



Administrative Offices
 580 Walnut Street
 Cincinnati, OH 45202
 Tel: 1-513-369-5000

ENDORSEMENT # 1

This endorsement, effective 12:01 a.m., _____, forms a part of

Policy No. _____ issued to _____ by _____

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL BROADENING ENDORSEMENT

This endorsement amends certain coverages provided under this policy through additional coverages, higher limits and broader coverage grants.

SCHEDULE

1. Products Pollution	Included
2. Additional Insured by Contract, Agreement or Permit	Included
3. Additional Insured - Broad Form Vendors	Included
4. Aggregate Limit per Location	Included
5. Alienated Premises	Included
6. Bodily Injury Redefined	Included
7. Broad Form Property Damage - Borrowed Equipment, Customers Goods & Use of Elevators	Included
8. Incidental Malpractice (Employed nurses, EMT's & paramedics)	Included
9. Knowledge of Occurrence	Included
10. Medical Payments - Increased Limit	\$ 10,000
11. Mobile Equipment Redefined	Included
12. Newly Acquired or Formed Organizations - Covered until end of policy period	Included
13. Non-owned Aircraft Hired, Chartered or Loaned with Paid Crew	Included
14. Non-owned Watercraft	51 feet
15. Personal Injury - Broad Form	Included
16. Limited Product Withdrawal Expense	\$100,000
	Deductible \$0
	Participation % _____
	Cut-Off Date _____
17. Property Damage Legal Liability (Fire, Lightning, Explosion, Smoke or Leakage Damage)	\$300,000
18. Supplementary Payments Increased Limits	
- Bail Bonds	\$ 2,500
- Loss of Earnings	\$ 300
19. Unintentional Failure to Disclose Hazards	Included
20. Unintentional Failure to Notify	Included

1. SECTION I – COVERAGES is amended by the addition of the following:

COVERAGE D PRODUCTS POLLUTION COVERAGE

1. Insuring Agreement

- a. We will pay those sums the insured becomes legally obligated to pay as damages because of “bodily injury,” “property damage” or “environmental damage” to which this policy applies, caused by a “pollution condition” arising out of “your product” and included in the “products completed operations hazard.” 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 with regard to any “claim,” “suit” or “pollution condition” to which this insurance does not apply. We may, at our discretion, investigate any “claim” or “pollution condition” and settle any “claim” or “suit” that may result. But:
- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A, B, D or medical expenses under Coverage C.
- b. This insurance applies only if:
- (1) The “pollution condition” takes place in the “coverage territory;”
 - (2) The “bodily injury,” “property damage” or “environmental damage” first takes place during the policy period; and
 - (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 a “claim” or “pollution condition” knew that the “bodily injury,” “property damage” or “environmental 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,” “property damage” or “environmental damage” occurred, then any continuation, change or resumption of such “bodily injury,” “property damage” or “environmental damage” during or after the policy period will be deemed to have been known prior to the policy period.
- c. “Bodily injury,” “property damage” or “environmental 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,” “claim” or “pollution condition” includes any continuation, change or resumption of that “bodily injury,” “property damage” or “environmental damage” after the end of the policy period.
- d. “Bodily injury,” “property damage” or “environmental 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,” “claim” or “pollution condition;”
- (1) Reports all, or any part, of the “bodily injury,” “property damage” or “environmental damage” to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the “bodily injury,” “property damage” or “environmental damage;” or
 - (3) Becomes aware by any other means that “bodily injury,” “property damage” or “environmental damage” has occurred or has begun to occur.

2. Exclusions

The insurance afforded under Coverage D does not apply to:

a. Expected Or Intended Injury

“Bodily injury,” “property damage” or “environmental 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,” “property damage” or “environmental 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,” “property damage” or “environmental 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,” “property damage” or “environmental 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 whether the insured may be liable as an employer or in any other capacity and 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. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an “auto” on, or on the ways next to, premises you own or rent, provided the “auto” is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any “insured contract” for the ownership, maintenance or use of aircraft or watercraft; or
- (5) “Bodily injury,” “property damage” or “environmental damage” arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) the operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of “mobile equipment.”

f. Mobile Equipment

“Bodily injury,” “property damage” or “environmental damage” arising out of:

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

g. War

"Bodily injury," "property damage" or "environmental damage," 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.

h. Damage To Property

"Property damage" to, or "environmental damage" on, at or under:

