

SERFF Tracking Number: CUNX-125461668 State: Arkansas  
 Filing Company: CUMIS Insurance Society, Inc. State Tracking Number: EFT \$50  
 Company Tracking Number: CMPAR0093802F01  
 TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package  
 Liability  
 Product Name: Credit Union Package Of Protection  
 Project Name/Number: 2008 CUPOP Rewrite/CMPAR0093802F01

## Filing at a Glance

Company: CUMIS Insurance Society, Inc.  
 Product Name: Credit Union Package Of Protection SERFF Tr Num: CUNX-125461668 State: Arkansas  
 TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability SERFF Status: Closed State Tr Num: EFT \$50  
 Sub-TOI: 05.0003 Commercial Package Co Tr Num: CMPAR0093802F01 State Status: Fees verified and received  
 Filing Type: Form Co Status: Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding  
 Author: SPI CUNA Disposition Date: 02/11/2008  
 Date Submitted: 01/28/2008 Disposition Status: Approved  
 Effective Date Requested (New): 10/01/2008 Effective Date (New): 10/01/2008  
 Effective Date Requested (Renewal): 10/01/2008 Effective Date (Renewal): 10/01/2008

State Filing Description:

## General Information

Project Name: 2008 CUPOP Rewrite Status of Filing in Domicile: Pending  
 Project Number: CMPAR0093802F01 Domicile Status Comments:  
 Reference Organization: Reference Number:  
 Reference Title: Advisory Org. Circular:  
 Filing Status Changed: 02/11/2008  
 State Status Changed: 02/11/2008 Deemer Date:  
 Corresponding Filing Tracking Number:

Filing Description:

Due to size limitations within the NAIC Filing Description, the attached filing memorandum provides a complete explanation of this filing.

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## Company and Contact

### Filing Contact Information

Laura Theis, Compliance Manager CUMIS.Compliance.Mail@cunamutual.com  
 (Administrative Office) Location 5910 2 C6 (800) 356-2644 [Phone]  
 Madison, WI 53705 (608) 236-6226[FAX]

### Filing Company Information

CUMIS Insurance Society, Inc. CoCode: 10847 State of Domicile: Iowa  
 (Administrative Office) Location 5910 2 C6 Group Code: 306 Company Type: Property and  
 Casualty

5910 Mineral Point Road  
 Madison, WI 53705  
 (608) 238-5851 ext. [Phone]

Group Name: State ID Number:  
 FEIN Number: 39-0972608  
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## Filing Fees

Fee Required? Yes  
 Fee Amount: \$50.00  
 Retaliatory? No  
 Fee Explanation:  
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
CUMIS Insurance Society, Inc.	\$50.00	01/28/2008	17704034

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	02/11/2008	02/11/2008

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## **Disposition**

Disposition Date: 02/11/2008

Effective Date (New): 10/01/2008

Effective Date (Renewal): 10/01/2008

Status: Approved

Comment:

Rate data does NOT apply to filing.

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	AR - FORM FILING ABSTRACT F-1	Approved	Yes
Supporting Document	AR - CERTIFICATE OF COMPLIANCE - (AID PC SelfCert (4/30/03))	Approved	Yes
Supporting Document	Filing Memorandum	Approved	Yes
Supporting Document	Form Comparisons	Approved	Yes
Form	Declarations	Approved	Yes
Form	Declarations - Foreclosed Building Coverage	Approved	Yes
Form	Common Policy Provisions	Approved	Yes
Form	Named Perils Endorsement Foreclosed Building Coverage	Approved	Yes
Form	Specified Peril Exclusion Endorsement Foreclosed Building Coverage	Approved	Yes
Form	Business Liability Coverage	Approved	Yes
Form	Excess Liability Coverage	Approved	Yes
Form	Arkansas Endorsement	Approved	Yes

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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Declarations	CUPOP 01 01	01 08	Declaration Replaced s/Schedule	Replaced Form #:0.00 CUPOP 01 01 03 97 Previous Filing #: Approved by DOI 04.01.97		CUPOP 01 01 .PDF
Approved	Declarations - Foreclosed Building Coverage	CUPOP 01 02	01 08	Declaration Replaced s/Schedule	Replaced Form #:0.00 CUPOP 01 02 06 03 Previous Filing #: Approved by DOI 06.23.03		CUPOP 01 02 .PDF
Approved	Common Policy Provisions	CUPOP 02 00	01 08	Policy/CoveReplaced rage Form	Replaced Form #:0.00 CUPOP 02 00 03 06 Previous Filing #: AR-PC-06-018519		CUPOP 02 00 .PDF
Approved	Named Perils Endorsement Foreclosed Building Coverage	CUPOP 14 02	01 08	Endorseme New nt/Amendm ent/Condi tions		0.00	CUPOP 14 02.PDF
Approved	Specified Peril Exclusion Endorsement Foreclosed Building Coverage	CUPOP 14 03	01 08	Endorseme New nt/Amendm ent/Condi tions		0.00	CUPOP 14 03.PDF
Approved	Business Liability Coverage	CUPOP 61 00	01 08	Endorseme Replaced nt/Amendm ent/Condi tions	Replaced Form #:0.00 CUPOP 61 00 09 95		CUPOP 61 00 .PDF

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				ons	Previous Filing #: Approved by DOI 05.27.97	
Approved	Excess Liability Coverage	CUPOP 62 00	01 08	Endorseme Replaced nt/Amendm ent/Condi ons	Replaced Form #:0.00 CUPOP 62 00 01 92 Previous Filing #: Approved by DOI 11.25.91	CUPOP 62 00.PDF
Approved	Arkansas Endorsement	CUPOP 02 AR	01 08	Endorseme Replaced nt/Amendm ent/Condi ons	Replaced Form #:0.00 CUPOP 02 AR 03 06 Previous Filing #: AR-PC-06- 018519	CUPOP 02 AR.PDF





Effective Date:

**PART I  
PROPERTY/EXPENSE/INCOME COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

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**DESCRIPTION OF PREMISES:**

Premis. No.	Bldg. No.	Location and Occupancy
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**COVERAGES PROVIDED:** Insurance at the described premises applies only for coverages for which a limit of insurance is shown or for which an entry is made.

Premis. No.	Bldg. No.	Coverage	Limit of Insurance	Deductible	Causes of Loss Form
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**COVERAGES PROVIDED (CONTINUED):**

Premis. No.	Bldg. No.	Coverage	Inflation (1) Guard	Coinsurance
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**MORTGAGE HOLDERS:**  
Refer To Mortgagee/Loss Payee Schedule.

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**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

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(1) Automatic Increase In Limit of Insurance

**PART I - PROPERTY/EXPENSE/INCOME COVERAGES**

Effective Date:

**PART II  
PROPERTY COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

**For PERILS COVERED see applicable form attached.**

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ITEM NO.	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE
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**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

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**PART II- PROPERTY COVERAGES**

Effective Date:

**PART IIA  
SCHEDULED ARTICLES COVERAGE  
SCHEDULE**

Policy Number:

Representative:

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ITEM NO.	DESCRIPTION
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**PART IIA - SCHEDULED ARTICLES COVERAGE**

Effective Date:

**PART III  
LIABILITY COVERAGE  
DECLARATIONS**

Policy Number:

Representative:

See Supplemental Schedule

COVERAGE

LIMITS OF INSURANCE

Occurrence  
Aggregate

PREMS. NO.	BLDG. NO.	CLASSIFICATION DESCRIPTION
<b>FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:</b> Refer to Forms Schedule		

**PART III - LIABILITY COVERAGE**

Effective Date:

**PART IV  
SCHEDULE OF UNDERLYING INSURANCE**

Policy Number:		REPRESENTATIVE:
Type of Policy or Coverage	Primary Insurer, Policy Period	Limits of Liability
BUSINESS LIABILITY		Each Occurrence \$ Aggregate \$
AUTOMOBILE LIABILITY		Bodily Injury Liability \$                   each person \$                   each accident
		Property Damage Liability \$                   each accident
		Combined Single Limit \$                   each accident
EMPLOYERS LIABILITY		Bodily Injury Liability each accident/each occurrence \$

**PART IV - SCHEDULE OF UNDERLYING INSURANCE**

Effective Date:

**PART V  
REAL ESTATE LENDING COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

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ITEM NO.	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE
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**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

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**PART V - REAL ESTATE LENDING COVERAGE**



General Policy Conditions..... Audit And Inspection Bankruptcy Or Liquidation Proceeding Cancellation Conformity With Statute Concealment, Misrepresentation Or Fraud Control Of Property Coverage Territory Insurance Under Two Or More Coverages Liberalization Modification Of Policy Terms No Benefit To Bailee Nonrenewal Other Insurance - Property And Lending Coverages Policy Period Premiums Separation Of Insureds Titles Of Paragraphs Transfer Of Your Rights And Duties Under This Policy	..... 4
Loss Conditions..... Abandonment Appraisal Arbitration Of A Property, Expense/Income Or Lending Loss Legal Action Against Us Loss Payment Recovered Property Rights To Recover From Others The Injured Person's Duties In The Event Of A Medical Payments Loss Your Duties In The Event Of A Liability Occurrence, Claim, Suit Or Lawsuit Your Duties In The Event Of A Property, Lending Or Expense/Income Coverage Loss Or Damage	..... 8
Definitions..... Accidental Breakdown Actual Cash Value Advertising Injury Auto Automated Teller Machine Automatic Sprinkler System Bodily Injury Bonus Payments	..... 12

Definitions - continued  
Borrower  
Business Income  
By-Product Material  
Communication Supply Service  
Conversion  
Data Processing Equipment  
Data Processing Services  
Dependent Business Premises  
Discovered  
Environment  
Extra Expense  
Foreclosed Property  
Fungus  
Hostile Fire  
Impairment  
Lack Or Insufficiency Of Insurance  
Lawsuit  
Leased Auto  
Lending  
Loading Or Unloading  
Loan Servicing  
Loss To Your Data Processing Operations  
Loss To Your Mortgageholder's Interest  
Money  
Non-Negotiable Securities  
Nuclear Facility  
Nuclear Material  
Nuclear Reactor  
Object  
Occurrence  
Outstanding Loan Balance  
Period Of Restoration  
Personal Injury  
Pollutants  
Pollution Or Contamination  
Power Supply Service  
Prepaid Rent  
Products-Completed Operations Hazard  
Professional Service  
Profit On A Sub-Lease  
Property Damage  
Real Estate

Definitions - continued  
Real Property  
Rental Income  
Repossessed  
Securities  
Sewage Treatment Service  
Soft Costs  
Source Material  
Special Nuclear Material  
Spent Fuel  
Suit  
Tenant's Lease Interest  
Tenant's Interest In Undamaged Improvements And Betterments  
Valuable Information  
Valid Insurance  
Waste  
Watercraft  
Water Supply Service  
Your Product  
Your Work

**COMMON POLICY PROVISIONS  
CREDIT UNION PACKAGE OF PROTECTION**

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All the Coverages in this Policy are subject to the following Provisions. They apply unless superseded by a more specific Provision in an individual Coverage's wording. 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 on the Declarations. The words "we," "us" and "our" refers to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning and are defined in the Policy.

**GENERAL POLICY CONDITIONS**

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**Audit And Inspection**

1. 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.
2. We have the right but are not obligated to:
  - a. Make inspections and surveys at any time;
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
3. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.
4. These conditions apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

**Bankruptcy Or Liquidation Proceeding**

Your bankruptcy, liquidation, or insolvency will not relieve us of any of our obligations under this Policy.

### Cancellation

1. You may cancel this Policy by mailing or delivering written notice of cancellation to us.
2. If we cancel this Policy, cancellation is effective:
  - a. 10 days after we mail or deliver notice of cancellation for nonpayment of premium; or
  - b. 30 days after we mail or deliver notice of cancellation for any other reason.
3. When we cancel this Policy, we will mail or deliver to you, and to your agent, written notice of cancellation stating the effective date and the reason for cancellation. We will mail or deliver this notice to the last mailing address known to us. If this notice is mailed, proof of mailing will be sufficient proof of notice.
4. If this Policy is canceled by us or you, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata.

### Conformity With Statute

Terms of this Policy which are in conflict with the statutes of the state where this Policy is issued are amended to conform to such statutes.

### Concealment, Misrepresentation Or Fraud

This entire Policy is void if whether before or after a loss you have willfully concealed or misrepresented any material fact or circumstances concerning this insurance.

An inadvertent error by you to disclose all hazards to us shall not invalidate coverage that is otherwise afforded under this Policy.

### 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 Policy 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.

### Coverage Territory

Coverage under this Policy applies in all parts of the world unless otherwise stated in the Coverage. With respect to Liability Coverages, when claim or "suit" is brought outside the United States of America (including its territories and possessions), Puerto Rico and Canada, the following applies:

We have the right, but not the duty, to investigate and settle such claims and to defend such "suits." In any case we elect not to investigate, settle or defend, you will investigate and defend as reasonably necessary. We have the right, but not the duty, to supervise your investigation and defense. Subject to our prior authorization, you will make settlement as we deem proper. We will reimburse you for the reasonable cost of such investigation and defense. We will reimburse you for the amount of the settlement we have authorized.

### 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.

### Liberalization

If we adopt any revision within 75 days prior to or during the Policy Period that would broaden the coverage under this Policy, without additional premium, the broadened coverage will immediately apply to this Policy.

### Modification Of Policy Terms

This Policy contains all the agreements between you and us concerning the insurance afforded. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

### No Benefit To Bailee

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

### Nonrenewal

If we do not renew this Policy, we will mail or deliver to you, and to your agent, written notice of nonrenewal stating the effective date and the reason for nonrenewal. We will mail or deliver this notice to the last mailing address known to us at least 60 days prior to the end of the Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.

### Other Insurance - Property And Lending Coverages

1. You may have other insurance subject to the same plan, terms, conditions and provisions as this insurance. 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 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 paragraph 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.

### Policy Period

We will pay for loss, damage, or an "occurrence" that happens during the Policy Period shown on the Declarations.

### Premiums

You are responsible for payment of all premiums and will be the payee for any return premiums we pay.

All premiums of this Policy will be computed according to our rules, rates, rating plans, premiums and minimum premiums applicable to the Coverages provided.

The premiums are based on conditions existing at the beginning of the Policy Period or the last anniversary date of this Policy. We may, because of undeclared exposures or change in conditions, require an additional premium according to our rates, rules and forms in effect at the time of the change.

### Separation Of Insureds

Except with respect to the Limits Of Insurance, 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.

### Titles Of Paragraphs

The titles of the various paragraphs of this Policy and endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

### Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent.

### Abandonment

There can be no abandonment of any property to us.

### Appraisal

1. If we and you disagree on the value of the property or the amount of loss, either may make written request 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 amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
  - a. Pay its chosen appraiser; and
  - b. Bear the other expenses of the appraisal and umpire equally.
2. This appraisal is to determine the value of the property or the amount of loss. It is not a confirmation of coverage. We still retain our right to assert any defenses.

### Arbitration Of A Property, Expense/Income Or Lending Loss

1. If you and we disagree on whether there is any coverage under the Property, Expense/Income, or Lending Coverages, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:
  - a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
  - b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.
2. All parties agree to consider themselves bound by any award made by the arbitrators.

## Legal Action Against Us

### 1. Property, Lending or Expense/Income Coverages:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and these provisions; and
- b. The action is brought within 3 years after the date that the loss occurred.

If in conflict with state statutes that allow you a certain time period for filing "suit," this provision is amended to conform to such statutes.

### 2. Liability Coverages:

No person or organization has a right under these Coverages:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from you.
- b. To sue us on one of these Coverages unless all of the terms of the Coverage and these provisions have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of one of these Coverages or that are in excess of the applicable Limit Of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

## Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the Policy to receive payment. Payment for loss will be made within 30 days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

## 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 subject to the Limit Of Insurance.

## Rights To Recover From Others

If you have rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. You must do everything necessary to secure these rights. You must do nothing after a loss to impair those rights. At our request you will bring "suit" or transfer those rights to us and help us enforce them. But you may waive your rights against another party in writing prior to a loss.

### The Injured Person's Duties In The Event Of A Medical Payments Loss

At our request, the injured person must see that the following are done:

- a. Give us written proof of claim, under oath if we request, as soon as practicable.
- b. Give us written authorization to allow us to obtain copies of medical reports and records.
- c. Submit to examination, at our expense, by physicians of our choice as often as we reasonably require.
- d. Permit us to question the injured person at such times as may be reasonably required, about any matter relating to the accident and "bodily injury." If requested, the answers must be by a signed or recorded statement.
- e. Cooperate with us in the investigation or settlement of the claim.

### Your Duties In The Event Of A Liability Occurrence, Claim, Suit Or Lawsuit

1. You must see to it that we are notified promptly of an "occurrence," negligent act, error or omission which may result in a claim. Notice should include:
  - a. How, when and where the "occurrence" took place; and
  - b. The names and addresses of any injured persons and witnesses.
2. If a claim is made or "suit" or "lawsuit" is brought against any insured, you must see to it that we receive prompt written notice of the claim, or "suit" or "lawsuit." We will not be responsible for any expenses, including attorney's fees, incurred by you, without our prior consent.
3. You and any other involved insured must:
  - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim, "suit" or "lawsuit";
  - b. Authorize us to obtain records and other information;
  - c. Cooperate with us in the investigation, settlement or defense of the claim, or "suit" or "lawsuit"; and
  - d. 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.

Your Duties In The Event Of A Liability Occurrence, Claim, Suit Or Lawsuit - continued

4. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
5. The duty to defend does not begin until we are given notice of a "suit" or "lawsuit" and all other Conditions and duties arising under the Policy have been complied with.

Your Duties In The Event Of A Property, Lending Or Expense/Income Coverage Loss Or Damage

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

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage. Include a description of the property involved. But, failure to furnish such notice or proof of loss as soon as reasonably possible will not invalidate or reduce a claim unless our rights are jeopardized.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. 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.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- f. Permit us to inspect the Covered Property and records proving the loss or damage.
- g. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
- h. Send us a signed, sworn statement 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.
- i. Cooperate with us in the investigation or settlement of the claim.
- j. Promptly send us any legal papers or notices received concerning the loss.
- k. Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our consent.
- l. In case of loss to "valuable information," make every reasonable effort to collect amounts owed to you.

### Accidental Breakdown

“Accidental breakdown” means a sudden and “accidental breakdown” of the “object” or a part of the “object.” At the time the breakdown occurs, it must manifest itself by physical damage to the “object” that necessitates repair or replacement.

None of the following are “accidental breakdown”:

- a. Depletion, deterioration, corrosion or erosion;
- b. Wear and tear;
- c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- d. Breakdown of any structure or foundation supporting the “object” or any of its parts;
- e. The functioning of any safety or protective device;
- f. Lightning;
- g. Flood, unless an “accidental breakdown” results from a flood;
- h. Fire;
- i. “Accidental breakdown” caused directly or indirectly by any earth movement, earthquake, landslide, or earth sinking, rising or shifting, or volcanic eruption;
- j. Seizure or destruction of property by order of governmental authority;
- k. Nuclear reaction or radiation, or radioactive contamination, however caused;
- l. War, including undeclared or civil war;
- m. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by a government, sovereign or other authority using military personnel or other agents; or
- n. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### Actual Cash Value

“Actual cash value” means the amount which it would cost to repair or replace the damaged property with one of like kind or quality, less allowance for physical deterioration and depreciation.

### Advertising Injury

“Advertising injury” means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- b. Oral or written publication of material that violates a person’s right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### Auto

“Auto” means a land motor vehicle, trailer, or semi-trailer designed for travel on public roads, its parts and equipment, including permanently installed electronic equipment.

### Automated Teller Machine

“Automated teller machine” means:

- a. An electronic mechanical device that requires the use of an access card or personal identification number (PIN), or both, to disburse “money” or accept deposits;
- b. An electronic mechanical device used for the entry of loan application information by a person applying for a loan; and
- c. A kiosk or similar structure used to house or protect the device, including fixtures, lights and signs, fences, machinery, and equipment constituting a permanent part of, or pertaining to the service of the device, kiosk or similar structure.

### Automatic Sprinkler System

“Automatic sprinkler system” means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - 1) Sprinklers and discharge nozzles;
  - 2) Ducts, pipes, valves and fittings;
  - 3) Tanks, their component parts and supports; and
  - 4) Pumps and private fire protection mains.

