

# FIREARMS INSTRUCTOR *PLUS* LIABILITY INSURANCE

## POLICY FORM

UNDERWRITTEN BY CERTAIN UNDERWRITERS AT LLOYD'S, LONDON  
NATIONAL RIFLE ASSOCIATION OF AMERICA

Certain Underwriters at Lloyd's, London, having issued a **Master Policy POP 100** (herein called the **Master Policy**) to the National Rifle Association of America, hereby certifies that the person(s) listed in the Schedule of Insurance attached and made part hereof and as named in the application for coverage under the **Master Policy**, is insured under the **Master Policy** subject to all the terms, exclusions, conditions and provisions of the **Master Policy** and any amendments thereto.

The benefits described herein, and the limits of liability as shown in the attached schedule of insurance, shall be payable subject to the maximum benefits, exclusions, conditions, policy provisions, limitations and other terms of the **Master Policy**. The **Master Policy** alone constitutes the only agreement under which payments are made.

This document is issued as notice of insurance only, it does not constitute a legal contract of insurance.

The following details are those shown in the **Master Policy** as applicable to your insurance. The original of the **Master Policy** may be inspected at the offices of the National Rifle Association.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Schedule of Insurance, and any other person or organization qualifying as a Named Insured herein. The words "we", "us", "our" and "Underwriters" refer to Certain Underwriters at Lloyd's, London providing this insurance.

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **VI. DEFINITIONS.**

### INSURING AGREEMENT

#### I. COMMERCIAL GENERAL LIABILITY COVERAGE

##### A. COVERAGE A: "BODILY INJURY" AND "PROPERTY DAMAGE" LIABILITY

###### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But,

- (1) the amount we will pay for damages is limited as described in **III. LIMITS OF INSURANCE**; and
- (2) our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Coverage A** or **Coverage B**, or medical expenses under **Coverage C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **E. SUPPLEMENTARY PAYMENTS: COVERAGES A, B, AND D**

- b. This insurance applies to "bodily injury" and "property damage" only if

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

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

#### 2. Exclusions

This insurance does not apply to:

##### a. Expected or Intended Injury

"bodily injury" and "property damage"

- (1) arising out of or resulting from actions intentionally taken by any insured, notwithstanding and without consideration of the insured's intent to cause the specific resulting harm; or
- (2) that any insured expects would result or logically follow as a potential consequence of the action taken.

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

## b. Contractual Liability

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

- (1) that the insured would have in the absence of the contract or agreement; or
- (2) assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided
  - (a) liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

## c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of

- (1) causing or contributing to the intoxication of any person;
- (2) the furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

## d. Workers' Compensation and Similar Laws

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

## e. Employer's Liability

- (1) "Bodily injury" to
  - (a) an "employee" of the insured arising out of and in the course of:
    - (i) employment by the insured; or
    - (ii) performing duties related to the conduct of the insured's business; or

- (b) the spouse, child, parent, brother or sister of that "employee" 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.

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

## f. Pollution

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

Subparagraph (d) (i) does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids

are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor.

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

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

**(2)** Any loss, cost or expense arising out of any

**(a)** request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

**(b)** claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalies, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**g. Aircraft, Auto, Mobile Equipment or Watercraft**

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

**h. War**

Any liability of the Insured directly or indirectly occasioned by, happening through, or in consequence of war; invasion; acts of foreign enemies; hostilities (whether war be declared or not); civil war; rebellion; revolution; insurrection; military or usurped power; confiscation, nationalization, requisition, or destruction of or damage to property by or under the order of any government or public or local authority.

**i. Damage to Property**

"Property damage" to

**(1)** property you own, rent, or occupy;

**(2)** premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

**(3)** property loaned to you;

**(4)** personal property in the care, custody or control of the insured;

**(5)** that particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

**(6)** that particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

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

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

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

**j. Damage to Your Product**

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

**k. Damage to Your Work**

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

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

**l. Damage to Impaired Property or Property Not Physically Injured**

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

**(1)** a defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

**(2)** a delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

#### **m. Recall of Products, Work or Impaired Property**

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

- (1) "your product";
- (2) "your work"; or
- (3) "impaired property";

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

Exclusions **c.** through **m.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with the permission of the owner. A separate limit of insurance applies to this coverage as described in **III. LIMITS OF INSURANCE.**

#### **n. Endorsements**

"Occurrences" described in the attached Nuclear Incident Exclusions Clause—Liability Direct (Broad) NMA 1256, Radioactive Contamination Exclusion Clause Liability—Direct NMA 1477.