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

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

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

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

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

i. Damage To Your Product

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

j. Damage To Your Work

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

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

k. Damage To Impaired Property Or Property Not Physically Injured

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

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

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

l. Recall Of Products, Work Or Impaired Property

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

- (1) "Your product;"
- (2) "Your work;" or

(3) "Impaired property;"

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

m. Personal And Advertising Injury

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

n. 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.

o. Distribution Of Material In Violation Of Statutes

"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; 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.

p. Asbestos

- (1) "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, asbestos.
- (2) "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, asbestos.
- (3) Any "environmental damage," "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, asbestos, by any insured or by any other person or entity.

q. Lead

- (1) "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, or absorption of, lead.
- (2) "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, lead.
- (3) Any "environmental damage," "loss," 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, lead, by any insured or by any other person or entity.

r. Fungi Or Bacteria

- (1) "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any fungi or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any "environmental damage," "loss," cost or expenses arising 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, fungi or bacteria, by any insured or by any other person or entity.

s. Professional Services

"Bodily injury," "property damage" or "environmental damage" arising out of the rendering of or failure to render any "professional services" by you or any engineer, architect, consultant, or surveyor who is either employed by you or performing work on your behalf in such capacity.

t. Punitive Damages

Punitive, exemplary, or multiplied damages, civil fines, penalties and assessments, except where such coverage is allowed by law.

u. Employment-Related Practices

“Bodily injury” to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person’s employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of “bodily injury” to that person at whom any of the employment-related practices described in Paragraph (1)(a),(b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraph (1)(a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

v. Communicable Disease Exclusion

“Bodily injury” or “property damage” arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- (1) Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- (2) Testing for a communicable disease;
- (3) Failure to prevent the spread of the disease; or
- (4) Failure to report the disease to authorities.

w. Nuclear Matter and Radioactive Material

“Bodily injury,” “property damage” or “environmental damage” arising out of the actual, alleged or threatened exposure of person(s) or property to any nuclear matter or radioactive material.

x. Internal Expenses

Any costs, charges, or expenses incurred by the insured for goods supplied or services performed by the staff or “employees” of the insured, its parent, subsidiary or affiliate.

y. Non-Owned Disposal Sites

“Bodily injury,” “property damage” or “environmental damage” arising out of any “pollution condition” on, at, under or migrating from a “non-owned disposal site.”

z. Insurance Provided in Other Coverage Sections

Any injury, damage, expense, cost, loss, liability or legal obligation for which coverage is provided by any other coverage section of this policy.

2. ADDITIONAL INSURED BY CONTRACT, AGREEMENT OR PERMIT

SECTION II - WHO IS AN INSURED, is amended by the addition of the following:

4. a. Any person or organization with whom you agreed, because of a written contract, written agreement or permit, is an insured, but only with respect to:
 - (1) “Your work” for the additional insured(s) at the location designated in the contract, agreement or permit.
 - (2) Facilities owned or used by you.

This insurance applies on a primary basis only if that is required by the written contract, written agreement or permit.

- b. This provision does not apply:
 - (1) Unless the written contract or written agreement has been executed or permit has been issued prior to the “bodily injury,” “property damage,” “personal and advertising injury” or “pollution condition;”
 - (2) To any person or organization included as an insured by an endorsement issued by us and made part of this policy;
 - (3) To any person or organization included as an insured under Item 2. of this endorsement;

- (4) To any lessor of equipment:
 - (a) after the equipment lease expires; or
 - (b) if the “bodily injury,” “property damage,” “personal and advertising injury” or “environmental damage” arises out of sole negligence of the lessor; or
- (5) To any:
 - (a) Owners or other interests from whom land has been leased which takes place after the lease for that land expires; or
 - (b) Managers or lessors of premises if:
 - (i) the “occurrence” takes place after you cease to be a tenant in that premises; or
 - (ii) the “bodily injury,” “property damage,” “personal and advertising injury” or “environmental damage” arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

3. ADDITIONAL INSURED BROAD FORM VENDORS

SECTION II - WHO IS AN INSURED is amended by the addition of the following:

- 5. a. Any person or organization with whom you agreed, because of a written contract or written agreement to provide insurance, but only with respect to “bodily injury,” “property damage,” or “environmental damage” arising out of “your products” which are distributed or sold in the regular course of the vendor’s business, subject to the following additional exclusions:
 - b. The insurance afforded the vendor does not apply to:
 - (1) “Bodily injury,” “property damage,” or “environmental damage” for which the vendor 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 that the vendor would have in the absence of the contract or agreement;
 - (2) Any express warranty unauthorized by you;
 - (3) Any physical or chemical change in the product made intentionally by the vendor;
 - (4) Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instruction from the manufacturer, and then repackaged in the original container;
 - (5) Any failure to make such inspection, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the sale of the product;
 - (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor’s premises in connection with the sale of the product; or
 - (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any thing or substance by or for the vendor.
 - c. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