#### Automatic Sprinkler System - continued

- b. When supplied from an automatic fire protective system:
  - 1) Non-automatic fire protective systems; and
  - 2) Hydrants, standpipes and outlets.

#### Bodily Injury

“Bodily injury” means physical harm, sickness, or disease that is sustained by a person during the Policy Period. “Bodily injury” includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

#### Bonus Payments

“Bonus payments” mean a pro rata share of the cash bonus you were required to pay at the time you entered into a lease of a location shown on the Declarations. The pro rata share will be determined by allocating the cash payment to the entire term of the lease. Only that portion of the cash bonus attributable to the unexpired term of the lease at the time of a loss will be considered a “bonus payment.”

#### Borrower

“Borrower” means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

#### Business Income

“Business income” means the:

- a. Net income (net profit or loss before income taxes) excluding interest of any kind and investment income that would have been earned or incurred;
- b. “Rental income”; and
- c. Continuing normal operating expenses, including payroll.

#### By-Product Material

“By-product material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Communication Supply Service

“Communication supply service” means property supplying communication services, including telephone, internet service provider (ISP), radio, microwave or television services, to the premises such as:

- a. Overhead or underground communication transmission lines;
- b. Microwave radio relays except satellites; and
- c. Telephone company central office switching equipment.

### Conversion

“Conversion” means transfer of legal ownership of insured property by the “borrower” via sale, trade or disposal without your consent.

### Data Processing Equipment

“Data processing equipment” means an electronic programmable computer that can store, retrieve and process data by means of various software programs, including a monitor, printer, other peripheral data processing hardware that provides communication, including input and output functions, or auxiliary functions such as data transmission.

### Data Processing Services

“Data processing services” means the transformation of information on “data processing equipment,” from the source format into a desired form and the subsequent processing of such information.

### Dependent Business Premises

“Dependent business premises” means premises operated by others on whom you depend to deliver materials, “data processing services” or other services to you. “Dependent business premises” does not mean premises operated by others where debit, credit or other card processing services are performed.

### Discovered

“Discovered” means the time at which you first know, or have reason to suspect a covered loss.

### Environment

“Environment” includes any person, any man-made object or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the insured; including, but not limited to any of the above.

### Extra Expense

“Extra expense” means necessary expenses you incur during the “period of restoration” that you would not have incurred if there had been no direct physical loss or damage to property. This expense could include rental of temporary equipment or facilities and the cost of additional labor. “Extra expense” does not include the cost to repair or replace any property, or any loss to “valuable information.”

### Foreclosed Property

“Foreclosed property” is property on which a foreclosure judgment or deed is recorded on public records.

### Fungus

“Fungus” means any microorganism or by-product of a microorganism, including, but not limited to mold, mildew, fungi, myotoxins and spores.

### Hostile Fire

“Hostile fire” means a fire that becomes uncontrollable or breaks out from where it is intended to be.

### Impairment

“Impairment” means that as a result of the accidental physical loss, the value of the property is less than the “outstanding loan balance.”

### Lack Or Insufficiency Of Insurance

“Lack or insufficiency of insurance” means non-existence, inadequacy, invalidity or uncollectibility of insurance you customarily require. This includes failure of the policy to name you as mortgagee.

### Lawsuit

“Lawsuit” means a civil court action in which damages or other relief to which this insurance applies are alleged.

### Leased Auto

“Leased auto” means any “auto” you lease to a lessee under a lease agreement or arrangement.

## Lending

“Lending” means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;
3. “Loan servicing”; or
4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;
  - b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute; or
  - c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

## Loading Or Unloading

“Loading or unloading” means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, “watercraft” or “auto”;
- b. While it is in or on an aircraft, “watercraft” or “auto”; or
- c. While it is being moved from an aircraft, “watercraft” or “auto” to the place where it is finally delivered,

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, “watercraft” or “auto.”

## Loan Servicing

“Loan servicing” means:

1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
2. Record keeping;

Loan Servicing - continued

3. Billing;
4. Disbursements of principal and interest for a loan; or
5. Credit reporting or statements of a "borrower's" creditworthiness.

Loss To Your Data Processing Operations

"Loss to your data processing operations" means direct damage, by a Covered Cause Of Loss under this Policy, to:

- a. Property covered under "data processing equipment";
- b. The building housing your data processing operations, that prevents you from entering the building;
- c. "Power supply service" causing an interruption in service at the premises described on the Declarations;
- d. "Communication supply service" causing an interruption in service to the premises described on the Declarations;
- e. "Water supply service" causing an interruption in service at the premises described on the Declarations; or
- f. "Sewage treatment service" causing an interruption in service at the premises described on the Declarations.

Loss To Your Mortgageholder's Interest

"Loss to your mortgageholder's interest" means that:

- a. The mortgagor has defaulted in payments, you have foreclosed on the mortgaged property, and applied proceeds to the mortgage balance; and
- b. The value of the mortgaged property is less than the principal plus accrued interest and attorneys fees of a valid mortgage or deed of trust including accrued interest.

Money

"Money" means currency, coins and bank notes and Federal Reserve notes, checks, drafts and share drafts.

### Non-Negotiable Securities

“Non-negotiable securities” means securities that cannot be negotiated or converted to cash by unauthorized persons without resort to forgery.

### Nuclear Facility

“Nuclear facility” means:

1. Any “nuclear reactor”;
2. Any equipment or device designed or used for:
  - a. Separating the isotopes of uranium or plutonium;
  - b. Processing or utilizing “spent fuel”; or
  - c. Handling, processing or packaging “waste.”
3. Any equipment or device used for 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;
4. 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 Material

“Nuclear material” means “source material,” “special nuclear material” or “by-product material.”

### Nuclear Reactor

“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.

### Object

“Object” means any permanently installed building machinery and equipment except:

- a. A steam heating boiler or vessel and a condensate return tank associated with the boiler or vessel;

Object - continued

- b. An electrical, reciprocating or rotating apparatus within or forming a part of the steam heating boiler or vessel;
- c. "Data processing equipment" unless used only to control or operate an "object";
- d. An "automated teller machine";
- e. Electronic data, information or instructions stored in digital code;
- f. Drainage, waste or sewer piping, underground piping, including a lawn sprinkler system;
- g. Piping, valves or fittings forming a part of a sprinkler or fire suppression sprinkler system; or
- h. Piping or a vessel buried or encased in the earth, concrete or other material, whether above or below ground, or in an enclosure which does not allow access for inspection or repair.

Occurrence

"Occurrence" means an event or series of causally related events that contribute concurrently or consecutively to loss or damage.

Outstanding Loan Balance

"Outstanding loan balance" means the balance due you on the date of loss less:

- a. Payments which are more than 180 days past due on the date of loss;
- b. Unearned interest, finance or carrying charges; and
- c. Penalties or other charges which may have been added to the balance after the inception date of the loan.

If two or more items of property secure the same loan, the "outstanding loan balance" is the proportionate part of the unpaid balance that the damaged property represents.

Period Of Restoration

"Period of restoration" means the period of time beginning with the date of damage and ending when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality. The expiration date of this Policy will not cut short the "period of restoration."

### Personal Injury

“Personal injury” means injury, other than “bodily injury,” arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- e. Oral or written publication of material that violates a person’s right of privacy; or
- f. Discrimination, except for any discrimination related to “lending.”

### Pollutants

“Pollutants” means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, “waste” and any other irritant or contaminant.

### Pollution Or Contamination

“Pollution or contamination” means any unclean, unsafe, damaging injurious or unhealthful conditions arising out of the presence of “pollutants,” whether permanent or transient, in any “environment.”

### Power Supply Service

“Power supply service” means property supplying electricity or gas to the premises such as:

- a. Utility generating plants;
- b. Switching stations and substations;
- c. Transformers and overhead or underground transmission lines; and
- d. Pipes and pumping stations.

### Prepaid Rent

“Prepaid rent” means a pro rata share of the rent you were required to advance at the time you entered into a lease of a location shown on the Declarations. The pro rata share will be determined by allocating the amount of the rent advanced to the entire term of the lease. Only that portion of the advance rent attributable to the unexpired term of the lease at the time of loss will be considered “prepaid rent.”

### Products-Completed Operations Hazard

1. “Products-completed operations hazard” includes all “bodily injury” and “property damage” occurring away from premises you own or rent and arising out of “your product” or “your work,” except:
  - a. Products that are still in your physical possession; or
  - b. Work that has not yet been completed or abandoned.
2. “Your work” will be deemed completed at the earliest of the following times:
  - a. When all of the work called for in your contract has been completed;
  - b. When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
  - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

3. This hazard does not include “bodily injury” or “property damage” arising out of:
  - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the “loading or unloading” of it;
  - b. The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - c. Products or operations for which the classification in this insurance or in our manual or rules includes products or completed operations.

### Professional Service

“Professional service” includes but is not limited to:

- a. Accounting, auditing or tax services for a fee;
- b. Advising, inspecting, reporting, selling, brokering, and recommending in the insured’s capacity as a travel agent, insurance company, insurance consultant, insurance broker, insurance agent, financial planner or representative thereof, for fee or commission;
- c. Advising, recommending, selling or brokering stocks, bonds, mutual funds or other investment instruments for a fee or commission;
- d. Architect, engineer, inspection, or investigation service for a fee;
- e. Day care or child care service for a fee;
- f. Health care service for a fee;
- g. Legal services for a fee; or
- h. Selecting, obtaining or maintaining insurance, suretyship, or bond.

### Profit On A Sub-Lease

“Profit on a sub-lease” means a pro rata share of the net profit you would receive on a sub-lease of a location shown on the Declarations. The pro rata share will be determined by allocating the total amount of net profit to the entire term of the lease or sub-lease, whichever is shorter. Only that portion of the profit attributable to the unexpired term will be considered “profit on a sub-lease.”

### Property Damage

“Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property; or
- b. Loss of use of tangible property that is not physically injured.

### Real Estate

“Real estate” means:

- a. Land and anything a part of or attached to the land such as a building; or
- b. Mobile trailer homes only if intended for use as a permanent, private residence and situated on a foundation or blocks, with wheels removed so as to be rendered immobile at the time of loss.

### Real Property

“Real property” includes a mobile trailer home intended for use as a permanent, private residence and situated on a foundation or blocks with wheels removed so as to be rendered immobile at time of loss.

### Rental Income

“Rental income” means the sum of:

- a. The total gross income you expect to receive from your tenant of the described premises as furnished and equipped by you; and
- b. The amount of continuing charges you incur which otherwise were the legal obligation of and would be paid by your tenant.

In determining the amount of loss we will consider the rental experience before the date of damage and the probable experience thereafter had no loss occurred.

### Repossessed

“Repossessed” means that you or someone on your behalf has physical care, custody and control of the property used as collateral on a loan.

### Securities

“Securities” means original mortgages, documents of title, evidences of debt, security agreements, money orders, certificates of deposit, stock or bond certificates, instruction to or statement of uncertificated security of a Federal Reserve Bank, and certificated security.

### Sewage Treatment Service

“Sewage treatment service” means property used to transport sewage and waste from a location shown on the Declarations such as:

- a. Pumping stations; and
- b. Sewage and waste pipes.

### Soft Costs

“Soft costs” means expenses you incur that are over and above the expenses which you would have incurred if there had been no direct physical loss or damage to Covered Property during construction. “Soft costs” include: extra construction expenses incurred in order to continue the construction and meet deadlines under construction contracts; interest on construction loans from the date of loss to the date construction is completed; real estate taxes or construction assessments that are attributable to the period from the date of loss to the date construction is completed; architect, engineering and consultant fees; legal and accounting fees; insurance premiums; advertising and promotional expenses; and costs and commissions attributable to the renegotiation of leases.

### Source Material

“Source material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Special Nuclear Material

“Special nuclear material” has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

### Spent Fuel

“Spent fuel” means any fuel element or fuel component, solid or liquid, that has been used or exposed to radiation in a “nuclear reactor.”

### Suit

“Suit” means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

### Tenant’s Lease Interest

“Tenant’s lease interest” means the difference between the appraised rental value and the rent you would have been required to pay for the unexpired term of the lease following cancellation; or the difference between the rent you would have been required to pay for the unexpired term of the lease and the rent you are required to pay under a new lease covering the same term, whichever is less.

### Tenant’s Interest In Undamaged Improvements And Betterments

“Tenant’s interest in undamaged improvements and betterments” means the appraised value, on the date of cancellation of the lease, of fixtures, alterations, installations or additions you made to the interior of leased premises which have not been damaged and which cannot be removed.

### Valuable Information

“Valuable information” means:

- a. Mortgage or loan documents;
- b. Accounts receivable records;
- c. Converted data, programs, or instructions used in your data processing operations, including the materials on which the data is recorded;
- d. Inscribed, microfilmed, printed or written documents, paper, ledgers, or journals;
- e. Manuscripts or records, including abstracts, books, deeds, drawings, films, maps; or
- f. Data or a virtual document stored on an optical disk or other storage media.

### Valid Insurance

“Valid insurance” means a valid policy, or other evidence of insurance.

### Waste

1. “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.”
2. “Waste” includes any material to be disposed of, recycled, reconditioned or reclaimed.

### Watercraft

“Watercraft” means watercraft of any type, and their trailers, motors, parts and watercraft equipment, including electronic equipment permanently installed.

### Water Supply Service

“Water supply service” means property supplying water to the premises such as:

- a. Pumping stations; and
- b. Water mains.

### Your Product

1. “Your product” means:
  - a. Any goods or products, other than “real property,” manufactured, sold, handled, distributed or disposed of by:
    - 1) You;
    - 2) Others trading under your name; or
    - 3) A person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
2. “Your product” includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. and b. above.
3. “Your product” does not include vending machines or other property rented to or located for the use of others but not sold.

### Your Work

1. “Your work” means:
  - a. Work or operations performed by you or on your behalf; and
  - b. Materials, parts or equipment furnished in connection with such work or operations.
2. “Your work” includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

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**NAMED PERILS ENDORSEMENT  
FORECLOSED BUILDING COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION**

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Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered. This endorsement modifies the Foreclosed Building Coverage.

**COVERED CAUSES OF LOSS**

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The Covered Causes Of Loss in the Foreclosed Building Coverage are replaced with the following:

We will pay for direct loss caused by:

**Aircraft Or Vehicles**

Aircraft or vehicles, meaning only physical contact of an aircraft, a spacecraft, a self-propelled missile, a vehicle or an "object" thrown up by a vehicle with the described property or with the building or structure containing the described property. This Covered Cause Of Loss includes loss or damage by "objects" falling from aircraft.

**Explosion**

Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues of passages through which the gases' combustion pass. This Covered Cause Of Loss does not include loss or damage by:

- a. Electric arcing;
- b. Breakage of water pipes;
- c. Breakage or operation of pressure relief devices; or
- d. Explosion of steam boiler or steam pipes, if owned or leased by you or operated under your control.

**Fire**

Fire.

**Freezing**

Freezing of a plumbing, heating or air conditioning system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing is a Covered Cause Of Loss provided that, in the case of a vacant building, you have maintained heat in the building or shut off the water supply and drained the system and appliances of water.

**Lightning**

Lightning.

#### Riot Or Civil Commotion

Riot or civil commotion.

#### Sinkhole Collapse

Sinkhole collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or similar rock formations. This Covered Cause Of Loss does not include the cost of filling sinkholes.

#### Smoke

Smoke causing sudden and accidental loss or damage. This Covered Cause Of Loss does not include smoke from agricultural smudging or industrial operations.

#### Vandalism

Vandalism, meaning willful and malicious damage to, or destruction of, the described property.

We will not pay for loss or damage:

- a. To glass (other than glass building blocks) that is part of a building, structure, or an outside sign; but we will pay for loss or damage to other property caused by or resulting from breakage of glass by vandals.
- b. Caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

#### Volcanic Action

Volcanic action, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 72-hour period will constitute a single "occurrence."

This Covered Cause Of Loss does not include the cost to remove ash, dust or particular matter that does not cause direct physical loss to the described property.

#### Weight Of Ice And Snow

Weight of ice and snow which causes damage to a building.

This Covered Cause Of Loss does not include loss to an awning, fence, patio, pavement, swimming pool, foundation, retaining wall, bulkhead, pier, wharf or dock.

#### Windstorm Or Hail

Windstorm or hail, but not including:

- a. Frost or cold weather; or
- b. Ice (other than hail), snow or sleet, whether driven by wind or not.

We will not pay for loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters.

**NAMED PERILS ENDORSEMENT  
FORECLOSED BUILDING COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION  
CONCURRENT POLICY EXCLUSIONS**

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The Concurrent Policy Exclusions in the Foreclosed Building Coverage are replaced with the following:

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

#### Earth Movement

1. Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, or earth sinking, rising or shifting. However, if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
2. Volcanic eruption, explosion or effusion. However, if loss or damage by fire, building glass breakage or volcanic action results, we will pay for that resulting loss or damage.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 72-hour period will constitute a single "occurrence."

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

#### Governmental Action

Seizure or destruction of property by order of governmental authority. However, we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage.

#### Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused. However, if loss or damage by fire results, we will pay for that resulting loss or damage.

#### Power Failure

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises. However, if loss or damage by Covered Cause Of Loss results, we will pay for that resulting loss or damage.

**NAMED PERILS ENDORSEMENT  
FORECLOSED BUILDING COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION  
CONCURRENT POLICY EXCLUSIONS**

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Water

1. Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
2. Mudslide or mudflow;
3. Water that backs up from a sewer or drain; or
4. Water under the ground surface pressing on, or flowing or seeping through:
  - a. Foundations, walls, floors or paved surfaces;
  - b. Basements, whether paved or not; or
  - c. Doors, windows or other openings.

**NAMED PERILS ENDORSEMENT  
FORECLOSED BUILDING COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION  
OTHER POLICY EXCLUSIONS**

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The Other Policy Exclusions in the Foreclosed Building Coverage are replaced with the following:

We will not pay for loss or damage caused by or resulting from any of the following. However, if loss or damage by a Covered Cause Of Loss results, we will pay for only the resulting loss or damage from the Covered Cause Of Loss.

#### Electrical Apparatus

Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires.

However, if loss or damage by fire results, we will pay for that resulting loss or damage.

#### Pollution

1. The "pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way arising out of the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants."
2. The cleaning up, testing, monitoring, containing, treating, detoxifying, and neutralizing of "pollutants" even if caused by a governmental direction or request.

This exclusion does not apply to:

- a. Coverage provided for "pollution or contamination" from smoke or fumes from a "hostile fire," or
- b. Coverage provided for Debris Removal that includes removal of "pollutants." However, Debris Removal is subject to a limit of 25 percent of the direct physical damage loss to the covered property and is not provided for the removal of "pollutants" from land or water.

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered. This endorsement modifies the Named Perils Endorsement Foreclosed Building Coverage.

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**CAUSE OF LOSS**

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**Freezing**

When shown on the Declarations, the Freezing Covered Cause Of Loss in the Named Perils Endorsement Foreclosed Building Coverage is deleted.

**Vandalism**

When shown on the Declarations, the Vandalism Covered Cause Of Loss in the Named Perils Endorsement Foreclosed Building Coverage is deleted.

**Weight Of Ice And Snow**

When shown on the Declarations, the Weight Of Ice And Snow Covered Cause Of Loss in the Named Perils Endorsement Foreclosed Building Coverage is deleted.

**Windstorm Or Hail**

When shown on the Declarations, the Windstorm Or Hail Covered Cause Of Loss in the Named Perils Endorsement Foreclosed Building Coverage is deleted.

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Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties and what is and is not covered. The Common Policy Provisions apply to this Coverage.

The words "this insurance" mean the business liability insurance provided under this Coverage.

The word "insured" means any person or organization qualifying as such under Who Is An Insured.

Throughout this Policy the words "you" and "your" refer to the Named Insured shown on the Declarations. The words "we," "us," and "our" refer to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning and are defined in the Policy.