#### **o. Professional Services**

"Bodily injury" or "property damage" arising out of the rendering or failure to render professional services as a "firearms instructor".

#### **p. Malicious Use of Biological or Poisonous Chemical Materials**

Loss, damage, cost or expense of any nature directly or indirectly cause by, resulting from, or in connection with, the actual or threatened malicious use of pathogenic or poisonous "biological materials" or "chemical materials" regardless of any other cause or event contributing concurrently or in any other sequence thereto.

#### **q. Simmunitions**

"Bodily injury" or "property damage" arising out of any simmunitions or similar training or exercise.

### **B. COVERAGE B: PERSONAL AND ADVERTISING INJURY LIABILITY**

#### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury"

or "advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal injury" or "advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" or offense and settle any claim or "suit" that may result. But

- (1) the amount we will pay for damages is limited as described in **III. LIMITS OF INSURANCE;** and
- (2) our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Coverage A** or **Coverage B,** or medical expenses under **Coverage C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **E. SUPPLEMENTARY PAYMENTS: COVERAGES A AND B.**

- b. This insurance applies to

- (1) "personal injury" caused by an offense arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you; and
- (2) "advertising injury" caused by an offense committed in the course of advertising your goods, products or services; but only if the offense was committed in the "coverage territory" during the policy period.

### **2. Exclusions**

This insurance does not apply to

- a. "personal injury" or "advertising injury" arising out of the following:

#### **(1) Material Published with Knowledge of Falsity**

Oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

#### **(2) Material Published Prior to Policy Period**

Oral or written publication of material whose first publication took place before the beginning of the policy period.

#### **(3) Violation of Statute**

The willful violation of a penal statute or ordinance committed by or with the consent of the insured.

#### **(4) Contractual Liability**

Contractual liability 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.

#### **(5) Pollution**

The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

#### **(6) Professional Services**

The rendering or failure to render professional services as a "firearms instructor".

### **b. "Advertising injury" arising out of:**

#### **(1) Breach of Contract**

Breach of contract, other than misappropriation of advertising ideas under an implied contract.

#### **(2) Failure to Conform with Advertised Quality or Performance**

The failure of goods, products or services to conform with advertised quality or performance.

#### **(3) Wrong Description of Prices**

The wrong description of the price of goods, products or services.

#### **(4) Insureds in Media Type Business**

An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

### **c. Pollution**

Any loss, cost or expense arising out of any

- (1)** request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or
- (2)** claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

### **d. Malicious Use of Biological or Poisonous Chemical Materials**

Any loss, damage, cost or expense of any nature directly or indirectly cause by, resulting from, or in connection with, the actual or threatened malicious use of pathogenic or poisonous "biological materials" or "chemical materials" regardless of any other cause or event contributing concurrently or in any other sequence thereto.

## **C. COVERAGE C: MEDICAL PAYMENTS**

### **1. Insuring Agreement**

- a.** We will pay medical expenses as described below for "bodily injury" caused by an accident
  - (1)** on premises you own or rent;
  - (2)** on ways next to premises you own or rent; or
  - (3)** because of your operations; provided that:
    - (a)** the accident takes place in the "coverage territory" and during the policy period;
    - (b)** the expenses are incurred and reported to us within one year 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.
- b.** We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for
  - (1)** first aid administered at the time of an accident;
  - (2)** necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (3)** necessary ambulance, hospital, professional nursing and funeral services.

### **2. Exclusions**

We will not pay expenses for "bodily injury" for the following:

#### **a. Any Insured**

To any insured.

#### **b. A Hired Person**

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

### **c. Injury on Normally Occupied Premises**

To a person injured on that part of premises you own or rent that the person normally occupies.

### **d. Workers' Compensation and Similar Laws**

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a Workers' Compensation or disability benefits law or a similar law.

### **e. Athletic Activities**

To a person injured while taking part in athletics.

### **f. Products Completed—Operations Hazard**

Included within the "products-completed operations hazard".

### **g. Coverage A Exclusions**

Excluded under **Coverage A**.

### **h. War**

Any liability of the Individual Insured Member directly or indirectly occasioned by, happening through, or in consequence of war; invasion; acts of foreign enemies; hostilities (whether war be declared or not); civil war; rebellion; revolution; insurrection; military or usurped power; confiscation, nationalization, requisition, or destruction of or damage to property by or under the order of any government or public or local authority.

## **D. COVERAGE D: FIREARMS INSTRUCTORS PROFESSIONAL LIABILITY**

### **1. Insuring Agreement**

We shall pay those sums you are legally obligated to pay as damages resulting from a "wrongful act" arising out of the conduct of your services as a "firearms instructor." The "wrongful act" must take place within the "coverage territory" during the policy period.

