of the premises or operations or the products and completed operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under COVERAGE A to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". 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.

## 6. 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 and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period 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.

## 7. 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.

## 8. 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.

## 9. 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.

## 10. 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. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
2. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or

- c. All other parts of the world if:

- (1) The injury or damage arises out of the activities of an owned horse who is permanently stabled in the territory described in a. above, but is away for a short time; 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.

3. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

5. "Insured contract" means:

- a. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

- b. 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.

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

- (1) That indemnifies a railroad 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;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) 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 (2) above and supervisory, inspection, architectural or engineering activities.

6. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the ownership of your horse. "Leased worker" does not include a "temporary worker."
7. Livery stable is defined as "a place where horses and/or vehicles are kept for hire."
8. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
9. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

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

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

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

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

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

11. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

12. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

All other terms and conditions remain the same.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DEFINITIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM – MGL181  
COMMERCIAL INLAND MARINE COVERAGE FORM – MIM122  
ANIMAL MORTALITY COVERAGE FORM – MAM100

### DEFINITIONS:

The following definitions are added:

**"Insured"** is a member in "good standing" of Harness Horsemen International.

**"Good Standing"** means a paid up member of a paid up and active state association with Harness Horsemen International.

**"Animal or Horse"** a registered Standardbred that is actively involved in racing and/or race training, that is owned, borrowed or leased by a member of Harness Horsemen International in "good standing".

**"Race Training"** is defined for horses starting as a "yearling" that has been driven or trained using a harness.

**"Yearling"** A registered Standardbred at least one year of age (having reached January 1 of its first year) or that has started race training after September 1 of their yearling.

**"Tack & Saddlery"**: equipment that is used directly on the horse or for the horse such as, but not limited to, saddles, bridles, blankets, tack, sulkies and trunks. Items such as refrigerators, hotplates, dishes, radios, medicine, food & supplements, insect control, etc are excluded from coverage owned by a member in "good standing".



**(Please print, except where an actual signature is required.)**

Member's Full, Legal Name: \_\_\_\_\_

Address: (PO Box addresses will not be accepted.)

\_\_\_\_\_

Street Name / Number	City	State	Zip
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Member's Phone Numbers: Home: (\_\_\_\_) \_\_\_\_\_ Work: (\_\_\_\_) \_\_\_\_\_

Cell: (\_\_\_\_) \_\_\_\_\_

**DO NOT DELAY: Please submit the following information immediately following a loss.**

**From the injured/damaged party (the "claimant"):**

1. A detailed written statement as to when (specific date and time), where (name and street address of the facility and facility owner's contact information) and how the loss occurred. Please provide detailed information on the horse(s) involved, to include the current status and location of the horse(s) involved. Please provide the full identity and contact information for the person(s) physically in control of the horse(s) at the time of the loss.
2. An itemized estimate of the cost to repair the damaged property.
3. A police report, if the matter was investigated by outside authorities.

**From the Member:**

1. I am a current member in good standing with The Harness Horsemen International.  
Membership Number: \_\_\_\_\_ Effective Date of Membership: \_\_\_\_\_
  2. Answer the following:
    - a. My Horse liability insurance policy is with: \_\_\_\_\_ Insurance Company  
I do not have any horse liability insurance. (Please initial: \_\_\_\_\_)
    - b. My Farm insurance policy is with: \_\_\_\_\_ Insurance Company  
I do not have Farm insurance. (Please initial: \_\_\_\_\_)
    - c. My Homeowners/ Renters insurance policy is with: \_\_\_\_\_ Insurance Company  
I do not have homeowners/renters insurance. (Please initial: \_\_\_\_\_)
- Member's Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

**From the Association**

I, \_\_\_\_\_, confirm that this person was a member in good standing with The Harness Horsemen International at the time of the incident.

Name of Association: \_\_\_\_\_

President of Association Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHED TO AND FORMING PART OF  
POLICY NUMBER: 8502AG060560-16**

**AMENDMENT - ANIMAL MORTALITY COVERAGE FORM**

The MAM100 (12/08) Animal Mortality Coverage Form is amended as follows:

Any reference to animal or attached scheduled on the MD025(04/01) Animal Mortality Coverage Part Declarations and MAM100(12/08) Animal Mortality coverage Form is replaced by the following:

A registered Standardbred racehorse, that is actively involved in racing and/or race training, owned by a member of Harness Horseman International in "good standing":

1. While stabled at approved tracks and training facilities on file with the company or
2. Being transported to or from any USTA and CTA tracks and approved training facilities on file with the company.