**COVERAGE A  
BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

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Insuring Agreement

1. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. This insurance applies only to "bodily injury" and "property damage" that occurs during the Policy Period. The "bodily injury" or "property damage" must be caused by an "occurrence." The "occurrence" must take place in the Coverage Territory. We will have the right and duty, using attorneys of our own choice, to defend any "suit" seeking those damages. However:
  - a. The amount we will pay for damages is limited as described in the Limit Of Insurance Additional Condition;
  - b. We may investigate and settle any claim or "suit" at our discretion; and
  - c. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
2. 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."
3. "Property damage" that is loss of use of tangible property that is not physically injured will be deemed to occur at the time of the "occurrence" that caused the loss of use.

This insurance does not apply to:

#### Aircraft, Auto Or Watercraft

1. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or "watercraft." Use includes operation and "loading or unloading."
2. This exclusion does not apply to:
  - a. "Watercraft" you do not own that is less than 75 feet long; or
  - b. Aircraft chartered with a pilot and crew.

#### Alcohol

1. "Bodily injury" or "property damage" for which any insured may be held liable by reason of:
  - a. Causing or contributing to the intoxication of any person;
  - b. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
  - c. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
2. This exclusion applies only if you are in the business of manufacturing, distributing, selling, servicing or furnishing alcoholic beverages.

#### Compensation Plans

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

#### Contracts

"Bodily injury" or "property damage" assumed by the insured under any contract or agreement that:

- a. Is oral or otherwise not written;
- b. Is made after the "bodily injury" or "property damage" occurs; or
- c. Does not relate to your business operations.

### Damage To Property In Your Control

1. "Property damage" to:
  - a. Property you own, rent, or occupy;
  - b. Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
  - c. Property loaned to you; or
  - d. Personal property in your care, custody or control.
2. This exclusion does not apply to damage by fire to premises rented to you.

### Damage To Your Product Or Work

1. "Property damage" to "your product" arising out of it or any part of it.
2. "Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."
3. 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.

### Employment Liability

1. "Bodily injury" to:
  - a. An employee of the insured arising out of and in the course of employment by the insured; or
  - b. The spouse, child, parent, brother or sister of that employee or any other person as a consequence of paragraph a. above.
2. This exclusion applies:
  - a. Whether the insured may be liable as an employer or in any other capacity; and
  - b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.
3. This exclusion does not apply to liability assumed by the insured under a contract or agreement.

### Employment Related Practices

1. "Bodily injury" to:
  - a. A person arising out of any:
    - 1) Refusal to hire or promote that person;
    - 2) Termination of that person's employment; or
    - 3) Employment related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person.
  - b. The spouse, child, parent, brother or sister of that person or any other person as a consequence of "bodily injury" to that person at whom any of the employment related practices described in paragraphs 1), 2) or 3) above is directed.
2. This exclusion applies:
  - a. Whether the insured may be liable as an employer or in any other capacity; and
  - b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

### Intentional 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.

### Nuclear Energy

1. "Bodily injury" or "property damage," including all forms of radioactive contamination of property:
  - a. With respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which:
    - 1) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any amendatory law thereof; or

Nuclear Energy - continued

- 2) The insured is, or had this insurance not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any medical payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
3. "Bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material," if:
  - a. The "nuclear material":
    - 1) Is at any "nuclear facility" owned by, or operated by or on behalf of, an insured; or
    - 2) Has been discharged or dispersed there from.
  - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, process, stored, transported or disposed of by or on behalf of an insured; or
  - c. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, then this exclusion applies only to radioactive contamination to such "nuclear facility" and any property at such "nuclear facility."

Pollution

1. "Bodily injury" or "property damage" arising out of:
  - a. The "pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way; or
  - b. The actual, alleged or threatened discharge, dispersal, release or escape of "pollutants."
2. Any costs, or other loss or damage arising out of such "pollution or contamination" or seepage, including, but not limited to, cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or "pollutants," even if caused by a governmental direction or request.

#### Pollution - continued

3. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or "suit" related to any of the above.
4. This exclusion does not apply to "bodily injury" or "property damage" caused by heat, smoke or fumes from a "hostile fire."

#### Product Recall

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:

- a. "Your product"; or
- b. "Your work,"

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.

#### Professional Services

"Bodily injury" and "property damage" due to your rendering or failure to render any "professional service."

#### War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

### Insuring Agreement

1. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this insurance applies. We will have the right and duty, using attorneys of our own choice, to defend any "suit" seeking those damages. However:
  - a. The amount we will pay for damages is limited as described in Limit Of Insurance;
  - b. We may investigate and settle any claim or "suit" at our discretion; and
  - c. Our right and duty to defend end when we have used up the applicable Limit Of Insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
2. This insurance applies to "personal injury" only if caused by an "occurrence":
  - a. Committed in the Coverage Territory during the Policy Period; and
  - b. Arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.
3. This insurance applies to "advertising injury" only if caused by an "occurrence" committed:
  - a. In the Coverage Territory during the Policy Period; and
  - b. In the course of advertising your goods, products or services.

This insurance does not apply to:

#### Advertising Injury

“Advertising injury” arising out of:

- a. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- b. The failure of goods, products or services to conform with advertised quality or performance; or
- c. The wrong description of the price of goods, products or services.

#### Employment Related Practices

1. “Personal injury” to:
  - a. A person arising out of any:
    - 1) Refusal to hire or promote that person;
    - 2) Termination of that person’s employment; or
    - 3) Employment related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person.
  - b. The spouse, child, parent, brother or sister of that person or any other person as a consequence of “personal injury” to that person at whom any of the employment related practices described in paragraphs 1), 2) or 3) above is directed.
2. This exclusion applies:
  - a. Whether the insured may be liable as an employer or in any other capacity; and
  - b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

### Personal Injury And Advertising Injury

“Personal injury” or “advertising injury”:

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period;
- c. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured;
- d. For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- e. Due to rendering or failure to render any “professional service”; or
- f. Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control.

### Pollution

1. “Personal injury” arising out of:
  - a. The “pollution or contamination” of any “environment” by “pollutants” or seepage of “pollutants” that are introduced at any time, anywhere, in any way; or
  - b. The actual, alleged or threatened discharge, dispersal, release or escape of “pollutants.”
2. Any costs, or other loss or damage, arising out of such “pollution or contamination” or seepage, including, but not limited to, cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or “pollutants,” even if caused by a governmental direction or request.
3. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or “suit” related to any of the above.
4. This exclusion does not apply to “personal injury” caused by heat, smoke or fumes from a “hostile fire.”

Insuring Agreement

1. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - a. On premises you own or rent;
  - b. On ways next to premises you own or rent; or
  - c. Because of your operations,provided that:
  - a. The accident takes place in the Coverage Territory and during the Policy Period;
  - b. The expenses are incurred and reported to us within two years of the date of the accident; and
  - c. The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
2. We will make these payments regardless of fault. These payments will not exceed the applicable Limit Of Insurance. We will pay reasonable expenses for:
  - a. First aid at the time of an accident;
  - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - c. Necessary ambulance, hospital, professional nursing and funeral services.

We will not pay expenses for "bodily injury":

1. To any insured;
2. To a person hired to do work for or on behalf of any insured or a tenant of any insured;
3. To a person injured on that part of premises you own or rent that the person normally occupies;
4. 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;
5. Included within the "products-completed operations hazard";
6. Excluded under Coverage A; or
7. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

Insuring Agreement

1. We will pay, with respect to any claim or "suit" we defend under Coverages A or B:
  - a. All expenses we incur;
  - b. 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;
  - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work;
  - d. All costs taxed against the insured in the "suit";
  - e. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and
  - f. 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.
2. These payments will not reduce the Limit Of Insurance.

1. The organization named in the Declarations.
2. Each of the following is also an insured:
  - a. Your employees, but only for acts within the scope of their employment by you. However, none of these employees is an insured for:
    - 1) "Bodily injury" or "personal injury" to you or to a co-employee while in the course of his or her employment;
    - 2) "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
    - 3) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
  - b. Any person (other than your employee), or any organization while acting as your real estate manager.
3. Your volunteer workers, but only with respect to their liability for your activities or activities they perform on your behalf.
4. Members of your Board of Directors and committees while acting within the scope of their duties as such on your behalf.
5. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the Policy Period, whichever is earlier;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.
6. No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

### Limit Of Insurance

1. The Limits Of Insurance shown on 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 Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A;
  - b. Damages under Coverage B; and
  - c. Medical expenses under Coverage C,because of all "bodily injury," "property damage," "personal injury" and "advertising injury" arising out of any one "occurrence."
  
3. The Aggregate Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A;
  - b. Damages under Coverage B; and
  - c. Medical expenses under Coverage C,because of all "bodily injury," "property damage," "personal injury" and "advertising injury" arising during the Policy Period. The Aggregate Limit applies separately to each consecutive Policy Period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown on 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 the purposes of determining the Limit Of Insurance.
  
4. The Medical Payments Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person in any one "occurrence."

## Other Insurance

1. If other valid and collectible insurance is available to you for a loss we cover under Coverage A, B or C, our obligations are limited as follows:
  - a. Primary Insurance - This insurance is primary except when paragraph 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 paragraph c. below.
  - b. Excess Insurance - This insurance is excess over any of the other insurance, whether primary, excess, contingent or any other basis:
    - 1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work"; or
    - 2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or
    - 3) If the loss arises out of the maintenance or use of aircraft, or "watercraft" to the extent not subject to Coverage A Exclusions.
2. When this insurance is excess, we will have no duty under Coverage A or B to defend you against any "suit" if any other insurer has a duty to defend you against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to your rights against all those other insurers.
3. 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:
  - a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - b. The total of all deductible and self-insured amounts under all that other insurance.
4. 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.
5. 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. We will share the remaining loss, if any, with any other insurance that is not described in this condition and was not bought specifically to apply in excess of the Limits Of Insurance shown on the Declarations.

**BUSINESS LIABILITY COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION  
ADDITIONAL CONDITIONS**

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If any of the definitions in this insurance are contrary to definitions contained in the Common Policy Provisions, then the definitions contained in this insurance apply.

### Advertising Injury

“Advertising injury” means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- b. Oral or written publication of material that violates a person’s right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### Auto

“Auto” means a land motor vehicle, trailer or semitrailer designed for travel on public roads, its parts and equipment, including permanently installed electronic equipment.

### Bodily Injury

“Bodily injury” means physical harm, sickness, or disease that is sustained by a person during the Policy Period. “Bodily injury” includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

### Borrower

“Borrower” means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

### By-Product Material

“By-product material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Data Processing Equipment

“Data processing equipment” means an electronic programmable computer that can store, retrieve and process data by means of various software programs, including a monitor, printer, other peripheral data processing hardware that provides communication, including input and output functions, or auxiliary functions such as data transmission.

### Data Processing Services

“Data processing services” means the transformation of information on “data processing equipment,” from the source format into a desired form and the subsequent processing of such information.

### Electronic Data

“Electronic data” means any 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 that are used with electronically controlled equipment.

### Environment

“Environment” includes any person, any man-made object or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the insured; including, but not limited to any of the above.

### Hazardous Properties

“Hazardous properties” include radioactive, toxic or explosive properties.

### Hostile Fire

“Hostile fire” means a fire that becomes uncontrollable or breaks out from where it is intended to be.

### Lending

“Lending” means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;
3. “Loan servicing”; or
4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;

Lending – continued

- b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute;  
or
- c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

Loading Or Unloading

“Loading or unloading” means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, “watercraft” or “auto”;
- b. While it is in or on an aircraft, “watercraft” or “auto”; or
- c. While it is being moved from an aircraft, “watercraft” or “auto” to the place where it is finally delivered,

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, “watercraft” or “auto.”

Loan Servicing

“Loan servicing” means:

- 1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
- 2. Record keeping;
- 3. Billing;
- 4. Disbursements of principal and interest for a loan; or
- 5. Credit reporting or statements of a “borrower’s” creditworthiness.

Nuclear Facility

“Nuclear facility” means:

- 1. Any “nuclear reactor”;
- 2. Any equipment or device designed or used for:

Nuclear Facility – continued

- a. Separating the isotopes of uranium or plutonium;
  - b. Processing or utilizing “spent fuel”; or
  - c. Handling, processing or packaging “waste.”
3. Any equipment or device used for 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;
  4. 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 Material

“Nuclear material” means “source material,” “special nuclear material” or “by-product material.”

Nuclear Reactor

“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.

Occurrence

“Occurrence” means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in “bodily injury” or “property damage.”

All damages that arise from continuous or repeated exposure to substantially the same general conditions are considered to arise from one “occurrence.”

- b. An offense that results in “personal injury.”

All damages that arise from exposure to the same act, publication or general conditions are considered to arise from one “occurrence.”

Occurrence - continued

- c. An offense that results in "advertising injury."

All damages that arise from exposure to the same publication, misappropriation, infringement, harmful material or act are considered to arise from one "occurrence" regardless of:

- 1) The frequency of repetition;
- 2) The number, kind or type of media used; or
- 3) The number of claimants.

Personal Injury

"Personal injury" means injury, other than "bodily injury," arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy; or
- f. Discrimination, except for any discrimination related to "lending."

Pollutants

"Pollutants" means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, "waste" and any other irritant or contaminant.

Pollution Or Contamination

"Pollution or contamination" means any unclean, unsafe, damaging injurious or unhealthful conditions arising out of the presence of "pollutants," whether permanent or transient, in any "environment."

### Products-Completed Operations Hazard

1. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work," except:
  - a. Products that are still in your physical possession; or
  - b. Work that has not yet been completed or abandoned.
2. "Your work" will be deemed completed at the earliest of the following times:
  - a. When all of the work called for in your contract has been completed;
  - b. When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
  - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

3. This hazard does not include "bodily injury" or "property damage" arising out of:
  - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
  - b. The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - c. Products or operations for which the classification in this insurance or in our manual or rules includes products or completed operations.

### Professional Service

"Professional service" includes but is not limited to:

- a. Accounting, auditing or tax services for a fee;
- b. Advising, inspecting, reporting, selling, brokering, or recommending in the insured's capacity as a travel agent, insurance company, insurance consultant, insurance broker, insurance agent, financial planner or representative thereof, for fee or commission;
- c. Advising, recommending, selling or brokering stocks, bonds, mutual funds or other investment instruments for a fee or commission;

Professional Service – continued

- d. Architect, engineer, inspection, appraisal, or investigation services for a fee;
- e. Day care and child care service for a fee;
- f. Health care service for a fee;
- g. Legal services for a fee;
- h. "Data processing services" for a fee; or
- i. Selecting, obtaining and maintaining insurance, suretyship, or bonds.

Property Damage

- 1. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property; or
  - b. Loss of use of tangible property that is not physically injured.
- 2. For the purposes of this insurance, "electronic data" is not tangible property.

Real Property

"Real property" includes a mobile trailer home intended for use as a permanent, private residence and situated on a foundation or blocks with wheels removed so as to be rendered immobile at time of loss.

Source Material

"Source material" has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

Special Nuclear Material

"Special nuclear material" has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

Spent Fuel

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

### Suit

“Suit” means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

### Waste

1. “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.”
2. “Waste” includes any material to be disposed of, recycled, reconditioned or reclaimed.

### Watercraft

“Watercraft” means watercraft of any type, and their trailers, motors, parts and watercraft equipment, including electronic equipment permanently installed.

### Your Product

1. “Your product” means:
  - a. Any goods or products, other than “real property,” manufactured, sold, handled, distributed or disposed of by:
    - 1) You;
    - 2) Others trading under your name; or
    - 3) A person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
2. “Your product” includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. and b. above.
3. “Your product” does not include vending machines or other property rented to or located for the use of others but not sold.

Your Work

1. "Your work" means:
  - a. Work or operations performed by you or on your behalf; and
  - b. Materials, parts or equipment furnished in connection with such work or operations.
2. "Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

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Various provisions in this Policy restrict coverage. Read the entire Policy and any "underlying insurance" carefully to determine rights, duties and what is covered and not covered. The Common Policy Provisions apply to this Coverage.

The words "this insurance" mean the excess liability insurance provided under this Coverage.

The word "insured" means any person or organization qualifying as such under any "underlying insurance."

Throughout this Policy the words "you" and "your" refer to the Named Insured shown on the Declarations. The words "we," "us," and "our" refer to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning and are defined in the Policy.

## **INSURING AGREEMENTS**

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### Coverage

We will pay those sums, in excess of the amount payable under the terms of any "underlying insurance," that the insured becomes legally obligated to pay as damages because of injury or damage to which this insurance applies, provided that the "underlying insurance" also applies, or would apply but for the exhaustion of its applicable limits of insurance.

### Defense

1. We will have the right, at our option, to participate in the defense of claims or "suits" against the insured seeking damages because of injury or damage to which this insurance may apply. We will have a duty to defend, with attorneys of our own choice, such claims or "suits" when the applicable limit of the "underlying insurance" has been used up by payment of judgments or settlements, and the insured has notified us of the fact of such payment.

This right or duty to defend is limited as described in the Defense Of Claims Or Suits Additional Condition.

2. The amount we will pay for damages is limited as described in the Limit Of Insurance Additional Condition.
3. This insurance is subject to the same terms, conditions, agreements, exclusions and definitions as the "underlying insurance," except:
  - a. We will have no obligation under this insurance with respect to any claim or "suit" that is settled without our consent; and
  - b. With respect to any provisions to the contrary contained in this insurance.

The exclusions applicable to the "underlying insurance" also apply to this insurance. This insurance does not apply to:

Medical Payments

Any obligation to pay expenses under any medical payments coverage.

Obligation Imposed By Law

Any obligation imposed by law under any automobile no-fault, uninsured motorist, underinsured motorist, workers' compensation, disability benefits or unemployment compensation law or similar law.

If any of the additional conditions in this insurance are contrary to conditions contained in the "underlying insurance," then the additional conditions contained in this insurance apply.

### Appeals

In the event the "underlying insurer" elects not to appeal a judgment in excess of the limits of the "underlying insurance," we may elect to make such appeal. If we so elect, we will be liable, in addition to the applicable Limit Of Insurance, for all "defense expenses" we incur.

### Bankruptcy Of Underlying Insurer

In the event of bankruptcy or insolvency of any "underlying insurer," the insurance afforded by this insurance will not replace such "underlying insurance," but will apply as if the "underlying insurance" was valid and collectible.

### Defense Of Claims Or Suits

1. When we have the duty to defend, we will have the right to choose defense counsel, and we will pay for all "defense expense" once our duty to defend begins.

If we exercise our right to defend when there is no duty, we will pay only that "defense expense" we incur.

If we provide a defense, we may investigate any claim or "suit" at our discretion. We may settle such claim or "suit" within the Limit Of Insurance available at the time of the settlement.

2. Our right or duty to defend ends when we have used up the Limit Of Insurance available for payment of any combination of judgments or settlements. This applies both to claims and "suits" pending at that time and those filed thereafter.
3. "Defense expense" will not reduce the Limit Of Insurance.

### Limit Of Insurance

1. The Limits Of Insurance shown on 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."

Limit Of Insurance - continued

2. The Limit Of Insurance shown on the Declarations as the Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" to which, and in the same manner, an aggregate limit applies under the "underlying insurance."

The Aggregate Limit does not apply to "ultimate net loss" for which no aggregate limit applies in the "underlying insurance."

3. Subject to paragraph 2. above, the Limit Of Insurance shown on the Declarations as the Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" to which this insurance applies arising out of any one "occurrence."
4. In the event of reduction or exhaustion of the aggregate limits of insurance under the "underlying insurance" solely by reason of payments of a combination of covered:
  - a. Expenses;
  - b. Settlements; or
  - c. Judgments paid thereunder as a result of "bodily injury," "property damage," "personal injury" or "advertising injury" taking place during this Policy Period, this insurance will, subject to this Limit Of Insurance Additional Condition and the remaining terms and conditions of this insurance:
    - 1) Apply in excess of such reduction of "underlying insurance"; or
    - 2) Apply in place of the exhausted amount of "underlying insurance."

Nothing in paragraphs 1) or 2) above will serve to increase the Limit Of Insurance shown on the Declarations.

5. The Limit Of Insurance for this insurance will apply separately to each consecutive Policy Period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown on 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 Policy Period for the purposes of determining the Limits Of Insurance.

### Maintenance Of Underlying Insurance

1. You agree to maintain the “underlying insurance” in full force and effect during the term of this insurance, and to inform us within 30 days of any replacement of that “underlying insurance” by the same or another company.
2. In the event that any “underlying insurance” is cancelled or not renewed and not replaced, you must notify us immediately. We will not be liable under this insurance for more than we would have been liable if that “underlying insurance” had not terminated.
3. No statement contained in this condition limits our right to cancel or not renew this insurance.