4. AGGREGATE LIMIT PER LOCATION

SECTION III - LIMITS OF INSURANCE is amended by the addition of the following:

Notwithstanding the foregoing, the Aggregate Limit of Liability (Coverages A, B and C) applies separately to each of your “locations” owned by or rented by you.

SECTION V - DEFINITIONS, is amended by the addition of the following:

- 30. “Location” means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

5. ALIENATED PREMISES

SECTION I – COVERAGES, COVERAGE A, Paragraph 2 Exclusions, Item j. (2) is deleted and replaced with the following:

- (2) Premises you sell, give away or abandon, if the “property damage” arises out of any part of those premises and occurred from hazards that were known by you, or should have reasonably been known by you, at the time the property was transferred or abandoned.

6. BODILY INJURY REDEFINED

SECTION V - DEFINITIONS, Item 3. "bodily injury" is deleted and replaced with the following:

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from "bodily injury," sickness or disease.

7. BROAD FORM PROPERTY DAMAGE - Borrowed Equipment, Customers Goods, Use of Elevators

SECTION I – COVERAGES, COVERAGE A, Paragraph 2 Exclusions, Item j. is amended by the addition of the following:

Paragraph (4) of this exclusion does not apply to "property damage" to borrowed equipment while at a jobsite and not being used to perform operations.

Paragraphs (3), (4) and (6) of this exclusion do not apply to "property damage" to "customers good" while on your premises nor to the use of elevators.

SECTION V - DEFINITIONS, is amended by the addition of the following:

31. "Customer goods" means property of your customer on your premises for the purpose of being:

- a. Worked on; or
- b. Used in your manufacturing process.

The insurance afforded under this provision is excess over any other valid and collectible property insurance (including deductible) available to the insured whether primary, excess, contingent, or on any other basis.

8. INCIDENTAL MALPRACTICE - Employed Nurses, EMT's and Paramedics

SECTION II - WHO IS AN INSURED, paragraph 2.a.(1)(d) does not apply to a nurse, emergency medical technician or paramedic employed by you if you are not engaged in a business or occupation of providing medical, paramedical, surgical, dental, x-ray or nursing services.

9. KNOWLEDGE OF OCCURRENCE

SECTION IV - CONDITIONS, Item 2. - Duties In The Event Of Occurrence, Offense, Claim or Suit, is amended by the addition of the following:

- e. Notice of an "occurrence," offense, "claim" or "suit" will be considered knowledge of the insured if reported to an individual name insured, partner, executive officer or an "employee" designed by you to give us such a notice.

10. MEDICAL PAYMENTS - INCREASED LIMITS

SECTION I – COVERAGES, COVERAGE C, Paragraph 1. Insuring Agreement, Item a.(3) (b) is deleted and replaced with the following:

- (b) The expenses are incurred and reported to us within three years of the date of the accident; and

SECTION III – LIMITS OF INSURANCE, Paragraph 7. is deleted and replaced with the following:

7. Subject to paragraph 5. above, the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person is the higher of:
 - a. \$10,000; or
 - b. The amount shown in the Declarations.

This coverage does not apply if Coverage C - Medical Payments is excluded either by the provisions of the Coverage Part or by endorsement.

11. MOBILE EQUIPMENT REDEFINED

SECTION V - DEFINITIONS, Item 16. Mobile Equipment, Paragraph f.(1)(a)(b)(c) does not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

12. NEWLY ACQUIRED OR FORMED ORGANIZATIONS

SECTION II - WHO IS AN INSURED, Paragraph 3.a. is deleted and replaced with the following:

- a. Coverage under this provision is afforded only until the end of the policy period or the date of cancellation, whichever is earlier.

13. NON-OWNED AIRCRAFT, HIRED, CHARTERED OR LOANED WITH PAID CREW

SECTION I – COVERAGES, COVERAGE A, Paragraph 2. Exclusions, Item g. is amended by the addition of the following:

- (6) An aircraft that you do not own that is hired, chartered or loaned with a paid crew.