**PROPERTY COVERED AND AMOUNT INSURED:**

Coverage is provided to the "insured" for member owned horses. The company shall not be liable in any covered loss for more than:

1. \$15,000 Maximum for any one "horse" of standardbred registration which has attained racing age of two (2) years and has raced sufficiently as to have established his own racing qualifications or credibility.
2. \$ 5,000 for any one "horse" of standardbred registration if the animal is two (2) years of age and is, at the time of the loss, currently engaged in race training but has not yet started in an actual event.
3. \$ 5,000 for any "yearling" purchased at public sale or auction during 9/1-12/31.
4. \$250,000\* Aggregate for any one covered loss arising from and/or related to any one occurrence; \$2,000,000\* aggregate per policy year.

\*The most we will pay under the Inland Marine (Animal Mortality form number MAM100 12/08 and Owned Horse Equipment form number MIM122 04/08) coverage for any one loss arising from any one occurrence is \$250,000/ \$2,000,000 aggregate per policy year.

***EXTENSION OF COVERAGE***

The following changes are made:

The clause found after # 11 stating that: No coverage shall be provided unless the following warranties are met, is deleted.

## Duties In The Event Of A Loss

The following changes are made:

2. **NOTICE OF LOSS:**

In the event of death or theft of a member owned "horse" while stabled and/or being transported to and from approved tracks and training facilities on file with the company or Harness Horsemen International, shall also file with us or our representative within thirty (30) days from the date of loss a detailed sworn proof of loss. You shall not dispose of the carcass without obtaining prior consent from us or having an inspection and examination by a qualified veterinarian who shall issue to us, at your expense, a certificate of death which certifies the results of the examination, including a postmortem examination report. Failure by you to report any loss and to file the proof of loss within the specified time frame shall invalidate any claim under this policy for such loss.

### General Conditions

The following changes are made:

1. **NINETY DAY EXTENSION CLAUSE:** Deleted
2. **AUTOMATIC COVERAGE EXTENSION:** Deleted

The following clauses are added:

14. **APPRAISAL:**

In case the member and the Company shall fail to agree as to the actual cash value or the amount of the loss then, on the written demand of either, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within twenty (20) days of such demand. The appraisers so selected shall select a competent and disinterested umpire. And, failing for fifteen (15) days to agree upon the umpire then, on request of the member or the Company, the umpire shall be selected by a judge or a court of record in the state in which the insured property is located. The two appraisers shall then appraise the loss, attributing, separately, actual cash value and loss to each item; and failing to agree, shall submit their differences only to the umpire. An award in writing, so itemized, of any two appraisers when filed with the Company shall determine the amount of the actual cash value and loss. Each appraiser shall be paid by the party selecting him and the expense of the appraisal and the umpire shall be paid by the parties equally.

**15. FALSE OR FRAUDULENT CLAIMS:**

If the member shall make any claim knowing it to be false or fraudulent, in amount or otherwise, this policy shall be null and void as to such member only and all claims, causes of action, rights and or interested that he/she had, or may have shall be ipso facto, forfeited.

**16. CLAIMING CLAUSE:**

In the event of any "horse" covered by this policy is entered in or actually races in a claiming, selling or combination race at any track at which pari-mutuel wagering is authorized at any time during the policy period, the Company's liability shall not exceed a sum equal to the claiming prize for which the horse was last entered or actually raced.

**ATTACHED TO AND FORMING PART OF  
POLICY NUMBER: 8502AG060560-16**

## **AMENDMENT – GENERAL LIABILITY COVERAGE FORM – HORSE LIABILITY**

The MGL181 (07/05) General Liability Coverage Form is amended as follows:

Any reference to horse or specifically scheduled is replaced by the following:

1. A registered Standardbred racehorse, that is actively involved in racing and/or race training, owned, borrowed or leased by a member of Harness Horseman International in “good standing”,:
2. Section 1- Coverages, Coverage A. Bodily Injury and Property Damage Liability,  
2. Exclusions, h. Cross Liability is being removed.
3. Section IV – Commercial General Liability Conditions,
  4. Newly Acquired Horses, section a & b, is removed entirely.
  5. Other Insurance – section a, b & c are removed and replaced by the IL1201.

## **AMENDMENT - OWNED HORSE EQUIPMENT COVERAGE FORM**

The MIM122 (04/08) Owned Horse Equipment Coverage Form is amended as follows:

Any reference to any "Tack & Saddlery" shown on the declaration is replaced by the following:

"Tack & Saddlery" for a "Horse" owned by a member of Harness Horsemen International in "good standing".