### Other Insurance

1. This insurance is excess over any other valid and collectible insurance whether primary, excess, contingent, or any other basis, except other insurance written specifically to be excess of this insurance.
2. The other insurance will be deemed valid and collectible regardless of:
  - a. Any defense asserted by any other insurer because of your failure to comply with the terms of that insurance; or
  - b. The inability of any other insurer to pay for a loss due to bankruptcy or insolvency.

If any of the definitions in this insurance are contrary to definitions contained in the Common Policy Provisions or "underlying insurance," then the definitions contained in this insurance apply.

### Advertising Injury

"Advertising injury" means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication of material that violates a person's right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### Bodily Injury

"Bodily injury" means physical harm, sickness, or disease that is sustained by a person during the Policy Period. "Bodily injury" includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

### Borrower

"Borrower" means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

### By-Product Material

"By-product material" has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Defense Expense

"Defense expense" means payments allocated to a specific claim or "suit" for its investigation, settlement, or defense, including:

- a. Attorney fees and all other litigation expenses we incur;
- b. The cost of bonds to release attachments, but only for bond amounts within the Limit Of Insurance available. We do not have to furnish these bonds;
- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work;

#### Defense Expense - continued

- d. All costs taxed against the insured in the "suit";
- e. Pre-judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and
- f. 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.

#### Electronic Data

"Electronic data" means any 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 that are used with electronically controlled equipment.

#### Environment

"Environment" includes any person, any man-made object or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the insured; including, but not limited to any of the above.

#### Hostile Fire

"Hostile fire" means a fire that becomes uncontrollable or breaks out from where it is intended to be.

#### Lending

"Lending" means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;
3. "Loan servicing"; or
4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;

Lending - continued

- b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute;  
or
- c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

Loan Servicing

“Loan servicing” means:

1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
2. Record keeping;
3. Billing;
4. Disbursements of principal and interest for a loan; or
5. Credit reporting or statements of a “borrower’s” creditworthiness.

Nuclear Facility

“Nuclear facility” means:

1. Any “nuclear reactor”;
2. Any equipment or device designed or used for:
  - a. Separating the isotopes of uranium or plutonium;
  - b. Processing or utilizing “spent fuel”; or
  - c. Handling, processing or packaging “waste.”
3. Any equipment or device used for 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;
4. 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 Material

“Nuclear material” means “source material,” “special nuclear material” or “by-product material.”

### Nuclear Reactor

“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.

### Occurrence

“Occurrence” means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in “bodily injury” or “property damage.”

All damages that arise from continuous or repeated exposure to substantially the same general conditions are considered to arise from one “occurrence.”

- b. An offense that results in “personal injury.”

All damages that arise from exposure to the same act, publication or general conditions are considered to arise from one “occurrence.”

- c. An offense that results in “advertising injury.”

All damages that arise from exposure to the same publication, misappropriation, infringement, harmful material or act are considered to arise from one “occurrence” regardless of:

- 1) The frequency of repetition;
- 2) The number, kind or type of media used; or
- 3) The number of claimants.

### Personal Injury

“Personal injury” means injury, other than “bodily injury,” arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;

#### Personal Injury - continued

- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy; or
- f. Discrimination, except for any discrimination related to "lending."

#### Pollutants

"Pollutants" means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, "waste" and any other irritant or contaminant.

#### Pollution Or Contamination

"Pollution or contamination" means any unclean, unsafe, damaging injurious or unhealthful conditions arising out of the presence of "pollutants," whether permanent or transient, in any "environment."

#### Property Damage

- 1. "Property damage" means:
  - a. Physical injury to tangible property, including all resulting loss of use of that property; or
  - b. Loss of use of tangible property that is not physically injured.
- 2. For the purposes of this insurance, "electronic data" is not tangible property.

#### Source Material

"Source material" has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

#### Special Nuclear Material

"Special nuclear material" has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

#### Spent Fuel

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

### Suit

"Suit" means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

### Ultimate Net Loss

"Ultimate net loss" means the total sum, after reductions for recoveries or salvages collectable, that the insured is legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternative dispute method entered into with our consent or the "underlying insurer's" consent. "Ultimate net loss" does not include "defense expense."

### Underlying Insurance

"Underlying insurance" means the liability insurance coverage under policies shown on the Schedule Of Underlying Insurance, for the limits and periods indicated. It includes any policies issued to replace those policies during the term of this insurance that provide:

- a. At least the same policy limits; and
- b. The same hazards insured against, except as modified by general program revisions or as agreed to by us in writing.

### Underlying Insurer

"Underlying insurer" means any insurer who issues a policy of "underlying insurance."

### Waste

1. "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."
2. "Waste" includes any material to be disposed of, recycled, reconditioned or reclaimed.

This endorsement modifies coverage provided under the Credit Union Package Of Protection.

### Appraisal

The Appraisal Condition in the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

1. If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. However, an appraisal will be made only if both the Policyholder and we voluntarily agree to have the amount of loss appraised. 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 amount of loss. If they fail to agree, they will submit their differences to the umpire. Each party will:
  - a. Pay its chosen appraiser; and
  - b. Bear the other expenses of the appraisal and umpire equally.
2. This appraisal is to determine the value of the property or the amount of loss. It is not a confirmation of coverage. We still retain our right to assert any defenses. An appraisal decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property, Expense/Income Or Lending Loss

The Arbitration Of A Property, Expense/Income Or Lending Loss Condition in the Common Policy Provisions is replaced with the following:

1. If you and we disagree on whether there is any coverage under the Property, Expense/Income, or Lending Coverages, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:
  - a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
  - b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.
2. An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property Loss

The Arbitration Of A Property Loss Condition in the Foreclosed Building Coverage is replaced with the following:

If you and we disagree on whether there is any coverage under the Foreclosed Building Coverage, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:

- a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
- b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property Loss

The Arbitration Of A Property Loss Condition in the Foreclosed Dwelling Coverage is replaced with the following:

If you and we disagree on whether there is any coverage under the Property Coverage, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:

- a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
- b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

## Arkansas Insurance Department Contact Information

The Arkansas Insurance Department Contact Information is added to the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

As follows:

If we fail to provide you with reasonable and adequate service, please contact:

Arkansas Insurance Department  
Consumer Services Divisions  
400 University Tower Building  
Little Rock, Arkansas 72204  
(501) 371-2640

## Cancellation

The Cancellation Condition in the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

1. You may cancel this Policy by mailing or delivering written notice of cancellation to us.
2. If we cancel this Policy, cancellation is effective:
  - a. 10 days after we mail or deliver notice of cancellation for nonpayment of premium; or
  - b. 20 days after we mail or deliver notice of cancellation for any of the following reasons:
    - 1) Fraud or material misrepresentation made by you or with your knowledge, in obtaining this Policy, continuing this Policy, or in presenting a claim under this Policy;
    - 2) The occurrence of a material change in the risk that substantially increases any hazard insured against after the issuance of this Policy; or
    - 3) A material violation of a material provision of this Policy.

Cancellation – continued

3. When we cancel this Policy, we will mail or deliver to you, and to your agent, written notice of cancellation stating the effective date and the reason for cancellation. We will mail or deliver this notice to the last mailing address known to us. If this notice is mailed, proof of mailing will be sufficient proof of notice.
4. If this Policy is canceled by us or you, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata.

Legal Action Against Us

The Legal Action Against Us Condition in the Common Policy Provisions is replaced with the following:

1. Property, Lending or Expense/Income Coverages:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and these provisions; and
- b. The action is brought within 5 years after the date that the loss occurred.

If in conflict with state statutes that allow you a certain time period for filing "suit," this provision is amended to conform to such statutes.

2. Liability Coverages:

No person or organization has a right under these Coverages:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from you.
- b. To sue us on one of these Coverages unless all of the terms of the Coverage and these provisions have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of one of these Coverages or that are in excess of the applicable Limit Of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

### Legal Action Against Us

The Legal Action Against Us Condition in the:

Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and provisions; and
- b. The action is brought within 5 years after the date that the loss occurred.

### Renewal Premium

The Renewal Premium Condition is added to the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

as follows:

If we have the information necessary to renew this Policy, and your renewal premium increases by 25% or more than the current premium, we will mail or deliver to you, written notice of the renewal premium. We will mail or deliver this notice to the last mailing address known to us at least 10 days prior to the end of the Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.

*SERFF Tracking Number:* CUNX-125461668      *State:* Arkansas  
*Filing Company:* CUMIS Insurance Society, Inc.      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* CMPAR0093802F01  
*TOI:* 05.0 Commercial Multi-Peril - Liability & Non-      *Sub-TOI:* 05.0003 Commercial Package  
Liability  
*Product Name:* Credit Union Package Of Protection  
*Project Name/Number:* 2008 CUPOP Rewrite/CMPAR0093802F01

## **Rate Information**

Rate data does NOT apply to filing.

SERFF Tracking Number: CUNX-125461668 State: Arkansas  
Filing Company: CUMIS Insurance Society, Inc. State Tracking Number: EFT \$50  
Company Tracking Number: CMPAR0093802F01  
TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0003 Commercial Package  
Liability  
Product Name: Credit Union Package Of Protection  
Project Name/Number: 2008 CUPOP Rewrite/CMPAR0093802F01

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-  
Property & Casualty **Review Status:** Approved 02/11/2008

**Comments:**

**Attachment:**

AR - NAIC P&C TRANSMITTAL DOCUMENT.PDF

**Satisfied -Name:** AR - FORM FILING ABSTRACT F-  
1 **Review Status:** Approved 02/11/2008

**Comments:**

**Attachment:**

AR - FORM FILING ABSTRACT F-1.PDF

**Satisfied -Name:** AR - CERTIFICATE OF  
COMPLIANCE - (AID PC SelfCert  
(4/30/03)) **Review Status:** Approved 02/11/2008

**Comments:**

**Attachment:**

AR - CERTIFICATE OF COMPLIANCE - (AID PC SelfCert (4\_30\_03)).PDF

**Satisfied -Name:** Filing Memorandum **Review Status:** Approved 02/11/2008

**Comments:**

**Attachment:**

Filing Memorandum.PDF

**Satisfied -Name:** Form Comparisons **Review Status:** Approved 02/11/2008

**Comments:**

**Attachments:**

*SERFF Tracking Number:* CUNX-125461668 *State:* Arkansas  
*Filing Company:* CUMIS Insurance Society, Inc. *State Tracking Number:* EFT \$50  
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Liability  
*Product Name:* Credit Union Package Of Protection  
*Project Name/Number:* 2008 CUPOP Rewrite/CMPAR0093802F01

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HL CUPOP 02 00 01 08.PDF  
HL CUPOP 61 00 01 08.PDF  
HL CUPOP 62 00 01 08.PDF  
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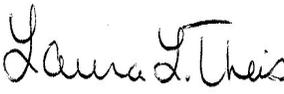
## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>			
	306			
<b>4. Company Name(s)</b>	<b>Domicile</b>	<b>NAIC #</b>	<b>FEIN #</b>	<b>State #</b>
CUMIS Insurance Society, Inc.	IA	10847	39-0972608	

<b>5. Company Tracking Number</b>	CMPAR0093802F01
-----------------------------------	-----------------

**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Laura L. Theis, AIS (Administrative Office) Location 5910 2 C6, 5910 Mineral Point Road Madison WI 53705	Compliance Manager	800-356-2644 Ext. 8816	608-236-6226	CUMIS.Compliance.Mail @cunamutual.com
<b>7.</b>	Signature of authorized filer				
<b>8.</b>	Please print name of authorized filer		Laura L. Theis, AIS		

**Filing Information** (see General Instructions for descriptions of these fields)

<b>9.</b>	<b>Type of Insurance (TOI)</b>	05.0 Commercial Multi-Peril - Liability & Non-Liability
<b>10.</b>	<b>Sub-Type of Insurance (Sub-TOI)</b>	05.0003 Commercial Package
<b>11.</b>	<b>State Specific Product code(s) (if applicable) [See State Specific Requirements]</b>	
<b>12.</b>	<b>Company Program Title (Marketing Title)</b>	Credit Union Package Of Protection
<b>13.</b>	<b>Filing Type</b>	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
<b>14.</b>	<b>Effective Date(s) Requested</b>	New: 10/01/2008      Renewal: 10/01/2008
<b>15.</b>	<b>Reference Filing?</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>16.</b>	<b>Reference Organization (if applicable)</b>	N/A
<b>17.</b>	<b>Reference Organization # &amp; Title</b>	N/A
<b>18.</b>	<b>Company's Date of Filing</b>	01.28.2008
<b>19.</b>	<b>Status of filing in domicile</b>	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

## Property & Casualty Transmittal Document

20.	This filing transmittal is part of Company Tracking #	CMPAR0093802F01
-----	---	-----------------

21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
-----	---

We are filing revisions for all policies effective on and after October 1, 2008. The following items are included for your review and consideration.

### FORMS

The summary below references key form revisions (nonsubstantive revisions are shown only in the side by side comparisons).

#### Declarations - CUPOP 01 01 01 08

This is a revised form. Policy changes have been incorporated into this form.

#### Declarations - Foreclosed Building Coverage - CUPOP 01 02 01 08

This is a revised form. Policy changes have been incorporated into this form.

#### Common Policy Provisions - CUPOP 02 00 01 08

This is a revised form. Revisions include:

- The Cancellation General Policy Condition has been revised for consistency with other CUMIS policies.
- The Nonrenewal General Policy Condition has been revised for consistency with other CUMIS policies.
- The Other Insurance – Business Liability Coverage General Policy Condition was moved to the Business Liability Coverage (CUPOP 61 00).
- The Other Insurance – Excess Liability Coverage General Policy Condition, and Defense Expense, Underlying Insurer and Underlying Insurance definitions were moved to the Excess Liability Coverage (CUPOP 62 00).
- The Nuclear Energy Exclusion Applicable To Liability Coverages was moved to the Business Liability Coverage (CUPOP 61 00).
- The Annual Aggregate Limit and Hazardous Properties definitions were deleted. These definitions are currently included in applicable coverage forms.
- The Borrower, Lending and Loan Servicing definitions were added. These new definitions are connected to the Personal Injury Definition revision.

#### Common Policy Provisions - CUPOP 02 00 01 08

- The Underlying Policy Definition was deleted. This definition is not used in the policy.
- The Bodily Injury Definition has been revised to include the requirement for physical harm, sickness or disease. This revised definition is substantially similar to the industry standard definition.
- The Occurrence Definition has been revised. Reference to liability coverage was deleted.
- The Personal Injury Definition has been revised to exclude discrimination relating to lending. This revised definition is broader than the industry standard definition.
- The Pollutants Definition has been revised. The waste clarification was moved to the Waste Definition.

Named Perils Endorsement Foreclosed Building Coverage - CUPOP 14 02 01 08

This is a new form. This endorsement will allow flexibility in coverage options, rating and deductible plans. In addition, this endorsement will allow us to continue offering coverage on a broad range of foreclosed buildings, while more effectively managing loss experience.

Specified Peril Endorsement Foreclosed Building Coverage - CUPOP 14 03 01 08

This is a new form. This endorsement will allow flexibility in coverage options, rating and deductible plans. In addition, this endorsement will allow us to continue offering coverage on a broad range of foreclosed buildings, while managing loss experience more effectively. This endorsement will be issued when a foreclosed property has already sustained damage from one or more of the perils listed. Coverage will be available on foreclosed property for named perils, excluding the peril for the existing damage.

Business Liability Coverage - CUPOP 61 00 01 08

This is a revised form. Revisions include:

- The Nuclear Energy Exclusion was added to Coverage A Exclusions. Previously, this exclusion was located in the Common Policy Provisions (CUPOP 02 00).
- The Personal Injury And Advertising Injury Coverage B Exclusion was revised. Coverage is excluded for loss arising from an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control. Coverage B Personal Injury And Advertising Injury Liability is broader than the industry standard.
- An aggregate limit has been added to the Limit Of Insurance Additional Condition. The aggregate limit is comparable to the industry standard.
- The Other Insurance Additional Condition was added. Previously, this condition was located in the Common Policy Provisions (CUPOP 02 00).

Business Liability Coverage - CUPOP 61 00 01 08

- The Bodily Injury Definition has been revised to include the requirement for physical harm, sickness or disease. This revised definition is substantially similar to the industry standard definition.
- The Borrower, Lending and Loan Servicing definitions were added. These new definitions are connected to the Personal Injury Definition revision.
- The By-Product Material, Data Processing Equipment, Data Processing Services, Hazardous Properties, Nuclear Facility, Nuclear Material, Nuclear Reactor, Real Property, Source Material, Special Nuclear Material, Spent Fuel and Waste definitions were added. Substantially similar definitions currently exist in the Common Policy Provisions (CUPOP 02 00).
- The Electronic Data Definition was added. This new definition is connected to the Property Damage Definition revision.
- The Personal Injury Definition has been revised to exclude discrimination relating to lending. This revised definition is broader than the industry standard definition.
- The Pollutants Definition has been revised. The waste clarification was moved to the Waste Definition.
- The Property Damage Definition was revised to indicate that electronic data will not be considered tangible property. This revised definition is broader than the industry standard definition.

Excess Liability Coverage - CUPOP 62 0 01 08

This is a revised form. Revisions include:

- Reference to the Nuclear Energy Exclusion in the Common Policy Provisions was deleted. This coverage is excess over underlying insurance, including the Business Liability Coverage (CUPOP 61 00). The exclusions applicable to

Effective March 1, 2007

the underlying insurance also apply to the Excess Liability Coverage. Therefore, the Nuclear Energy Exclusion reference was redundant.

- The Pollution Exclusion was deleted. This coverage is excess over underlying insurance, including the Business Liability Coverage (CUPOP 61 00). The exclusions applicable to the underlying insurance also apply to the Excess Liability Coverage. Therefore, the Pollution Exclusion was redundant.
- An aggregate limit has been added to the Limit Of Insurance Additional Condition. The aggregate limit is comparable to the industry standard.
- The Other Insurance Additional Condition was added. Previously, this condition was located in the Common Policy Provisions (CUPOP 02 00).

Excess Liability Coverage - CUPOP 62 0 01 08

- The Advertising Injury, By-Product Material, Nuclear Facility, Nuclear Material, Nuclear Reactor, Source Material, Special Nuclear Material, Spent Fuel and Waste definitions were added. Substantially similar definitions currently exist in the Common Policy Provisions (CUPOP 02 00).
- The Bodily Injury Definition has been revised to include the requirement for physical harm, sickness or disease. This revised definition is substantially similar to the industry standard definition.
- The Borrower, Lending and Loan Servicing definitions were added. These new definitions are connected to the Personal Injury Definition revision.
- The Electronic Data Definition was added. This new definition is connected to the Property Damage Definition revision.
- The Personal Injury Definition has been revised to exclude discrimination relating to lending. This revised definition is broader than the industry standard definition.
- The Pollutants Definition has been revised. The waste clarification was moved to the Waste Definition.
- The Property Damage Definition was revised to indicate that electronic data will not be considered tangible property. This revised definition is broader than the industry standard definition.
- The Ultimate Net Loss Definition was added. This new definition is connected to the addition of an aggregate limit.
- The Underlying Policy Definition was deleted. This definition is not used in this coverage.

Arkansas Endorsement - CUPOP 02 AR 01 08

This is a revised form. This endorsement amends the policy to comply with state statutes, regulations and bulletins.

Attached are final printed copies of the forms. Also attached are copies of the revised forms showing added and deleted items. The revised forms show HL in the lower left corner. Added items are double underlined, and deleted items are ~~struck-out~~.

<b>22.</b>	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable.) [If a state requires you to show how you calculated your filing fees, place that calculation below]
<b>Check #:</b>	Payment by EFT
<b>Amount:</b>	\$50.00
<b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b>	

\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

# ARKANSAS INSURANCE DEPARTMENT

## FORM FILING ABSTRACT

**ALL QUESTIONS MUST BE ANSWERED**

**Page 1 of 2**

Companies filing for a group may use a consolidated abstract if all forms are identical.