Paragraph (6) does not apply if the insured has any other insurance for “bodily injury” or “property damage” liability that would also be covered under this provision, whether the other insurance is primary, excess, contingent or on any other basis. In that case, this provision does not provide any insurance.

14. NON-OWNED WATERCRAFT

SECTION I – COVERAGES, COVERAGE A, Paragraph 2. Exclusions, Item g.(2) is deleted and replaced with the following:

- (2) A watercraft you do not own that is:

- a. Less than 51 feet long; and
- b. Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of a watercraft.

15. PERSONAL INJURY - BROAD FORM

SECTION V - DEFINITIONS, Item 18. “personal and advertising injury” is amended by the addition of the following:

- h. Discrimination or humiliation (unless insurance thereof is prohibited by law) that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:

- (1) Not done intentionally by or at the direction of:

- a) The insured;
- b) Any officer of the corporation, director, stockholder, partner or member of the insured; and

- (2) Not directly or indirectly related to an “employee,” nor to the employment, prospective employment or termination of any person or persons by an insured.

This coverage does not apply if Coverage B - Personal and Advertising Injury Liability is excluded either by the provisions of the Coverage Part or by endorsement.

16. LIMITED PRODUCT WITHDRAWAL EXPENSE

THIS COVERAGE ONLY PROVIDES REIMBURSEMENT TO YOU FOR EXPENSES INCURRED BECAUSE OF A COVERED PRODUCT WITHDRAWAL. THIS ENDORSEMENT DOES NOT PROVIDE ANY LIABILITY COVERAGE OR COVERAGE FOR THE COST OR EXPENSE OF DEFENDING ANY CLAIM OR SUIT.

A. SECTION I – COVERAGES is amended by the addition of the following:

COVERAGE F LIMITED PRODUCT WITHDRAWAL EXPENSE

1. Insuring Agreement

- a. We will reimburse you for “product withdrawal expenses” incurred by you because of a “product withdrawal” to which this insurance applies.

The amount of such reimbursement is limited as described in Section III – Limits Of Insurance. No other obligation or liability to pay sums or perform acts or services is covered.

- b. This insurance applies to a “product withdrawal” only if the “product withdrawal” is initiated in the “coverage territory” during the policy period because:

- (1) You determine that the “product withdrawal” is necessary; or
- (2) An authorized government entity has ordered you to conduct a “product withdrawal.”

- c. We will reimburse “product withdrawal expenses” only if:

- (1) The expenses are incurred within one year of the date the “product withdrawal” was initiated;
- (2) The expenses are reported to us within one year of the date the expenses were incurred; and
- (3) The product that is the subject of the “product withdrawal” was produced after the Cut-Off Date designated in the Schedule.

- d. The initiation of a “product withdrawal” will be deemed to have been made only at the earliest of the following times:

- (1) When you first announced, in any manner, to the general public, your vendors or to your employees (other than those employees directly involved in making the determination) your decision to conduct or participate in a “product withdrawal.” This applies regardless of whether the determination to conduct a “product withdrawal” is made by you or is requested by a third party; or

(2) When you first received, either orally or in writing, notification of an order from an authorized government entity to conduct a “product withdrawal.”

- e. “Product withdrawal expenses” incurred to withdraw “your products” which contain the same or substantially similar “defects” will be deemed to have arisen out of the same “product withdrawal.”

2. Exclusions

This insurance does not apply to “product withdrawal expenses” arising out of:

a. Breach Of Warranty And Failure To Conform To Intended Purpose

Any “product withdrawal” initiated due to the failure of “your product” to accomplish their intended purpose, including any breach of warranty of fitness, whether written or implied. This exclusion does not apply if such failure has caused or is reasonably expected to cause “bodily injury” or physical damage to tangible property other than “your product.”

b. Infringement Of Copyright, Patent, Trade Secret, Trade Dress Or Trademark

Any “product withdrawal” initiated due to copyright, patent, trade secret, trade dress or trademark infringements.

c. Deterioration, Decomposition Or Chemical Transformation

Any “product withdrawal” initiated due to transformation of a chemical nature, deterioration or decomposition of “your product.” This exclusion does not apply if it is caused by:

- (1) An error in manufacturing, design, or processing;
- (2) Transportation of “your product;” or
- (3) “Product tampering.”

d. Goodwill, Market Share, Revenue, Profit Or Redesign

The costs of regaining goodwill, market share, revenue or “profit” or the costs of redesigning “your product.”