### **LIMIT OF COVERAGE:**

- \$ 3,000 for tack per horse for any covered loss
- \$ 10,000 maximum per loss per member for tack. Tack must be owned by the member owning the horse.

The most we will pay under the Animal Mortality (form number MAM100 12/08) and Owned Horse Equipment (form number MIM122 04/08) coverage's combined for any one loss arising from any one occurrence is \$250,000/ \$2,000,000 aggregate per policy year.

**COVERED PERILS** are replaced: The policy insures direct physical loss or damage caused by fire, lightning, windstorm, cyclone, tornado, hail, explosion, and smoke.

### **REQUIREMENTS IN CASE OF A LOSS:**

The member claiming a loss shall give immediate written notice to Markel Insurance Company. Such member shall preserve and protect the remaining tack and other horse equipment and shall forthwith separate the damaged and undamaged tack and other horse equipment from further damage, and shall put it in the best possible order and furnish a complete inventory of the destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash, value and the amount of loss claimed; and within sixty (60) days after the loss, unless the said time is extended in writing by the Company, the member claiming a loss shall render to the company Proof of Loss, signed and sworn to, stating his/her knowledge and belief as to the following: the time and origin of the loss, the interest of the member and others, if any, in the property, the actual cash value of each items thereof and the amount of loss thereto, all encumbrances there, all other contracts of the insurance whether valid or not, covering any of said property. Said member, as often as may be reasonably required, shall produce for examination all books of account, bills, invoices and other vouchers, or certified copies thereof if originals are lost, at such reasonable times and places as may be designated by the Company or its representative, and shall permit extracts and copies thereof to be made.

### **SPECIAL CONDITIONS: ADDED**

4. **FALSE OR FRAUDULENT CLAIMS: ADDED**  
If the member shall make any claim knowing it to be false or fraudulent, in amount or otherwise, this policy shall be null and void as to such member only and all claims, causes of action, rights and or interests that he/she had, or may have shall be ipso facto, forfeited.

All other terms and conditions remain the same.

**MEMBERS OF THE HARNESS HORSEMEN INTERNATIONAL**

POLICY NUMBER: 8502AG060560-16

EFFECTIVE DATE: 06/01/11 – 06/01/12

**TRACKS:**

Balmoral Park	Crete, IL
Bangor Raceway DBA: Hollywood Slots Hotel & Raceway	Bangor, ME
Cumberland Racetrack	Cumberland, ME
Farmington	Farmington, ME
Fryeburg	Fryeburg, ME
Harrington Raceway	Harrington, DE
Hazel Park Harness	Hazel Park, MI
Lebanon Trotting Club at Lebanon Raceway	Lebanon, OH
Maywood Park Trotting Assn	Melrose Park, IL
Meadowlands Race Track	East Rutherford, NJ
Miami Valley Trotting at Warren Co. Fairgrounds	Lebanon, OH
Mohegan Sun at Pocono Downs	Wilkes-Barre, PA
Northfield Park Assoc	Northfield, OH
Northville Downs	Northville, MI
Northville Racing Corp @ Northville Downs Race Track	Northville, MI
Oxford	Oxford, ME
Players Bluegrass Downs	Paducah, KY
Presque Isle	Presque Isle, ME
Red Mile	Lexington, KY
Rosecroft Raceway	Fort Washington, MD
Scarborough Downs	Scarborough, ME
Scioto Downs	Columbus, OH
Skowhegan	Skowhegan, ME
Sports Creek Raceway	Swartz Creek, MI
The Meadows Race Track & Casino	Meadow Lands, PA
Thunder Ridge Track DBA: Appalachian Racing LLC	Prestonsburg, KY
Topsham	Topsham, ME
Union	Union, ME
Windsor Raceway	Windsor, ME
York Co Agr Society	York, PA

**TRAINING CENTER:**

Auglaize Co Fairgrounds	Wapakoneta, OH
Ben Stafford Stables	Felton, DE
Canfield Fair	Canfield, OH
Carousel Farm & Stable	Dover, DE
Clinton County HHA	New Vienna, OH
Dale Massey Farm	Berlin, MD
Gratz Fair Assn	Xenia, PA
Greene County Fair	Xenia, OH
Marveland Farms	Succasunna, NJ
Ocean Downs	Berlin, MD
Peter Miller Stable	Toledo, OH
Seneca Co Fairgrounds	Republic, OH