1. Date Filed 01.28.08

2. Company Name(s) CUMIS Insurance Society, Inc.

Group Name N/A NAIC No. 10847 Group No. 306

3. (a) Annual Statement Line of Business Number (Page 14) 5.2 Commercial Multi Peril Liability and 5.1 Non-Liability

(b) Class of Business Credit unions and credit union related organizations

© Coverages Affected Business Liability Coverage, Common Policy Provisions, Excess Liability Coverage, Foreclosed Building Coverage

4. (a) Name of Advisory Organization, if any ISO

(b) Affiliations with Advisory Organization: Member (  ) Subscriber (  )

5. Is this a reference filing? Yes (  ) No (  ) If yes, please provide the following:

(a) Name of Advisory Organization (or Affiliated Company) N/A

(b) Date of Filing N/A

(c) Filing Designation Number or Description CUPOP CMPAR0093802F01

**PROVIDE THE INFORMATION REQUESTED ON PAGE 2 OF THIS FORM**

7. Has the form(s) been approved for use in your domiciliary state and/or other states?  
No - Pending

8. Is the form filed in response to or due to legislation? If so, specify legislation.  
No

9. Is the form in response to or due to recent court decisions? If so, give citation.  
No

THIS INFORMATION IS CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Laura L. Theis*

**Signature**

Laura L. Theis

**Title**

800-356-2644 – Ext. 8816

**Telephone Number**

Old Form No.	Proposed Effective Date of New Form	New Form No.	Title of the Form(s); also Indicate Withdrawals: Provide Synopsis of Coverage
CUPOP 01 01 03 97 03 97	10.01.2008	CUPOP 01 01 01 08	Declarations Refer to Filing Memorandum
CUPOP 01 02 06 03 06 03	10.01.2008	CUPOP 01 02 01 08	Declarations - Foreclosed Building Coverage Refer to Filing Memorandum
CUPOP 02 00 03 06 03 06	10.01.2008	CUPOP 02 00 01 08	Common Policy Provisions Refer to Filing Memorandum
	10.01.2008	CUPOP 14 02 01 08	Named Perils Endorsement Foreclosed Building Coverage Refer to Filing Memorandum
	10.01.2008	CUPOP 14 03 01 08	Specified Peril Exclusion Endorsement Foreclosed Building Coverage Refer to Filing Memorandum
CUPOP 61 00 09 95 09 95	10.01.2008	CUPOP 61 00 01 08	Business Liability Coverage Refer to Filing Memorandum
CUPOP 62 00 01 92 01 92	10.01.2008	CUPOP 62 00 01 08	Excess Liability Coverage Refer to Filing Memorandum
CUPOP 02 AR 03 06	10.01.2008	CUPOP 02 AR 01 08	Arkansas Endorsement Refer to Filing Memorandum

**ARKANSAS CERTIFICATE OF COMPLIANCE**  
*(You may print or type the information required by this form)*



Vice President  
 Underwriting, Commercial  
 Lines  
 of

I, Leslie D. Svoboda, Vice President Underwriting, Commercial Lines of  
*(Name) (Title of Authorized Officer)*

CUMIS Insurance Society, Inc.  
*(Name of Insurer)*

declare that I am authorized to execute and file this certificate of compliance and do hereby certify that I am knowledgeable of the legal requirements under Arkansas law applicable to the insurance forms that are the subject of this filing and further aver:

1. Upon information and belief, I certify that the insurance forms filed herewith are complete and comply with all Arkansas laws, including the:

- a. Arkansas Code Annotated;
- b. Arkansas Rules and Regulations;
- c. Arkansas Insurance Bulletins, Directives and Orders;
- d. Applicable filing requirements including the applicable product standards set forth in the product checklists; and
- e. Rulings and decisions of any court of this state.

2. I understand and acknowledge that the Commissioner will rely upon this certificate and if it is subsequently determined that any form filed herewith is false or misleading, appropriate corrective action shall be taken by the commissioner against the company.

3. Pursuant to Ark. Code Ann. § 23-79-109(a)(1)(C), I understand that by certifying that a form complies with paragraph 1 hereof, it is not to be taken by the undersigned or by my company as meaning that any insurance effected by use of such form may in any fashion be inconsistent with the statutory and common law of Arkansas.

4. Pursuant to Ark. Code Ann. §23-79-118, I understand and acknowledge that any insurance policy, rider, endorsement or other insurance form filed under this certificate, that is subsequently issued to an insured, and contains any condition or provision not in compliance with the requirements of the laws of the State of Arkansas, as set forth in paragraph 1 hereof, shall be construed and applied in accordance with such condition or provision as would have applied if the policy, rider, endorsement or form had been in full compliance with the law.

Does this Certification apply to all the companies in this filing? <i>(Yes or No)</i> •	Yes
---	-----

If "NO", to which companies does this Certification apply?

Company Name(s)	NAIC #

Company Tracking Number • CMPAR0093802F01	
Signature of Authorized Officer •	<i>Leslie D Svoboda</i>
Name of Authorized Officer •	Leslie D. Svoboda
Title of Authorized Officer •	Vice President Underwriting, Commercial Lines
Email address of Authorized Officer •	CUMIS.Compliance.Mail@cunamutual.com
Telephone # of Authorized Officer •	608-238-5851 Ext: 6527
Date •	01.28.2008

*This form may be computer generated by the company. So long as the wording and general layout is the same, the format may vary. For more information, contact the Property & Casualty Division of the Arkansas Insurance Department at 1200 W 3<sup>rd</sup> St., Little Rock, AR 72201, telephone: 501-371-2800, or email: [information.pnc@state.ar.us](mailto:information.pnc@state.ar.us)*

CUMIS Insurance Society, Inc.  
Filing Memorandum  
Credit Union Package Of Protection

NAIC #306-10847  
CUMIS FEIN 39-0972608  
Line Of Business: Commercial Multiple Peril  
Our File # CMPAR0093802F01

We are filing revisions for all policies effective on and after October 1, 2008. The following items are included for your review and consideration.

**FORMS**

The summary below references key form revisions (nonsubstantive revisions are shown only in the side by side comparisons).

Declarations - CUPOP 01 01 01 08

This is a revised form. Policy changes have been incorporated into this form.

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This is a revised form. Policy changes have been incorporated into this form.

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- The Other Insurance – Business Liability Coverage General Policy Condition was moved to the Business Liability Coverage (CUPOP 61 00).
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- The Borrower, Lending and Loan Servicing definitions were added. These new definitions are connected to the Personal Injury Definition revision.

CUMIS Insurance Society, Inc.  
Filing Memorandum  
Credit Union Package Of Protection

Common Policy Provisions - CUPOP 02 00 01 08 (continued)

- The Underlying Policy Definition was deleted. This definition is not used in the policy.
- The Bodily Injury Definition has been revised to include the requirement for physical harm, sickness or disease. This revised definition is substantially similar to the industry standard definition.
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Specified Peril Endorsement Foreclosed Building Coverage - CUPOP 14 03 01 08

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CUMIS Insurance Society, Inc.  
Filing Memorandum  
Credit Union Package Of Protection

Business Liability Coverage - CUPOP 61 00 01 08 (continued)

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- The Pollutants Definition has been revised. The waste clarification was moved to the Waste Definition.
- The Property Damage Definition was revised to indicate that electronic data will not be considered tangible property. This revised definition is broader than the industry standard definition.

Excess Liability Coverage - CUPOP 62 0 01 08

This is a revised form. Revisions include:

- Reference to the Nuclear Energy Exclusion in the Common Policy Provisions was deleted. This coverage is excess over underlying insurance, including the Business Liability Coverage (CUPOP 61 00). The exclusions applicable to the underlying insurance also apply to the Excess Liability Coverage. Therefore, the Nuclear Energy Exclusion reference was redundant.
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CUMIS Insurance Society, Inc.  
Filing Memorandum  
Credit Union Package Of Protection

Excess Liability Coverage - CUPOP 62 0 01 08 (continued)

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Arkansas Endorsement - CUPOP 02 AR 01 08

This is a revised form. This endorsement amends the policy to comply with state statutes, regulations and bulletins.

Attached are final printed copies of the forms. Also attached are copies of the revised forms showing added and deleted items. The revised forms show HL in the lower left corner. Added items are double underlined, and deleted items are ~~struck out~~.

Please direct all filing correspondence to:

Laura L. Theis  
Compliance Manager  
Phone: 800.356.2644 X8816  
Fax: 608.236.6226  
E-mail: CUMIS.Compliance.Mail@cunamutual.com



CUMIS Insurance Society, Inc.

Home Office:  
2000 Heritage Way  
Waverly, IA 50677

Administrative Office:  
5910 Mineral Point Rd  
Madison, WI 53705

Effective Date:

**CREDIT UNION PACKAGE OF PROTECTION  
COMMON POLICY DECLARATIONS**

Policy Number:

Named Insured and Mailing Address:

Representative:

Policy Period: From: \_\_\_\_\_ To: \_\_\_\_\_ at 12:01 AM., Standard Time at your mailing address shown above until terminated.

REASON FOR THIS DECLARATION:

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

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

ANNUAL  
PREMIUM

FORM(S) AND ENDORSEMENT(S) MADE A PART OF THIS POLICY:\*

Refer To Forms Schedule

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

Authorized Representative (where required)

Effective Date:

**PART I  
PROPERTY/EXPENSE/INCOME COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

---

**DESCRIPTION OF PREMISES:**

Prem. No.	Bldg. No.	Location and Occupancy
--------------	--------------	------------------------

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**COVERAGES PROVIDED:** Insurance at the described premises applies only for coverages for which a limit of insurance is shown or for which an entry is made.

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Deductible	Causes of Loss Form
--------------	--------------	----------	-----------------------	------------	------------------------

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**COVERAGES PROVIDED (CONTINUED):**

Prem. No.	Bldg. No.	Coverage	Inflation (1) Guard	Coinsurance	Annual Premium
--------------	--------------	----------	------------------------	-------------	-------------------

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**MORTGAGE HOLDERS:**  
Refer To Mortgagee/Loss Payee Schedule.

---

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

---

**TOTAL ANNUAL PREMIUM FOR COVERAGE PART I \$**

---

(1) Automatic Increase In Limit of Insurance

**PART I - PROPERTY/EXPENSE/INCOME COVERAGES**

Effective Date:

**PART II  
PROPERTY COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

**For PERILS COVERED see applicable form attached.**

---

ITEM NO.	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE	ANNUAL PREMIUM
-------------	----------	-----------------------	------------	-------------------

---

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

---

**TOTAL ANNUAL PREMIUM FOR COVERAGE PART II \$**

---

**PART II- PROPERTY COVERAGES**

Effective Date:

**PART IIA  
SCHEDULED ARTICLES COVERAGE  
SCHEDULE**

Policy Number:

Representative:

---

ITEM NO.	DESCRIPTION
-------------	-------------

**PART IIA - ~~PROPERTY COVERAGES~~ SCHEDULED ARTICLES COVERAGE**

Effective Date:

**PART III  
LIABILITY COVERAGE  
DECLARATIONS**

Policy Number:

Representative:

See Supplemental Schedule

COVERAGE

LIMITS OF INSURANCE

Occurrence  
Aggregate

PREMS. NO.	BLDG. NO.	CLASSIFICATION DESCRIPTION	ANNUAL PREMIUM

**TOTAL ANNUAL PREMIUM FOR COVERAGE PART III**

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer to Forms Schedule

**PART III - LIABILITY COVERAGE**

Effective Date:

**PART IV  
SCHEDULE OF UNDERLYING INSURANCE**

Policy Number:	REPRESENTATIVE:

Type of Policy or Coverage	Primary Insurer, Policy Period	Limits of Liability
BUSINESS LIABILITY		Each Occurrence \$ <u>Aggregate</u> \$
AUTOMOBILE LIABILITY		Bodily Injury Liability \$ each person \$ each accident
		Property Damage Liability \$ each accident
		Combined Single Limit \$ each accident
EMPLOYERS LIABILITY		Bodily Injury Liability each accident/each occurrence \$

**PART IV - SCHEDULE OF UNDERLYING INSURANCE**

Effective Date:

**PART V  
REAL ESTATE LENDING COVERAGES  
DECLARATIONS**

Policy Number:

Representative:

---

ITEM NO.	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE	ANNUAL PREMIUM
-------------	----------	-----------------------	------------	-------------------

---

**FORM(S) AND ENDORSEMENT(S) APPLICABLE TO THIS COVERAGE PART:**  
Refer To Forms Schedule

---

**TOTAL ANNUAL PREMIUM FOR COVERAGE PART V \$** \_\_\_\_\_

---

**PART V - REAL ESTATE LENDING COVERAGE**



General Policy Conditions..... Audit And Inspection Bankruptcy Or Liquidation Proceeding Cancellation Conformity With Statute Concealment, Misrepresentation Or Fraud Control Of Property Coverage Territory Insurance Under Two Or More Coverages Liberalization Modification Of Policy Terms No Benefit To Bailee Nonrenewal <del>Other Insurance - Business Liability Coverage</del> <del>Other Insurance - Excess Liability Coverage</del> Other Insurance - Property And Lending Coverages Policy Period Premiums Separation Of Insureds Titles Of Paragraphs Transfer Of Your Rights And Duties Under This Policy	4
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**COMMON POLICY PROVISIONS  
CREDIT UNION PACKAGE OF PROTECTION**

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All the Coverages in this Policy are subject to the following Provisions. They apply unless superseded by a more specific Provision in an individual Coverage's wording. 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 on the Declarations. The words "we," "us" and "our" refers to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning and are defined in the Policy.

**GENERAL POLICY CONDITIONS**

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**Audit And Inspection**

1. 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.
2. We have the right but are not obligated to:
  - a. Make inspections and surveys at any time; ~~and~~
  - b. Give you reports on the conditions we find; and
  - c. Recommend changes.
3. Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - a. Are safe or healthful; or
  - b. Comply with laws, regulations, codes or standards.
4. These conditions apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

**Bankruptcy Or Liquidation Proceeding**

Your bankruptcy, liquidation, or insolvency will not relieve us of any of our obligations under this Policy.

## Cancellation

1. You may cancel this Policy by mailing or delivering to us ~~advance~~ written notice of cancellation to us.
2. ~~Cancellation Of Policies In Effect For Less Than 60 days:~~

~~If this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel by notifying you at least 20 days before the date cancellation takes effect.~~

2. If we cancel this Policy, cancellation is effective:

- a. 10 days after we mail or deliver notice of cancellation for nonpayment of premium; or
- b. 30 days after we mail or deliver notice of cancellation for any other reason.

3. ~~Cancellation Of Policies In Effect For 60 Days Or More:~~

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

- a. ~~Nonpayment of premium;~~
- b. ~~Substantial change in the risk assumed, except to the extent that we should have reasonably foreseen the change or contemplated the risk in writing the contract;~~
- c. ~~Substantial breach of contractual duties or conditions;~~
- d. ~~Loss of reinsurance applicable to the risk insured against resulting from termination of treaty or facultative reinsurance initiated by our reinsurer or reinsurers;~~
- e. ~~A determination by the insurance department that continuation of this Policy would jeopardize our solvency or place us in violation of the insurance laws of this or any other state; or~~
- f. ~~Acts or omissions by you or your representative which materially increase the hazard insured against.~~

~~If we cancel this Policy based on one or more of the above reasons, we will mail to you and mail to the agent, if any, written notice of cancellation stating the reasons for cancellation. We will mail this notice to the last mailing address known to us, at least:~~

- a. ~~45 days before the effective date of cancellation if we cancel for nonpayment of premium.~~
- b. ~~60 days before the effective date of cancellation if we cancel for any of the other reasons.~~

#### Cancellation - continued

3. When we cancel this Policy, we will mail or deliver to you, and to your agent, written notice of cancellation stating the effective date and the reason for cancellation. We will mail or deliver this notice to the last mailing address known to us. If this notice is mailed, proof of mailing will be sufficient proof of notice.
4. If this Policy is ~~cancelled~~ cancelled by us or you, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata.

#### Conformity With Statute

Terms of this Policy which are in conflict with the statutes of the state where this Policy is issued are amended to conform to such statutes.

#### Concealment, Misrepresentation Or Fraud

This entire Policy is void if whether before or after a loss you have willfully concealed or misrepresented any material fact or circumstances concerning this insurance.

An inadvertent error by you to disclose all hazards to us shall not invalidate coverage that is otherwise afforded under this Policy.

#### 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 Policy 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.

#### Coverage Territory

Coverage under this Policy applies in all parts of the world unless otherwise stated in the Coverage. With respect to Liability Coverages, when claim or "suit" is brought outside the United States of America (including its territories and possessions), Puerto Rico and Canada, the following applies:

We have the right, but not the duty, to investigate and settle such claims and to defend such "suits." In any case we elect not to investigate, settle or defend, you will investigate and defend as reasonably necessary. We have the right, but not the duty, to supervise your investigation and defense. Subject to our prior authorization, you will make settlement as we deem proper. We will reimburse you for the reasonable cost of such investigation and defense. We will reimburse you for the amount of the settlement we have authorized.

### 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.

### Liberalization

If we adopt any revision within 75 days prior to or during the Policy Period that would broaden the coverage under this Policy, without additional premium, the broadened coverage will immediately apply to this Policy.

### Modification Of Policy Terms

This Policy contains all the agreements between you and us concerning the insurance afforded. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

### No Benefit To Bailee

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

### Nonrenewal

1. If we elect do not to renew this Policy, we will mail or deliver to you, and ~~mail to the~~ to your agent, ~~if any,~~ written notice of nonrenewal stating the effective date and the reason for nonrenewal. We will mail or deliver this notice to the last mailing address known to us at least 60 days prior to the end of the Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.
3. ~~If either one of the following occurs, we are not required to provide written notice of nonrenewal:~~
  - a. ~~We or a company within the same insurance group has offered to issue a renewal policy; or~~
  - b. ~~You have obtained replacement coverage or agreed in writing to do so.~~

### ~~Other Insurance – Business Liability Coverage~~

~~If other valid and collectible insurance is available to you for a loss we cover under Coverage A, B or C of Business Liability Coverage, 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.~~

~~Other Insurance – Business Liability Coverage – continued~~

~~b. Excess Insurance – This insurance is excess over any of the other insurance, whether primary, excess, contingent or any other basis:~~

- ~~1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work"; or~~
- ~~2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or~~
- ~~3) If the loss arises out of the maintenance or use of aircraft, or "watercraft" to the extent not subject to Coverage A Exclusions.~~

~~When this insurance is excess, we will have no duty under Coverage A or B to defend you against any "suit" if any other insurer has a duty to defend you against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to your 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.~~

~~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.~~

~~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 on the Declarations for Business Liability Coverage.~~

~~Other Insurance—Excess Liability Coverage~~

~~Excess Liability Coverage is excess over any other valid and collectible insurance whether primary, excess, contingent, or any other basis, except other insurance written specifically to be excess of Excess Liability Coverage.~~

~~The other insurance will be deemed valid and collectible regardless of:~~

- ~~a. Any defense asserted by any other insurer because of your failure to comply with the terms of that insurance; or~~
- ~~b. The inability of any other insurer to pay for a loss due to bankruptcy or insolvency.~~

Other Insurance - Property And Lending Coverages

1. You may have other insurance subject to the same plan, terms, conditions and provisions as this insurance. 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 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 paragraph 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.

Policy Period

We will pay for loss, damage, or an “occurrence” that happens during the Policy Period shown on the Declarations.

Premiums

You are responsible for payment of all premiums and will be the payee for any return premiums we pay.

All premiums of this Policy will be computed according to our rules, rates, rating plans, premiums and minimum premiums applicable to the Coverages provided.

The premiums are based on conditions existing at the beginning of the Policy Period or the last anniversary date of this Policy. We may, because of undeclared exposures or change in conditions, require an additional premium according to our rates, rules and forms in effect at the time of the change.

### Separation Of Insureds

Except with respect to the Limits Of Insurance, 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.

### Titles Of Paragraphs

The titles of the various paragraphs of this Policy and endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

### Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent.

## Abandonment

There can be no abandonment of any property to us.

## Appraisal

1. If we and you disagree on the value of the property or the amount of loss, either may make written request 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 amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

2. This appraisal is to determine the value of the property or the amount of loss. It is not a confirmation of coverage. We still retain our right to assert any defenses.