e. Expiration Of Shelf Life

Any “product withdrawal” initiated due to expiration of the designated shelf life of “your product.”

f. Known Defect

A “product withdrawal,” initiated because of a “defect” in “your product” known to exist by the Named Insured or the Named Insured’s “executive officers,” prior to the date when this Coverage Part was first issued to you or prior to the time “your product” leaves your control or possession.

g. Otherwise Excluded Products

A recall of any specific products for which “bodily injury” or “property damage” is excluded under Coverage A – Bodily Injury And Property Damage Liability by endorsement.

h. Governmental Ban

A recall when “your product” or a component contained within “your product” has been:

- (1) Banned from the market by an authorized government entity prior to the policy period; or
- (2) Distributed or sold by you subsequent to any governmental ban.

i. Defense Of Claim

The defense of a “claim” or “suit” against you for liability arising out of a “product withdrawal.”

j. Third Party Damages, Fines And Penalties

Any compensatory damages, fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

k. Pollution-Related Expenses

Any “loss,” cost or expense due to any:

- (1) Request, demand, order, statutory or regulatory requirement 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
- (2) 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.”

l. Insurance Provided in Other Coverage Sections

Any injury, damage, expense, cost, loss, liability or legal obligation for which coverage is provided by any other coverage section of this policy.

B. Solely with regard to Coverage F, SECTION III – LIMITS OF INSURANCE is deleted and replaced with the following:

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. "Product withdrawals" initiated; or
 - c. Number of "your products" withdrawn.
2. The Aggregate Limit shown in the Declarations and Schedule is the most we will reimburse you for the sum of all "product withdrawal expenses" incurred for all "product withdrawals" initiated during the policy period.
3. Deductible And Participation Percentage Provisions

- a. Deductible

We will only pay for the amount of "product withdrawal expenses" which are in excess of the deductible amount, if any, shown in the Schedule. The deductible applies separately to each "product withdrawal." The limits of insurance will not be reduced by the amount of this deductible.

We may, or will if required by law, pay all or any part of any deductible amount, if applicable, to effect settlement of any "claim" or "suit." Upon notice of our payment of a deductible amount, you shall promptly reimburse us for the part of the deductible amount we paid.

- b. Participation Percentage

If a Participation Percentage is indicated in the Schedule, the following provision applies:

You agree to participate in the payment of "product withdrawal expenses" which are in excess of the Deductible, to the extent of the Participation Percentage indicated in the Schedule. The Participation Percentage will apply separately to each "product withdrawal."

You also agree that the cost of your participation in the loss will be borne entirely by you when due and you will not obtain insurance to cover it.

4. The Policy Aggregate Limit is the most we will pay for the sum of all damages, "loss," "clean-up costs," "legal expense" under Coverages E1 – E5 and all other coverages afforded under this policy.

The Limits of Insurance of Product Withdrawal Expense Coverage 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.

C. Solely with regard to Coverage F, SECTION IV – CONDITIONS, Item 2. Duties In The Event Of Occurrence, Claim Or Suit Condition, is deleted and replaced with the following:

2. Duties In The Event Of A "Defect" Or A "Product Withdrawal"

- a. You must see to it that we are notified as soon as practicable of any actual, suspected or threatened "defect" in "your product," or any governmental investigation, that may result in a "product withdrawal." To the extent possible, notice should include:

- (1) How, when and where the "defect" was discovered;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature, location and circumstances of any injury or damage arising out of use or consumption of "your product."

- b. If a "product withdrawal" is initiated, you must:

- (1) Immediately record the specifics of the "product withdrawal" and the date it was initiated; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "product withdrawal" as soon as practicable.

- c. You must promptly take all reasonable steps to mitigate the expenses associated with a "product withdrawal." Any "profit" that you receive from mitigating the expenses will be deducted from the amount of reimbursement that you will receive for "product withdrawal expenses."

d. You and any other involved insured must:

- (1) Immediately send us copies of pertinent correspondence received in connection with the “product withdrawal;”
- (2) Authorize us to obtain records and other information; and
- (3) Cooperate with us in our investigation of the “product withdrawal.”

D. Solely with regard to Coverage F, SECTION IV – CONDITIONS is amended by the addition of the following:

19. Concealment Or Fraud

We will not provide coverage to you, or any other insured, who at any time:

- (1) Engaged in fraudulent conduct; or
- (2) Intentionally concealed or misrepresented a material fact concerning a “product withdrawal” or “product withdrawal expenses” incurred by you.