## Arbitration Of A Property, Expense/Income Or Lending Loss

1. If you and we disagree on whether there is any coverage under the Property, Expense/Income, or Lending Coverages, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:

- a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
- b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

2. All parties agree to consider themselves bound by any award made by the arbitrators.

## Legal Action Against Us

1. Property, Lending or Expense/Income Coverages:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and these provisions; and
- b. The action is brought within 3 years after the date that the loss occurred.

### Legal Action Against Us - continued

If in conflict with state statutes that allow you a certain time period for filing "suit," this provision is amended to conform to such statutes.

#### 2. Liability Coverages:

No person or organization has a right under these Coverages:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from you.
- b. To sue us on one of these Coverages unless all of the terms of the Coverage and these provisions have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of one of these Coverages or that are in excess of the applicable Limit Of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

### Loss Payment

We will adjust all losses with you. We will pay you unless some other person is named in the Policy to receive payment. Payment for loss will be made within 30 days after we reach agreement with you, entry of a final judgment, or the filing of an appraisal award with us.

### 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 subject to the Limit Of Insurance.

### Rights To Recover From Others

If you have rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. You must do everything necessary to secure these rights. You must do nothing after a loss to impair those rights. At our request you will bring "suit" or transfer those rights to us and help us enforce them. But you may waive your rights against another party in writing prior to a loss.

### The Injured Person's Duties In The Event Of A Medical Payments Loss

At our request, the injured person must see that the following are done:

- a. Give us written proof of claim, under oath if we request, as soon as practicable.

The Injured Person's Duties In The Event Of A Medical Payments Loss - continued

- b. Give us written authorization to allow us to obtain copies of medical reports and records.
- c. Submit to examination, at our expense, by physicians of our choice as often as we reasonably require.
- d. Permit us to question the injured person at such times as may be reasonably required, about any matter relating to the accident and "bodily injury." If requested, the answers must be by a signed or recorded statement.
- e. Cooperate with us in the investigation or settlement of the claim.

Your Duties In The Event Of A Liability Occurrence, Claim, Suit Or Lawsuit

- 1. You must see to it that we are notified promptly of an "occurrence," negligent act, error or omission which may result in a claim. Notice should include:
  - a. How, when and where the "occurrence" took place; and
  - b. The names and addresses of any injured persons and witnesses.
- 2. If a claim is made or "suit" or "lawsuit" is brought against any insured, you must see to it that we receive prompt written notice of the claim, or "suit" or "lawsuit." We will not be responsible for any expenses, including attorney's fees, incurred by you, without our prior consent.
- 3. You and any other involved insured must:
  - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim, "suit" or "lawsuit"; ~~and~~
  - b. Authorize us to obtain records and other information; ~~and~~
  - c. Cooperate with us in the investigation, settlement or defense of the claim, or "suit" or "lawsuit"; and
  - d. 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.
- 4. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- 5. The duty to defend does not begin until we are given notice of a "suit" or "lawsuit" and all other Conditions and duties arising under the Policy have been complied with.

Your Duties In The Event Of A Property, Lending Or Expense/Income Coverage Loss Or Damage

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

- a. Notify the police if a law may have been broken.
- b. Give us prompt notice of the loss or damage. Include a description of the property involved. But, failure to furnish such notice or proof of loss as soon as reasonably possible will not invalidate or reduce a claim unless our rights are jeopardized.
- c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
- d. 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.
- e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- f. Permit us to inspect the Covered Property and records proving the loss or damage.
- g. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed.
- h. Send us a signed, sworn statement 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.
- i. Cooperate with us in the investigation or settlement of the claim.
- j. Promptly send us any legal papers or notices received concerning the loss.
- k. Make no statement that will assume any obligation or admit any liability, for any loss for which we may be liable, without our consent.
- l. In case of loss to "valuable information," make every reasonable effort to collect amounts owed to you.

Nuclear Energy

1. ~~This insurance does not apply:~~

a. ~~Under any Liability Coverage, to "bodily injury" or "property damage" including all forms of radioactive contamination of property:~~

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 amendatory law 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 the "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 there from.~~

2) ~~The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, process, 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 radioactive contamination to such "nuclear facility" and any property there at.~~

### Accidental Breakdown

“Accidental breakdown” means a sudden and “accidental breakdown” of the “object” or a part of the “object.” At the time the breakdown occurs, it must manifest itself by physical damage to the “object” that necessitates repair or replacement.

None of the following are “accidental breakdown”:

- a. Depletion, deterioration, corrosion or erosion;
- b. Wear and tear;
- c. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- d. Breakdown of any structure or foundation supporting the “object” or any of its parts;
- e. The functioning of any safety or protective device;
- f. Lightning;
- g. Flood, unless an “accidental breakdown” results from a flood;
- h. Fire;
- i. “Accidental breakdown” caused directly or indirectly by any earth movement, earthquake, landslide, or earth sinking, rising or shifting, or volcanic eruption;
- j. Seizure or destruction of property by order of governmental authority;
- k. Nuclear reaction or radiation, or radioactive contamination, however caused;
- l. War, including undeclared or civil war;
- m. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by a government, sovereign or other authority using military personnel or other agents; or
- n. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### Actual Cash Value

“Actual cash value” means the amount which it would cost to repair or replace the damaged property with one of like kind or quality, less allowance for physical deterioration and depreciation.

### Advertising Injury

"Advertising injury" means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication of material that violates a person's right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### ~~Annual Aggregate Limit~~

~~"Annual aggregate limit" means the total amount that will be paid during one annual Policy Period, for all losses "discovered."~~

### Auto

"Auto" means a land motor vehicle, trailer, or semi-trailer designed for travel on public roads, its parts and equipment, including permanently installed electronic equipment.

### Automated Teller Machine

"Automated teller machine" means:

- a. An electronic mechanical device that requires the use of an access card or personal identification number (PIN), or both, to disburse "money" or accept deposits;
- b. An electronic mechanical device used for the entry of loan application information by a person applying for a loan; and
- c. A kiosk or similar structure used to house or protect the device, including fixtures, lights and signs, fences, machinery, and equipment constituting a permanent part of, or pertaining to the service of the device, kiosk or similar structure.

### Automatic Sprinkler System

"Automatic sprinkler system" means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - 1) Sprinklers and discharge nozzles; ~~and~~

Automatic Sprinkler System – continued

- 2) Ducts, pipes, valves and fittings; and
  - 3) Tanks, their component parts and supports; and
  - 4) Pumps and private fire protection mains.
- b. When supplied from an automatic fire protective system:
- 1) Non-automatic fire protective systems; and
  - 2) Hydrants, standpipes and outlets.

Bodily Injury

“Bodily injury” means ~~bodily injury, sickness, disease, disability, shock, mental anguish, mental injury and humiliation, including resulting death.~~ physical harm, sickness, or disease that is sustained by a person during the Policy Period. “Bodily injury” includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

Bonus Payments

“Bonus payments” mean a pro- rata share of the cash bonus you were required to pay at the time you entered into a lease of a location shown on the Declarations. The pro- rata share will be determined by allocating the cash payment to the entire term of the lease. Only that portion of the cash bonus attributable to the unexpired term of the lease at the time of a loss will be considered a “bonus payment.”

Borrower

“Borrower” means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

Business Income

“Business income” means the:

- a. Net income (net profit or loss before income taxes) excluding interest of any kind and investment income that would have been earned or incurred;
- b. “Rental income”; and
- c. Continuing normal operating expenses, including payroll.

### By-Product Material

“By-product material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Communication Supply Service

“Communication supply service” means property supplying communication services, including telephone, internet service provider (ISP), radio, microwave or television services, to the premises such as:

- a. Overhead or underground communication transmission lines;
- b. Microwave radio relays except satellites; and
- c. Telephone company central office switching equipment.

### Conversion

“Conversion” means transfer of legal ownership of insured property by the “borrower” via sale, trade or disposal without your consent.

### Data Processing Equipment

“Data processing equipment” means an electronic programmable computer that can store, retrieve and process data by means of various software programs, including a monitor, printer, other peripheral data processing hardware that provides communication, including input and output functions, or auxiliary functions such as data transmission.

### Data Processing Services

“Data processing services” means the transformation of information on “data processing equipment,” from the source format into a desired form and the subsequent processing of such information.

### ~~Defense Expense~~

~~“Defense expense” means payments allocated to a specific claim or “suit” for its investigation, settlement, or defense, including:~~

- ~~a. Attorney fees and all other litigation expenses we incur.~~
- ~~b. The cost of bonds to release attachments, but only for bond amounts within the Limit Of Insurance available. We do not have to furnish these bonds.~~

~~Defense Expense continued~~

- ~~c. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work.~~
- ~~d. Cost taxed against the insured in the "suit."~~
- ~~e. Pre judgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any pre judgment interest based on that period of time after the offer.~~
- ~~f. 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.~~

Dependent Business Premises

"Dependent business premises" means premises operated by others on whom you depend to deliver materials, "data processing services" or other services to you. "Dependent business premises" does not mean premises operated by others where debit, credit or other card processing services are performed.

Discovered

"Discovered" means the time at which you first know, or have reason to suspect a covered loss.

Environment

"Environment" includes any person, any man-made object or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the insured; including, but not limited to any of the above.

Extra Expense

"Extra expense" means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property. This expense could include rental of temporary equipment or facilities and the cost of additional labor. "Extra expense" does not include the cost to repair or replace any property, or any loss to "valuable information."

Foreclosed Property

"Foreclosed property" is property on which a foreclosure judgment or deed is recorded on public records.

### Fungus

"Fungus" means any microorganism or by-product of a microorganism, including, but not limited to mold, mildew, fungi, myotoxins and spores.

### ~~Hazardous Properties~~

~~"Hazardous properties" include radioactive, toxic or explosive properties.~~

### Hostile Fire

"Hostile fire" means a fire ~~which~~ that becomes uncontrollable or breaks out from where it is intended to be.

### Impairment

"Impairment" means that as a result of the accidental physical loss, the value of the property is less than the "outstanding loan balance."

### Lack Or Insufficiency Of Insurance

"Lack or insufficiency of insurance" means non-existence, inadequacy, invalidity or uncollectibility of insurance you customarily require. This includes failure of the policy to name you as mortgagee.

### Lawsuit

"Lawsuit" means a civil court action in which damages or other relief to which this insurance applies are alleged.

### Leased Auto

"Leased auto" means any "auto" you lease to a lessee under a lease agreement or arrangement.

### Lending

"Lending" means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;
3. "Loan servicing"; or

Lending - continued

4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;
  - b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute;  
or
  - c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

Loading Or Unloading

“Loading or unloading” means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, “watercraft” or “auto”;
- b. While it is in or on an aircraft, “watercraft” or “auto”; or
- c. While it is being moved from an aircraft, “watercraft” or “auto” to the place where it is finally delivered,

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, “watercraft” or “auto.”

Loan Servicing

“Loan servicing” means:

1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
2. Record keeping;
3. Billing;
4. Disbursements of principal and interest for a loan; or
5. Credit reporting or statements of a “borrower’s” creditworthiness.

### Loss To Your Data Processing Operations

“Loss to your data processing operations” means direct damage, by a Covered Cause Of Loss under this Policy, to:

- a. Property covered under “data processing equipment”;
- b. The building housing your data processing operations, that prevents you from entering the building;
- c. “Power supply service” causing an interruption in service at the premises described on the Declarations;
- d. “Communication supply service” causing an interruption in service to the premises described on the Declarations;
- e. “Water supply service” causing an interruption in service at the premises described on the Declarations; or
- f. “Sewage treatment service” causing an interruption in service at the premises described on the Declarations.

### Loss To Your Mortgageholder’s Interest

“Loss to your mortgageholder’s interest” means that:

- a. The mortgagor has defaulted in payments, you have foreclosed on the mortgaged property, and applied proceeds to the mortgage balance; and
- b. The value of the mortgaged property is less than the principal plus accrued interest and attorneys fees of a valid mortgage or deed of trust including accrued interest.

### Money

“Money” means currency, coins and bank notes and Federal Reserve notes, checks, drafts and share drafts.

### Non-Negotiable Securities

“Non-negotiable securities” means securities that cannot be negotiated or converted to cash by unauthorized persons without resort to forgery.

### Nuclear Facility

“Nuclear facility” means:

1. Any “nuclear reactor”;
2. Any equipment or device designed or used for:
  - a. Separating the isotopes of uranium or plutonium; or
  - b. Processing or utilizing “spent fuel”; or
  - c. Handling, processing or packaging “waste.”
3. Any equipment or device used for 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;
4. 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 Material

“Nuclear material” means “source material,” “special nuclear material” or “by-product material.”

### Nuclear Reactor

“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.

### Object

“Object” means any permanently installed building machinery and equipment except:

- a. A steam heating boiler or vessel and a condensate return tank associated with the boiler or vessel;
- b. An electrical, reciprocating or rotating apparatus within or forming a part of the steam heating boiler or vessel;
- c. “Data processing equipment” unless used only to control or operate an “object”;

Object - continued

- d. An "automated teller machine";
- e. Electronic data, information or instructions stored in digital code;
- f. Drainage, waste or sewer piping, underground piping, including a lawn sprinkler system;
- g. Piping, valves or fittings forming a part of a sprinkler or fire suppression sprinkler system; or
- h. Piping or a vessel buried or encased in the earth, concrete or other material, whether above or below ground, or in an enclosure which does not allow access for inspection or repair.

Occurrence

~~"Occurrence" for purposes of liability coverage means:~~

- ~~a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage."~~

~~All damages that arise from continuous or repeated exposure to substantially the same general conditions are considered to arise from one "occurrence."~~

- ~~b. An offense that results in "personal injury."~~

~~All damages that arise from exposure to the same act, publication or general conditions are considered to arise from one "occurrence."~~

- ~~c. An offense that results in "advertising injury."~~

~~All damages that arise from exposure to the same publication, misappropriation, infringement, harmful material or act are considered to arise from one "occurrence" regardless of:~~

- ~~1) The frequency of repetition;~~
- ~~2) The number, kind or type of media used; or~~
- ~~3) The number of claimants. "Occurrence" for purposes of all other coverages means an event or series of causally related events that contribute concurrently or consecutively to loss or damage.~~

### Outstanding Loan Balance

“Outstanding loan balance” means the balance due you on the date of loss less:

- a. Payments which are more than 180 days past due on the date of loss; and
- b. Unearned interest, finance or carrying charges; and
- c. Penalties or other charges which may have been added to the balance after the inception date of the loan.

If two or more items of property secure the same loan, the “outstanding loan balance” is the proportionate part of the unpaid balance that the damaged property represents.

### Period Of Restoration

“Period of restoration” means the period of time beginning with the date of damage and ending when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality. The expiration date of this Policy will not cut short the “period of restoration.”

### Personal Injury

“Personal injury” means injury, other than “bodily injury,” arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- e. Oral or written publication of material that violates a person’s right of privacy; or
- f. Discrimination, except for any discrimination related to “lending.”

### Pollutants

"Pollutants" means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, "waste" and any other irritant or contaminant. ~~Waste includes any material to be disposed of, recycled, reconditioned or reclaimed.~~

### Pollution Or Contamination

"Pollution or contamination" means any unclean, unsafe, damaging, injurious or unhealthful conditions arising out of the presence of "pollutants," whether permanent or transient, in any "environment."

### Power Supply Service

"Power supply service" means property supplying electricity or gas to the premises such as:

- a. Utility generating plants;
- b. Switching stations and substations;
- c. Transformers and overhead or underground transmission lines; and
- d. Pipes and pumping stations.

### Prepaid Rent

"Prepaid rent" means a pro-rata share of the rent you were required to advance at the time you entered into a lease of a location shown on the Declarations. The pro-rata share will be determined by allocating the amount of the rent advanced to the entire term of the lease. Only that portion of the advance rent attributable to the unexpired term of the lease at the time of loss will be considered "prepaid rent."

### Products-Completed Operations Hazard

1. "Products-completed operations hazard" includes all "bodily injury," and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work," except:
  - a. Products that are still in your physical possession; or
  - b. Work that has not yet been completed or abandoned.
2. "Your work" will be deemed completed at the earliest of the following times:
  - a. When all of the work called for in your contract has been completed;

Products-Completed Operations Hazard - continued

- b. When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- 3. This hazard does not include "bodily injury" or "property damage" arising out of:
  - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
  - b. The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - c. Products or operations for which the classification in this Coverage insurance or in our manual or rules includes products or completed operations.

Professional Service

"Professional service" includes but is not limited to:

- a. Accounting, auditing or tax services for a fee;
- b. Advising, inspecting, reporting, selling, brokering, and recommending in the insured's capacity as a travel agent, insurance company, insurance consultant, insurance broker, insurance agent, financial planner or representative thereof, for fee or commission;
- c. Advising, recommending, selling or brokering stocks, bonds, mutual funds or other investment instruments for a fee or commission;
- d. Architect, engineer, inspection, or investigation service for a fee;
- e. Day care or child care service for a fee;
- f. Health care service for a fee;
- g. Legal services for a fee; or
- h. Selecting, obtaining or maintaining insurance, suretyship, or bond.

Profit on a On A Sub-Lease

“Profit on a sub-lease” means a pro- rata share of the net profit you would receive on a sub-lease of a location shown on the Declarations. The pro- rata share will be determined by allocating the total amount of net profit to the entire term of the lease or sub-lease, whichever is shorter. Only that portion of the profit attributable to the unexpired term will be considered “profit on a sub-lease.”

Property Damage

“Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property; or
- b. Loss of use of tangible property that is not physically injured.

Real Estate

“Real estate” means:

- a. Land and anything a part of or attached to the land such as a building; or
- b. Mobile trailer homes only if intended for use as a permanent, private residence and situated on a foundation or blocks, with wheels removed so as to be rendered immobile at the time of loss.

Real Property

“Real property” includes a mobile trailer ~~homes~~, home intended for use as a permanent, private residence and situated on a foundation or blocks with wheels removed so as to be rendered immobile at time of loss.

Rental Income

“Rental income” means the sum of:

- a. The total gross income you expect to receive from your tenant of the described premises as furnished and equipped by you; and
- b. The amount of continuing charges you incur which otherwise were the legal obligation of and would be paid by your tenant.

In determining the amount of loss we will consider the rental experience before the date of damage and the probable experience thereafter had no loss occurred.

### Repossessed

“Repossessed” means that you or someone on your behalf has physical care, custody and control of the property used as collateral on a loan.

### Securities

“Securities” means original mortgages, documents of title, evidences of debt, security agreements, money orders, certificates of deposit, stock or bond certificates, instruction to or statement of uncertificated security of a Federal Reserve Bank, and certificated security.

### Sewage Treatment Service

“Sewage treatment service” means property used to transport sewage and waste from a location shown on the Declarations such as:

- a. Pumping stations; and
- b. Sewage and waste pipes.

### Soft Costs

“Soft costs” means expenses you incur that are over and above the expenses which you would have incurred if there had been no direct physical loss or damage to Covered Property during construction. “Soft costs” include: extra construction expenses incurred in order to continue the construction and meet deadlines under construction contracts; interest on construction loans from the date of loss to the date construction is completed; real estate taxes or construction assessments that are attributable to the period from the date of loss to the date construction is completed; architect, engineering and consultant fees; legal and accounting fees; insurance premiums; advertising and promotional expenses; and costs and commissions attributable to the renegotiation of leases.

### Source Material

“Source material;” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Special Nuclear Material

“Special nuclear material” has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

### Spent Fuel

“Spent fuel” means any fuel element or fuel component, solid or liquid, ~~which~~ that has been used or exposed to radiation in a “nuclear reactor.”

### Suit

"Suit" means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

### Tenant's Lease Interest

"Tenant's lease interest" means the difference between the appraised rental value and the rent you would have been required to pay for the unexpired term of the lease following cancellation; or the difference between the rent you would have been required to pay for the unexpired term of the lease and the rent you are required to pay under a new lease covering the same term, whichever is less.

### Tenant's Interest In Undamaged Improvements And Betterments

"Tenant's interest in undamaged improvements and betterments" means the appraised value, on the date of cancellation of the lease, of fixtures, alterations, installations or additions you made to the interior of leased premises which have not been damaged and which cannot be removed.

### ~~Underlying Insurer~~

~~"Underlying insurer" means any insurer who issues a policy of "underlying insurance."~~

### ~~Underlying Insurance~~

~~"Underlying insurance" means the liability insurance coverage under policies shown in the schedule of "underlying insurance," for the limits and periods indicated. It includes any policies issued to replace those policies during the term of this insurance that provide:~~

- ~~a. At least the same policy limits; and~~
- ~~b. The same hazards insured against, except as modified by general program revisions or as agreed to by us in writing.~~

### ~~Underlying Policy~~

~~"Underlying policy" means a policy providing "underlying insurance."~~

### Valuable Information

"Valuable information" means:

- a. Mortgage or loan documents;
- b. Accounts receivable records;

Valuable Information - continued

- c. Converted data, programs, or instructions used in your data processing operations, including the materials on which the data is recorded;
- d. Inscribed, microfilmed, printed or written documents, paper, ledgers, or journals;
- e. Manuscripts or records, including abstracts, books, deeds, drawings, films, maps; or
- f. Data or a virtual document stored on an optical disk or other storage media.

Valid Insurance

"Valid insurance" means a valid policy, or other evidence of insurance.

Waste

1. "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."

2. "Waste" includes any material to be disposed of, recycled, reconditioned or reclaimed.

Watercraft

"Watercraft" means "watercraft" of any type, and their trailers, motors, parts and "watercraft" equipment, including electronic equipment permanently installed.

Water Supply Service

"Water supply service" means property supplying water to the premises such as:

- a. Pumping stations; and
- b. Water mains.

### Your Product

1. "Your product" means:

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

2. "Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. and b. above.

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

### Your Work

1. "Your work" means:

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

2. "Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

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**BUSINESS LIABILITY COVERAGE  
CREDIT UNION PACKAGE OF PROTECTION**

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Various provisions in this ~~policy~~ Policy restrict coverage. Read the entire ~~policy~~ Policy carefully to determine rights, duties and what is and is not covered. The Common Policy Provisions apply to this Coverage.

The words "this insurance" mean the business liability insurance provided under this Coverage.

~~The word "Insured~~ insured" means any person or organization qualifying as such under ~~—WHO IS AN INSURED~~ Who Is An Insured.

Throughout this Policy the words "you" and "your" refer to the Named Insured shown on the Declarations. The words "we," "us," and "our" refer to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning and are defined in the ~~policy.~~ Refer to Definitions in this Coverage. Policy.

**COVERAGE A  
BODILY INJURY AND PROPERTY DAMAGE LIABILITY**

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Insuring Agreement

1. We will pay those sums that the ~~Insured~~ insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. This insurance applies only to "bodily injury" and "property damage" ~~which~~ that occurs during the Policy Period. The "bodily injury" or "property damage" must be caused by an "occurrence." The "occurrence" must take place in the Coverage Territory. We will have the right and duty, using attorneys of our own choice, to defend any "suit," seeking those damages. ~~But~~ However:
  - a. The amount we will pay for damages is limited as ~~set forth~~ described in the Limit of Of Insurance ~~section~~ Additional Condition;
  - b. We may investigate and settle any claim or "suit" at our discretion; and
  - c. Our right and duty to defend end when we have used up the applicable Limit of Of Insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
2. 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."
3. "Property damage" that is loss of use of tangible property that is not physically injured will be deemed to occur at the time of the "occurrence" that caused the loss of use.

~~THIS INSURANCE DOES NOT APPLY TO:~~ This insurance does not apply to:

#### Aircraft, Auto Or Watercraft

1. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or "watercraft." Use includes operation and "loading or unloading."
2. This exclusion does not apply to:
  - a. "Watercraft" you do not own that is less than 75 feet long; or
  - b. Aircraft chartered with a pilot and crew.

#### Alcohol

1. "Bodily injury" or "property damage" for which any ~~Insured~~ insured may be held liable by reason of:
  - a. Causing or contributing to the intoxication of any person;
  - b. The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
  - c. Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.
2. This exclusion applies only if you are in the business of manufacturing, distributing, selling, servicing or furnishing alcoholic beverages.

#### Compensation Plans

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

#### Contracts

- "Bodily injury" or "property damage" assumed by the ~~Insured~~ insured under any contract or agreement that:
- a. ~~That~~ Is oral or otherwise not written;
  - b. Is made after the "bodily injury" or "property damage" occurs; or
  - c. Does not relate to your business operations.

### Damage To Property In Your Control

1. "Property damage" to:

- a. Property you own, rent, or occupy;
- b. Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- c. Property loaned to you; or
- d. Personal property in your care, custody or control.

2. This exclusion does not apply to damage by fire to premises rented to you.

### Damage To Your Product Or Work

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

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

3. 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.

### Employment Liability

1. "Bodily injury" to:

- a. An employee of the ~~Insured~~ insured arising out of and in the course of employment by the ~~Insured~~ insured; or
- b. The spouse, child, parent, brother or sister of that employee or any other person as a consequence of paragraph a. above.

2. This exclusion applies:

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

3. This exclusion does not apply to liability assumed by the ~~Insured~~ insured under a contract or agreement.

## Employment Related Practices

1. "Bodily injury" to:

~~1.a.~~ A person arising out of any:

~~a.1)~~ Refusal to hire or promote that person;

~~b.2)~~ Termination of that person's employment; or

~~c.3)~~ Employment related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person.

~~2.b.~~ The spouse, child, parent, brother or sister of that person or any other person as a consequence of "bodily injury" to that person at whom any of the employment related practices described in paragraphs ~~a., b. or c.~~ 1), 2) or 3) above is directed.

2. This exclusion applies:

~~1.a.~~ Whether the ~~Insured~~ insured may be liable as an employer or in any other capacity; and

~~2.b.~~ To any obligation to share damages with or repay someone else who must pay damages because of the injury.

## Intentional Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the ~~Insured~~ insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

## Nuclear Energy

~~"Bodily injury" or "property damage" excluded by the Nuclear Energy Liability Exclusion found in the Common Policy Provisions.~~

1. "Bodily injury" or "property damage," including all forms of radioactive contamination of property:

a. With respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

Nuclear Energy – continued

- 1) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any amendatory law thereof; or
- 2) The insured is, or had this insurance not been issued, would be entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any medical payments coverage, to expenses incurred with respect to “bodily injury” resulting from the “hazardous properties” of “nuclear material” and arising out of the operation of a “nuclear facility” by any person or organization.
3. “Bodily injury” or “property damage” resulting from the “hazardous properties” of “nuclear material,” if:
  - a. The “nuclear material”:
    - 1) Is at any “nuclear facility” owned by, or operated by or on behalf of, an insured; or
    - 2) Has been discharged or dispersed there from.
  - b. The “nuclear material” is contained in “spent fuel” or “waste” at any time possessed, handled, used, process, stored, transported or disposed of by or on behalf of an insured; or
  - c. The “bodily injury” or “property damage” arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any “nuclear facility,” but if such facility is located within the United States of America, its territories or possessions or Canada, then this exclusion applies only to radioactive contamination to such “nuclear facility” and any property at such “nuclear facility.”

Pollution

1. “Bodily injury” or “property damage” arising out of:
  - a. The “pollution or contamination” of any “environment” by “pollutants” or seepage of “pollutants” that are introduced at any time, anywhere, in any way; or
  - b. The actual, alleged or threatened discharge, dispersal, release or escape of “pollutants.”
2. Any costs, or other loss or damage arising out of such “pollution or contamination” or seepage, including, but not limited to, cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or “pollutants,” even if caused by a governmental direction or request.

#### Pollution – continued

3. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or “suit” related to any of the above.
  
4. ~~This Exclusion~~ exclusion does not apply to “bodily injury” or “property damage” caused by heat, smoke or fumes from a “hostile fire.”

#### Product Recall

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:

- a. “Your product”; or
- b. “Your work,”

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.

#### Professional Services

“Bodily injury” and “property damage” due to your rendering or failure to render any “professional service.”

#### War

“Bodily injury” or “property damage” due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

Insuring Agreement

1. We will pay those sums that the ~~Insured~~ insured becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this insurance applies. We will have the right and duty, using attorneys of our own choice, to defend any "suit" seeking those damages. ~~But~~ However:
  - a. The amount we will pay for damages is limited as described in ~~Limits of~~ Limit Of Insurance;
  - b. We may investigate and settle any claim or "suit" at our discretion; and
  - c. Our right and duty to defend end when we have used up the applicable Limit of ~~Of~~ Of Insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.
2. This insurance applies to "personal injury" only if caused by an "occurrence":
  - a. Committed in the Coverage Territory during the Policy Period; and
  - b. Arising out of the conduct of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you.
3. This insurance applies to "advertising injury" only if caused by an "occurrence" committed:
  - a. In the Coverage Territory during the Policy Period; and
  - b. In the course of advertising your goods, products or services.

~~THIS INSURANCE DOES NOT APPLY TO:~~ This insurance does not apply to:

#### Advertising Injury

"Advertising injury" arising out of:

- a. Breach of contract, other than misappropriation of advertising ideas under an implied contract;
- b. The failure of goods, products or services to conform with advertised quality or performance; or
- c. The wrong description of the price of goods, products or services.

#### Employment Related Practices

1. "Personal injury" to:

~~1.a.~~ A person arising out of any:

~~a.1)~~ Refusal to hire or promote that person;

~~b.2)~~ Termination of that person's employment; or

~~c.3)~~ Employment related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person.

~~2.b.~~ The spouse, child, parent, brother or sister of that person or any other person as a consequence of "personal injury" to that person at whom any of the employment related practices described in paragraphs ~~a., b. or c.~~ 1), 2) or 3) above is directed.

2. This exclusion applies:

~~1.a.~~ Whether the ~~insured~~ insured may be liable as an employer or in any other capacity; and

~~2.b.~~ To any obligation to share damages with or repay someone else who must pay damages because of the injury.

### Personal Injury And Advertising Injury

“Personal injury” or “advertising injury”:

- a. Arising out of oral or written publication of material, if done by or at the direction of the ~~Insured~~ insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period;
- c. Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the ~~Insured~~ insured;
- d. For which the ~~Insured~~ insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the ~~Insured~~ insured would have in the absence of the contract or agreement; ~~or~~
- e. Due to rendering or failure to render any “professional service-”: or
- f. Arising out of an electronic chat room or bulletin board the insured hosts, owns, or over which the insured exercises control.

### Pollution

1. “Personal injury” arising out of:
  - a. The “pollution or contamination” of any “environment” by “pollutants” or seepage of “pollutants” that are introduced at any time, anywhere, in any way; or
  - b. The actual, alleged or threatened discharge, dispersal, release or escape of “pollutants.”
2. Any costs, or other loss or damage, arising out of such “pollution or contamination” or seepage, including, but not limited to, cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or “pollutants,” even if caused by a governmental direction or request.
3. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or “suit” related to any of the above.
4. This Exclusion exclusion does not apply to “personal injury” caused by heat, smoke or fumes from a “hostile fire.”

### Insuring Agreement

1. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - a. On premises you own or rent;
  - b. On ways next to premises you own or rent; or
  - c. Because of your operations,provided that:
  - a. The accident takes place in the Coverage Territory and during the Policy Period;
  - b. The expenses are incurred and reported to us within two years of the date of the accident; and
  - c. The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
2. We will make these payments regardless of fault. These payments will not exceed the applicable Limit of Insurance. We will pay reasonable expenses for:
  - a. First aid at the time of an accident;
  - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - c. Necessary ambulance, hospital, professional nursing and funeral services.

~~WE WILL NOT PAY EXPENSES FOR "BODILY INJURY":~~ We will not pay expenses for "bodily injury":

1. To any ~~Insured~~ insured;
2. To a person hired to do work for or on behalf of any ~~Insured~~ insured or a tenant of any ~~Insured~~ insured;
3. To a person injured on that part of premises you own or rent that the person normally occupies;
4. To a person, whether or not an employee of any ~~Insured~~ 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;
5. Included within the "products-completed operations hazard";
6. Excluded under Coverage A; or
7. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

Supplementary Payments Insuring Agreement

1. We will pay, with respect to any claim or "suit" we defend under Coverages A or B:
  - a. All expenses we incur;
  - b. The cost of bonds to release attachments, but only for bond amounts within the applicable Limit of Of Insurance. We do not have to furnish these bonds;
  - c. All reasonable expenses incurred by the ~~Insured~~ insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$100 a day because of time off from work;
  - d. All costs taxed against the ~~Insured~~ insured in the "suit";
  - e. Pre-judgment interest awarded against the ~~Insured~~ insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and
  - f. 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 Of Insurance.
2. These payments will not reduce the Limit of Of Insurance.

**Who Is An Insured**

1. The organization named in the Declarations.
2. Each of the following is also an ~~Insured~~ insured:
  - a. Your employees, but only for acts within the scope of their employment by you. However, none of these employees is an ~~Insured~~ insured for:
    - 1) "Bodily injury" or "personal injury" to you or to a co-employee while in the course of his or her employment;
    - 2) "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
    - 3) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
  - b. Any person (other than your employee), or any organization while acting as your real estate manager.
3. Your volunteer workers, but only with respect to their liability for your activities or activities they perform on your behalf.
4. Members of your Board of Directors and committees while acting within the scope of their duties as such on your behalf.
5. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will be deemed to be a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the Policy Period, whichever is earlier;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.
6. No person or organization is an ~~Insured~~ insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

In addition to the Conditions in the Common Policy Provisions, the following Conditions also apply to this Coverage.

#### Limit Of Insurance

1. The ~~Limit of~~ Limits Of Insurance shown ~~in~~ on 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 Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A;
  - b. Damages under Coverage B; and
  - c. Medical expenses under Coverage C,because of all "bodily injury," "property damage," "personal injury," and "advertising injury" arising out of any one "occurrence."
3. The Aggregate Limit is the most we will pay for the sum of:
  - a. Damages under Coverage A;
  - b. Damages under Coverage B; and
  - c. Medical expenses under Coverage C.

because of all "bodily injury," "property damage," "personal injury" and "advertising injury" arising during the Policy Period. The Aggregate Limit applies separately to each consecutive Policy Period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown on 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 the purposes of determining the Limit Of Insurance.
4. The Medical Payments Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person in any one ~~accident.~~ "occurrence."

Other Insurance

1. If other valid and collectible insurance is available to you for a loss we cover under Coverage A, B or C, our obligations are limited as follows:
  - a. Primary Insurance - This insurance is primary except when paragraph 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 paragraph c. below.
  - b. Excess Insurance - This insurance is excess over any of the other insurance, whether primary, excess, contingent or any other basis:
    - 1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work"; or
    - 2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or
    - 3) If the loss arises out of the maintenance or use of aircraft, or "watercraft" to the extent not subject to Coverage A Exclusions.
2. When this insurance is excess, we will have no duty under Coverage A or B to defend you against any "suit" if any other insurer has a duty to defend you against that "suit." If no other insurer defends, we will undertake to do so, but we will be entitled to your rights against all those other insurers.
3. 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:
  - a. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
  - b. The total of all deductible and self-insured amounts under all that other insurance.
4. 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.
5. 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. We will share the remaining loss, if any, with any other insurance that is not described in this condition and was not bought specifically to apply in excess of the Limits Of Insurance shown on the Declarations.

If any of the definitions in this insurance are contrary to definitions contained in the Common Policy Provisions, then the definitions contained in this insurance apply.

### Advertising Injury

“Advertising injury” means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- b. Oral or written publication of material that violates a person’s right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### Auto

“Auto” means a land motor vehicle, trailer or semitrailer designed for travel on public roads, its parts and equipment, including permanently installed electronic equipment.

### Bodily Injury

“Bodily injury” means ~~bodily injury, sickness, disease, disability, shock, mental anguish, mental injury and humiliation, including resulting death.~~ physical harm, sickness, or disease that is sustained by a person during the Policy Period. “Bodily injury” includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

### Borrower

“Borrower” means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

### By-Product Material

“By-product material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Data Processing Equipment

“Data processing equipment” means an electronic programmable computer that can store, retrieve and process data by means of various software programs, including a monitor, printer, other peripheral data processing hardware that provides communication, including input and output functions, or auxiliary functions such as data transmission.

### Data Processing Services

"Data processing services" means the transformation of information on "data processing equipment," from the source format into a desired form and the subsequent processing of such information.

### Electronic Data

"Electronic data" means any 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 that are used with electronically controlled equipment.

### Environment

"Environment" includes any person, any man-made object or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the ~~insured~~ insured; including, but not limited to any of the above.

### Hazardous Properties

"Hazardous properties" include radioactive, toxic or explosive properties.

### Hostile Fire

"Hostile fire" means a fire ~~which~~ that becomes uncontrollable or breaks out from where it is intended to be.

### Lending

"Lending" means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;
3. "Loan servicing"; or

Lending – continued

4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;
  - b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute;  
or
  - c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

Loading Or Unloading

“Loading or unloading” means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, “watercraft” or “auto”;
- b. While it is in or on an aircraft, “watercraft” or “auto”; or
- c. While it is being moved from an aircraft, “watercraft” or “auto” to the place where it is finally delivered,

but “loading or unloading” does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, “watercraft” or “auto.”

Loan Servicing

“Loan servicing” means:

1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
2. Record keeping;
3. Billing;
4. Disbursements of principal and interest for a loan; or
5. Credit reporting or statements of a “borrower’s” creditworthiness.

Nuclear Facility

"Nuclear facility" means:

1. Any "nuclear reactor":
2. Any equipment or device designed or used for:
  - a. Separating the isotopes of uranium or plutonium;
  - b. Processing or utilizing "spent fuel"; or
  - c. Handling, processing or packaging "waste."
3. Any equipment or device used for 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;
4. 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 Material

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

Nuclear Reactor

"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.

Occurrence

"Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage."

All damages that arise from continuous or repeated exposure to substantially the same general conditions are considered to arise from one "occurrence."

Occurrence – continued

- b. An offense that results in “personal injury.”

All damages that arise from exposure to the same act, publication or general conditions are considered to arise from one “occurrence.”

- c. An offense that results in “advertising injury.”

All damages that arise from exposure to the same publication, misappropriation, infringement, harmful material or act are considered to arise from one “occurrence” regardless of:

- 1) The frequency of repetition;
- 2) The number, kind or type of media used; or
- 3) The number of claimants.

Personal Injury

“Personal injury” means injury, other than “bodily injury,” arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person’s or organization’s goods, products or services;
- e. Oral or written publication of material that violates a person’s right of privacy; or
- f. Discrimination, except for any discrimination related to “lending.”

Pollutants

“Pollutants” means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, “waste” and any other irritant or contaminant. ~~“Waste” includes any material to be disposed of, recycled, reconditioned or reclaimed.~~

### Pollution Or Contamination

“Pollution or contamination” means any unclean, unsafe, damaging injurious or unhealthful conditions arising out of the presence of “pollutants,” ~~or~~ whether permanent or transient, in any “environment.”

### Products- Completed Operations Hazard

1. “Products-completed operations hazard” includes all “bodily injury” and “property damage” occurring away from premises you own or rent and arising out of “your product” or “your work,” except:
  - a. Products that are still in your physical possession; or
  - b. Work that has not yet been completed or abandoned.
2. “Your work” will be deemed completed at the earliest of the following times:
  - a. When all of the work called for in your contract has been completed;
  - b. When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
  - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

3. This hazard does not include “bodily injury” or “property damage” arising out of:
  - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the “loading or unloading” of it;
  - b. The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - c. Products or operations for which the classification in this Coverage insurance or in our manual or rules includes products or completed operations.

### Professional Service

“Professional service” includes but is not limited to:

- a. Accounting, auditing or tax services for a fee;
- b. Advising, inspecting, reporting, selling, brokering, or recommending in the ~~Insured~~ insured's capacity as a travel agent, insurance company, insurance consultant, insurance broker, insurance agent, financial planner or representative thereof, for fee or commission;
- c. Advising, recommending, selling or brokering stocks, bonds, mutual funds or other investment instruments for a fee or commission;
- d. Architect, engineer, inspection, appraisal, or investigation services for a fee;
- e. Day care and child care service for a fee;
- f. Health care service for a fee;
- g. Legal services for a fee;
- h. “Data processing services” for a fee; or
- i. Selecting, obtaining and maintaining insurance, suretyship, or bonds.

### Property Damage

1. “Property damage” means:

- a. Physical injury to tangible property, including all resulting loss of use of that property; or
- b. Loss of use of tangible property that is not physically injured.

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

### Real Property

“Real property” includes a mobile trailer home intended for use as a permanent, private residence and situated on a foundation or blocks with wheels removed so as to be rendered immobile at time of loss.