E. SECTION V – DEFINITIONS is amended by the addition of the following:

32. “Environmental damage” means physical injury to soil, surface water or groundwater caused by a “pollution condition.” “Environmental damage” does not include “property damage.”

33. “Defect” means a defect, deficiency or inadequacy that creates a dangerous condition.

34. “Product tampering” is an act of intentional alteration of “your product” which has caused or is reasonably expected to cause “bodily injury” or physical injury to tangible property other than “your product.”

When “product tampering” is known, suspected or threatened, a “product withdrawal” will be limited to those batches of “your product” which are known or suspected to have been tampered with.

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.

35. “Product withdrawal” means the recall or withdrawal:

- a. From the market; or
- b. From use by any other person or organization;

of “your products,” or products which contain “your products,” because of known or suspected “defects” in “your product,” or known or suspected “product tampering,” which has caused or is reasonably expected to cause “bodily injury” or physical injury to tangible property other than “your product.”

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.

36. “Product withdrawal expenses” means those reasonable and necessary extra expenses, listed below, paid and directly related to a “product withdrawal:”

- a. Costs of notification;
- b. Costs of stationery, envelopes, production of announcements and postage or facsimiles;
- c. Costs of overtime paid to your regular non-salaried employees and costs incurred by your employees, including costs of transportation and accommodations;
- d. Costs of computer time;
- e. Costs of hiring independent contractors and other temporary employees;
- f. Costs of transportation, shipping or packaging;
- g. Costs of warehouse or storage space; or
- h. Costs of proper disposal of “your products,” or products that contain “your products,” that can not be reused, not exceeding your purchase price or your cost to produce the products.

37. “Profit” means the positive gain from business operation after subtracting for all expenses.

17. Damage To Premises Rented to You Limit (Fire, Lightning, Explosion, Smoke or Leakage from Fire Protective Systems Damage)

The word fire is changed to fire, lightning, explosion, smoke and leakage from fire protection systems where it appears in the Limits of Insurance section of the Declarations for the Commercial General Liability Coverage Part.

SECTION I – COVERAGES, Coverage A, the last paragraph (after the exclusions) is deleted and replaced with the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in LIMITS OF INSURANCE (SECTION III). This limit will apply to all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke or leakage from fire protective systems or any combination of the five.

SECTION III - LIMITS OF INSURANCE, Paragraph 5. is deleted and replaced with the following:

5. Subject to 5. above, the higher of:

a. \$300,000; or

b. Damage To Premises Rented To You limit in the Declarations,

is the most we will pay under Coverage A for damages because of “property damage” from fire, lightning, explosion, smoke or leakage from fire protective systems to premises, while rented to you or temporarily occupied by you with permission of the owner.

SECTION IV - CONDITIONS, Item 4. Other Insurance, Paragraph b.(1)(a)(ii) is deleted and with the following:

That is fire, lightning, explosion, smoke or leakage from fire protective systems insurance for premises rented to you or temporarily occupied by you with permission of the owner,

SECTION V - DEFINITIONS, Item 12. “Insured contract,” Paragraph a. is deleted and replaced with the following:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke or leakage from fire protective systems to premises while rented to you or temporarily occupied by you with permission of the owner is not an “insured contract.”

This coverage does not apply if Fire Damage Legal Liability of Coverage A is excluded either by the provisions of the Coverage Part or by endorsement.

18. SUPPLEMENTARY PAYMENTS INCREASED LIMITS

SECTION I – SUPPLEMENTARY PAYMENTS Coverages A, B and D, Paragraph 1. parts b. and d. are deleted and replaced with the following:

b. Up to \$2500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Coverage A applies. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the “claim” or “suit,” including actual loss of earnings up to \$500 a day because of time off from work.

19. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

SECTION IV - CONDITIONS, Item 6. Representations is amended by the addition of the following:

d. We will not disclaim coverage under this policy if you fail to disclose all hazards existing as of the inception date of the policy provided such failure is not intentional.

20. UNINTENTIONAL FAILURE TO NOTIFY

SECTION IV - CONDITIONS, Item 2. - Duties In The Event Of Occurrence, Offense, Claim or Suit, is amended by the addition of the following:

f. Your rights afforded under this policy shall not be prejudiced if you fail to give us notice of an “occurrence,” offense, “claim,” “pollution condition” or “suit,” solely due to your reasonable and documented belief that the “bodily injury,” “property damage” or “pollution condition” is not covered under this policy.

All other terms and conditions remain the same.