### Source Material

“Source material” has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

Special Nuclear Material

"Special nuclear material" has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

Spent Fuel

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

Suit

"Suit" means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

Waste

1. "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."

2. "Waste" includes any material to be disposed of, recycled, reconditioned or reclaimed.

Watercraft

"Watercraft" means watercraft of any type, and their trailers, motors, parts and watercraft equipment, including electronic equipment permanently installed.

Your Product

1. "Your product" means:

- a. Any goods or products, other than "real property," manufactured, sold, handled, distributed or disposed of by:
  - 1) You;
  - 2) Others trading under your name; or
  - 3) A person or organization whose business or assets you have acquired; and

Your Product - continued

- b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- 2. "Your product" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. and b. above.
- 3. "Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

Your Work

- 1. "Your work" means:
  - a. Work or operations performed by you or on your behalf; and
  - b. Materials, parts or equipment furnished in connection with such work or operations.
- 2. "Your work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

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## EXCESS LIABILITY COVERAGE CREDIT UNION PACKAGE OF PROTECTION

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Various provisions in this ~~policy~~ Policy restrict coverage. Read the entire ~~policy~~ Policy and any "underlying insurance" carefully to determine rights, duties and what is covered and 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 CUMIS Insurance Society, Inc. The Common Policy Provisions apply to this Coverage.~~

The words "this insurance" mean the excess liability insurance provided under this Coverage.

The word "~~Insured~~ insured" means any person or organization qualifying as such under any "underlying insurance."

Throughout this Policy the words "you" and "your" refer to the Named Insured shown on the Declarations. The words "we," "us," and "our" refer to CUMIS Insurance Society, Inc.

Other words and phrases that appear in quotation marks have special meaning, and are defined in the ~~policy~~ Policy.

## INSURING AGREEMENTS

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### Coverage

We will pay those sums, in excess of the amount payable under the terms of any "underlying insurance," that the ~~Insured~~ insured becomes legally obligated to pay as damages because of injury or damage to which this insurance applies, provided that the "underlying insurance" also applies, or would apply but for the exhaustion of its applicable ~~Limits~~ limits of ~~Insurance~~ insurance.

### Defense

1. We will have the right, at our option, to participate in the defense of claims or "suits" against the ~~Insured~~ insured seeking damages because of injury or damage to which this insurance may apply. We will have a duty to defend, with attorneys of our own choice, such claims or "suits" when the applicable limit of the "underlying insurance" has been used up by payment of judgments or settlements, and the ~~Insured~~ insured has notified us of the fact of such payment.

This right or duty to defend is limited as ~~set forth~~ described in the Defense Of Claims Or Suits Additional Condition.

2. The amount we will pay for damages is limited as described in the Limit of Of Insurance Additional Condition.
3. This insurance is subject to the same terms, conditions, agreements, exclusions and definitions as the "underlying insurance," except:
  - a. We will have no obligation under this insurance with respect to any claim or "suit" that is settled without our consent; and
  - b. With respect to any provisions to the contrary contained in this insurance.

The exclusions applicable to the "underlying insurance" also apply to this insurance. ~~Additionally, this~~ This insurance does not apply to:

#### Medical Payments

Any obligation to pay expenses under any medical payments coverage.

#### Obligation Imposed By Law

Any obligation imposed by law under any automobile no-fault, uninsured motorist, underinsured motorist, workers' compensation, disability benefits or unemployment compensation law or similar law.

#### ~~Nuclear Energy~~

~~Injury excluded by the Nuclear Energy Liability Exclusion found in the Common Policy Provisions.~~

#### Pollution

- ~~1. "Bodily injury" or "property damage," or "personal injury" arising out of:
  - a. The "pollution or contamination" of any "environment" by "pollutants" or seepage of "pollutants" that are introduced at any time, anywhere, in any way; or
  - b. The actual, alleged or threatened discharge, dispersal, release or escape of "pollutants."~~
- ~~2. Any costs, or other loss or damage arising out of such "pollution or contamination" or seepage, including, but not limited to, cleaning up, remedying, testing, monitoring, containing, treating, detoxifying, and neutralizing such contamination, seepage, or "pollutants," even if caused by a governmental direction or request.~~
- ~~3. Payment for the investigation or defense of any loss, injury or damage, or any cost, fine, penalty, expense, claim or "suit" related to any of the above.~~

~~This exclusion does not apply to "bodily injury" or "property damage" caused by heat, smoke or fumes from a "hostile fire."~~

In addition to conditions found in the Common Policy Provisions, the following conditions also apply to this Coverage. If any of the additional conditions in this insurance are contrary to conditions contained in the "underlying insurance," then the provisions additional conditions contained in this policy insurance apply.

### Appeals

In the event the "underlying insurer" elects not to appeal a judgment in excess of the limits of the "underlying insurance," we may elect to make such appeal. If we so elect, we will be liable, in addition to the applicable Limit of Of Insurance, for all "defense expenses" we incur.

### Bankruptcy Of Underlying Insurer

In the event of bankruptcy or insolvency of any "underlying insurer," the insurance afforded by this policy insurance will not replace such "underlying insurance," but will apply as if the "underlying insurance" was valid and collectible.

### Defense Of Claims Or Suits

1. When we have the duty to defend, we will have the right to choose defense counsel, and we will pay for all "defense expense" once our duty to defend begins.

If we exercise our right to defend when there is no duty, we will pay only that "defense expense" we incur.

If we provide a defense, we may investigate any claim or "suit" at our discretion. We may settle such claim or "suit" within the Limit of Of Insurance available at the time of the settlement.

2. Our right or duty to defend ends when we have used up the Limit of Of Insurance available for payment of any combination of judgments or settlements. This applies both to claims and "suits" pending at that time and those filed thereafter.
3. "Defense expense" will not reduce the Limit of Of Insurance.

### Limit Of Insurance

1. The Limit of Limits Of Insurance shown ~~in~~ on the Declarations is and the rules below fix the most we will pay ~~under the terms of this insurance for any one "occurrence"~~ regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits."

Limit Of Insurance - continued

2. The Limit Of Insurance shown on the Declarations as the Aggregate Limit is the most we will pay for the sum of all "ultimate net loss" to which, and in the same manner, an aggregate limit applies under the "underlying insurance."

The Aggregate Limit does not apply to "ultimate net loss" for which no aggregate limit applies in the "underlying insurance."

3. Subject to paragraph 2. above, the Limit Of Insurance shown on the Declarations as the Occurrence Limit is the most we will pay for the sum of all "ultimate net loss" to which this insurance applies arising out of any one "occurrence."

4. In the event of reduction or exhaustion of the aggregate limits of insurance under the "underlying insurance" solely by reason of payments of a combination of covered:

a. Expenses:

b. Settlements; or

c. Judgments paid thereunder as a result of "bodily injury," "property damage," "personal injury" or "advertising injury" taking place during this Policy Period, this insurance will, subject to this Limit Of Insurance Additional Condition and the remaining terms and conditions of this insurance:

1) Apply in excess of such reduction of "underlying insurance"; or

2) Apply in place of the exhausted amount of "underlying insurance."

Nothing in paragraphs 1) or 2) above will serve to increase the Limit Of Insurance shown on the Declarations.

5. The Limit Of Insurance for this insurance will apply separately to each consecutive Policy Period and to any remaining period of less than 12 months, starting with the beginning of the Policy Period shown on 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 Policy Period for the purposes of determining the Limits Of Insurance.

Maintenance Of Underlying Insurance

1. You agree to maintain the "underlying insurance" in full force and effect during the term of this ~~policy~~ insurance, and to inform us within 30 days of any replacement of that "underlying insurance" by the same or another company.

Maintenance Of Underlying Insurance - continued

2. In the event that any "underlying insurance" is cancelled or not renewed and not replaced, you must notify us immediately. We will not be liable under this insurance for more than we would have been liable if that "underlying insurance" had not terminated.
3. No statement contained in this condition limits our right to cancel or not renew this policy insurance.

Other Insurance

1. This insurance is excess over any other valid and collectible insurance whether primary, excess, contingent, or any other basis, except other insurance written specifically to be excess of this insurance.
2. The other insurance will be deemed valid and collectible regardless of:
  - a. Any defense asserted by any other insurer because of your failure to comply with the terms of that insurance; or
  - b. The inability of any other insurer to pay for a loss due to bankruptcy or insolvency.

If any of the definitions in this insurance are contrary to definitions contained in the Common Policy Provisions or "underlying insurance," then the definitions contained in this insurance apply.

### Advertising Injury

"Advertising injury" means injury arising out of one or more of the following offenses:

- a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- b. Oral or written publication of material that violates a person's right of privacy;
- c. Misappropriation of advertising ideas or style of doing business; or
- d. Infringement of copyright, title, slogan or trademark.

### Bodily Injury

"Bodily injury" means bodily injury, sickness, disease, disability, shock, mental anguish, mental injury and humiliation, including resulting death physical harm, sickness, or disease that is sustained by a person during the Policy Period. "Bodily injury" includes emotional or mental injury only if the emotional or mental injury is the direct result of physical harm, sickness or disease.

### Borrower

"Borrower" means any individual or organization to whom or which you extend, agree to extend or refuse to extend, a loan, lease or extension of credit, or any individual or organization guaranteeing such a loan, lease or extension of credit.

### By-Product Material

"By-product material" has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

### Defense Expense

"Defense expense" means payments allocated to a specific claim or "suit" for its investigation, settlement, or defense, including:

- a. Attorney fees and all other litigation expenses we incur;
- b. The cost of bonds to release attachments, but only for bond amounts within the Limit of Of Insurance available. We do not have to furnish these bonds;

Defense Expense – continued

- c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit,” including actual loss of earnings up to \$100 a day because of time off from work;
- d. All costs taxed against the insured in the “suit”;
- e. Pre-judgment interest awarded against the ~~Insured~~ insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Of Insurance, we will not pay any pre-judgment interest based on that period of time after the offer; and
- f. 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 Of Insurance.

Electronic Data

“Electronic data” means any 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 that are used with electronically controlled equipment.

Environment

“Environment” includes any person, any man-made “object” or feature, animals, crops or vegetation, land, bodies of water, underground water or water table supplies, air and any other feature of the earth or its atmosphere, whether or not altered, developed or cultivated and whether or not owned, controlled, or occupied by the ~~Insured~~ insured; including, but not limited to any of the above.

Hostile Fire

“Hostile fire” means a fire ~~which~~ that becomes uncontrollable or breaks out from where it is intended to be.

Lending

“Lending” means:

1. An agreement, refusal, grant or extension of any loan, lease or extension of credit in your favor, regardless of whether the transaction is completed;
2. The restructure, termination, transfer, collection, repossession or foreclosure of any loan, lease or extension of credit originated by you;

Lending - continued

3. "Loan servicing"; or
4. The actual or alleged violation of:
  - a. The Automatic Stay of the Bankruptcy Code;
  - b. The Fair Debt Collection Practices Act (15 U.S.C. Sec. 1692 et seq.) or any similar state statute;  
or
  - c. Any federal or state unfair or deceptive practices act, statute, regulation or other law relating to an agreement, refusal, grant or extension of any loan, lease or extension of credit.

Loan Servicing

"Loan servicing" means:

1. The servicing of a loan, lease or extension of credit (not including financing for investment banking, or leveraged or management buyouts);
2. Record keeping;
3. Billing;
4. Disbursements of principal and interest for a loan; or
5. Credit reporting or statements of a "borrower's" creditworthiness.

Nuclear Facility

"Nuclear facility" means:

1. Any "nuclear reactor";
2. Any equipment or device designed or used for:
  - a. Separating the isotopes of uranium or plutonium;
  - b. Processing or utilizing "spent fuel"; or
  - c. Handling, processing or packaging "waste."

Nuclear Facility - continued

3. Any equipment or device used for 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;

4. 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 Material

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

Nuclear Reactor

"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.

Occurrence

"Occurrence" means:

a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage."

All damages that arise from continuous or repeated exposure to substantially the same general conditions are considered to arise from one "occurrence."

b. An offense that results in "personal injury."

All damages that arise from exposure to the same act, publication or general conditions are considered to arise from one "occurrence."

c. An offense that results in "advertising injury."

All damages that arise from exposure to the same publication, misappropriation, infringement, harmful material or act are considered to arise from one "occurrence" regardless of:

1) The frequency of repetition;

Occurrence - continued

- 2) The number, kind or type of media used; or
- 3) The number of claimants.

Personal Injury

"Personal injury" means injury, other than "bodily injury," arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Wrongful entry into, or eviction of a person from, a room, dwelling or premises that the person occupies;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy; or
- f. Discrimination, except for any discrimination related to "lending."

Pollutants

"Pollutants" means any noise, solid, semisolid, liquid, gaseous or thermal irritant or contaminant, including any smoke, vapor, soot, fume, acid, alkali, chemical, biological, and/ or other etiologic agent or material, electromagnetic or ionizing radiation and energy, genetically engineered material, teratogenic, carcinogenic and mutagenic material, "waste" and any other irritant or contaminant. ~~"Waste" includes any material to be disposed of, recycled, reconditioned or reclaimed.~~

Pollution Or Contamination

"Pollution or contamination" means any unclean, unsafe, damaging, injurious, or unhealthful conditions arising out of the presence of "pollutants," whether permanent or transient, in any "environment."

Property Damage

1. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property; or
- b. Loss of use of tangible property that is not physically injured.

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

Source Material

"Source material" has the meaning given it in the Atomic Energy Act of 1954 or in any amendatory law thereof.

Special Nuclear Material

"Special nuclear material" has the meaning given it in the Atomic Energy Act of 1954 or any amendatory law thereof.

Spent Fuel

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

Suit

"Suit" means a civil proceeding in which damages or other relief to which this insurance applies are alleged.

Ultimate Net Loss

"Ultimate net loss" means the total sum, after reductions for recoveries or salvages collectable, that the insured is legally obligated to pay as damages by reason of settlement or judgments or any arbitration or other alternative dispute method entered into with our consent or the "underlying insurer's" consent. "Ultimate net loss" does not include "defense expense."

Underlying Insurance

"Underlying insurance" means the liability insurance coverage ~~provided~~ under policies shown in the schedule of ~~"underlying insurance,"~~ on the Schedule Of Underlying Insurance, for the limits and periods indicated. It includes any policies issued to replace those policies during the term of this insurance that provide:

- a. At least the same policy limits; and
- b. The same hazards insured against, except as modified by general program revisions or as agreed to by us in writing.

Underlying Insurer

"Underlying insurer" means any insurer who issues a policy of "underlying insurance."

Waste

1. "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."
2. "Waste" includes any material to be disposed of, recycled, reconditioned or reclaimed.

Underlying Policy

"Underlying policy" means a policy providing "underlying insurance."

This endorsement modifies coverage provided under the Credit Union Package Of Protection.

### Appraisal

The Appraisal Condition in the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

1. If we and you disagree on the value of the property or the amount of loss, either may make written request for an appraisal of the loss. However, an appraisal will be made only if both the Policyholder and we voluntarily agree to have the amount of loss appraised. 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 amount of loss. If they fail to agree, they will submit their differences to the umpire. Each party will:
  - a. Pay its chosen appraiser; and
  - b. Bear the other expenses of the appraisal and umpire equally.
2. This appraisal is to determine the value of the property or the amount of loss. It is not a confirmation of coverage. We still retain our right to assert any defenses. An appraisal decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property, Expense/Income Or Lending Loss

The Arbitration Of A Property, Expense/Income Or Lending Loss Condition in the Common Policy Provisions is replaced with the following:

1. If you and we disagree on whether there is any coverage under the Property, Expense/Income, or Lending Coverages, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:
  - a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
  - b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.
2. An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property Loss

The Arbitration Of A Property Loss Condition in the Foreclosed Building Coverage is replaced with the following:

If you and we disagree on whether there is any coverage under the Foreclosed Building Coverage, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:

- a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
- b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

### Arbitration Of A Property Loss

The Arbitration Of A Property Loss Condition in the Foreclosed Dwelling Coverage is replaced with the following:

If you and we disagree on whether there is any coverage under the Property Coverage, or the amount of coverage, the controversy will be settled by arbitration upon written demand of either party. Written notice must be made within 60 days after we receive proof of loss or damage. The procedure is as follows:

- a. The arbitration will be conducted in accordance with the rules of the American Arbitration Association, unless other means of conducting the arbitration are agreed to between the parties.
- b. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction.

An arbitration decision will not restrict your right to bring legal action against us and will not be binding for you or us.

Arkansas Insurance Department Contact Information

The Arkansas Insurance Department Contact Information is added to the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

As follows:

If we fail to provide you with reasonable and adequate service, please contact:

Arkansas Insurance Department  
Consumer Services Divisions  
400 University Tower Building  
Little Rock, Arkansas 72204  
(501) 371-2640

Cancellation

The Cancellation Condition in the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

1. You may cancel this Policy by mailing or delivering to us advance written notice of cancellation to us.

2. ~~Cancellation Of Policies In Effect For Less Than 60 days:~~

~~If this Policy has been in effect for less than 60 days and is not a renewal with us, we may cancel by notifying you at least 10 days before the date cancellation takes effect.~~

2. If we cancel this Policy, cancellation is effective:

a. 10 days after we mail or deliver notice of cancellation for nonpayment of premium; or

b. 20 days after we mail or deliver notice of cancellation for any other reason.

3. ~~Cancellation Of Policies In Effect For 60 Days Or More:~~

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

Cancellation – continued

- ~~a. Nonpayment of premium;~~
  - ~~b. Fraud or material misrepresentation made by or with your knowledge in obtaining this Policy, continuing this Policy, or in presenting a claim under this Policy;~~
  - ~~c. The occurrence of a material change in the risk which substantially increases any hazard insured against after this Policy was issued;~~
  - ~~d. Violation of any local fire, health, safety, building, or construction regulation or ordinances with respect to any insured property or the occupancy of the property that substantially increases any hazard insured against under this Policy;~~
  - ~~e. A material violation of a material provision of this Policy.~~
- 1) Fraud or material misrepresentation made by you or with your knowledge, in obtaining this Policy, continuing this Policy, or in presenting a claim under this Policy;
  - 2) The occurrence of a material change in the risk that substantially increases any hazard insured against after the issuance of this Policy; or
  - 3) A material violation of a material provision of this Policy.

~~If we cancel this Policy based on one or more of the above reasons, we will mail to you and mail to the agent, if any, written notice of cancellation stating the reasons for cancellation. We will mail this notice to the last mailing address known to us, at least:~~

- ~~a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.~~
- ~~b. 20 days before the effective date of cancellation if we cancel for any of the other reasons.~~

3. When we cancel this Policy, we will mail or deliver to you, and to your agent, written notice of cancellation stating the effective date and the reason for cancellation. We will mail or deliver this notice to the last mailing address known to us. If this notice is mailed, proof of mailing will be sufficient proof of notice.

4. If this Policy is ~~cancelled~~ canceled by us or you, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata.

### Legal Action Against Us

The Legal Action Against Us Condition in the Common Policy Provisions is replaced with the following:

1. Property, Lending or Expense/Income Coverages:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and these provisions; and
- b. The action is brought within 5 years after the date that the loss occurred.

If in conflict with state statutes that allow you a certain time period for filing "suit," this provision is amended to conform to such statutes.

2. Liability Coverages:

No person or organization has a right under these Coverages:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from you.
- b. To sue us on one of these Coverages unless all of the terms of the Coverage and these provisions have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against you obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of one of these Coverages or that are in excess of the applicable Limit Of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

### Legal Action Against Us

The Legal Action Against Us Condition in the:

Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

is replaced with the following:

No person or organization may bring a legal action against us under these Coverages unless:

- a. There has been full compliance with all of the terms of the coverage and provisions; and
- b. The action is brought within 5 years after the date that the loss occurred.

Renewal Premium

The Renewal Premium Condition is added to the:

Common Policy Provisions  
Foreclosed Building Coverage  
Foreclosed Dwelling Coverage

as follows:

If we have the information necessary to renew this Policy, and your renewal premium increases by 25% or more than the current premium, we will mail or deliver to you, written notice of the renewal premium. We will mail or deliver this notice to the last mailing address known to us at least 10 days prior to the end of the Policy Period. If this notice is mailed, proof of mailing will be sufficient proof of notice.