### **2. Exclusions**

This insurance does not apply to:

#### **a. "Bodily Injury", "Property Damage", or "Personal Injury"**

This exclusion shall not apply if the "bodily injury", "property damage" or "personal injury" occurs as a result of the insured's "wrongful act."

### **b. Insured Versus Insured**

Claims or "suits" brought by any other person or organization insured under this Policy.

### **c. Liability Imposed by Governmental Statute or Regulation**

Liability imposed solely by any governmental statute or regulation which does not otherwise arise directly out of your "wrongful act".

### **d. Breach of Warranty**

Breach of any express warranty or guarantee.

### **e. Injunctive or Monetary Relief**

Demands of injunctive or non-monetary relief.

### **f. Dishonest or Criminal Acts**

Dishonest, fraudulent, criminal, illegal, intentional, or malicious act, error or omission.

### **g. Failure to Obtain Proper License or Permit**

"Wrongful act" arising out of an Insured's failure to have or to obtain a license or any other permit as required by law, statute or regulation.

### **h. Expected or Intended Injury**

"Bodily injury", "property damage" or "personal injury" which is expected or intended regardless of whether or not you expected or intended the specific injury or damage sustained.

### **i. Contractual Liability**

Liability you assume under any contract or agreement. This exclusion shall not apply to liability

- (1)** you assume under contract or agreement, which arises solely from your "wrongful act";
- (2)** which would arise against you in the absence of the contract or agreement; or
- (3)** the "bodily injury", "property damage" or "personal injury" must occur subsequent to the execution of the contract or agreement.

### **j. War**

"Bodily injury" or "property damage" because of "wrongful acts" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion, revolution or terrorism.

## **k. Use of Alcohol, Intoxicants or Narcotics**

Liability arising out of a "wrongful act" while intoxicated or under the influence of an illegal substance or drug.

## **l. Malicious Use of Biological or Poisonous Chemical Materials**

Any loss, damage, cost, or expense of any nature directly or indirectly caused by, resulting from, or in connection with, the actual or threatened malicious use of pathogenic or poisonous "biological materials" or "chemical materials" regardless of any other cause or event contributing concurrently or in any other sequence thereto.

## **i. Simmunitions**

Any liability arising out of any simmunitions or similar training or exercise.

## **E. SUPPLEMENTARY PAYMENTS: COVERAGES A, B, AND D**

- 1.** We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend
  - a.** all expenses we incur.
  - b.** up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the "Bodily Injury" Liability Coverage applies. We do not have to furnish these bonds.
  - c.** 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.
  - d.** all reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
  - e.** all costs taxed against the insured in the "suit".
  - f.** prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
  - g.** all interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

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

- a.** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b.** this insurance applies to such liability assumed by the insured;
- c.** the obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d.** the allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e.** the indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f.** the indemnitee

**(1)** agrees in writing to

- (a)** cooperate with us in the investigation, settlement or defense of the "suit";
- (b)** immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c)** notify any other insurer whose coverage is available to the indemnitee; and
- (d)** cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

**(2)** provides us with written authorization to

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

So long as the above conditions are met, attorneys fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of paragraph **1.2.b.(2) of COVERAGE A: BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, such payments will not be deemed to be damages for "bodily injury" and "property damage", and will not reduce the limits of insurance.

- 3.** Our obligation to defend an insured's indemnitee and to pay for attorney's fees and necessary litigation expenses as Supplementary Payments ends when

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

## II. WHO IS AN INSURED

### A. If you are designated in the Schedule of Insurance as

1. an individual, you and your spouse are insureds, but only with respect to the conduct of your business as a "Firearms Instructor".
2. a partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business as "Firearms Instructors".
3. a limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business as a "Firearms Instructor".
4. an organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors and your stockholders are also insureds, but only with respect to their liability as stockholders and all only with respect to your business as a "Firearms Instructor".

### B. Each of the following is also an insured:

1. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business of a "Firearms Instructor". However, none of these "employees" is an insured for:
  - a. "bodily injury" or "personal injury"
    - (1) to you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
    - (2) to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of paragraph **a.(1)** above;
    - (3) for which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in paragraphs **a.(1)** or **(2)** above; or
    - (4) arising out of his or her providing or failing to provide professional health care services.

### b. "property damage" to property:

- (1) owned, occupied or used by,
  - (2) rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
2. Any person (other than your "employee"), or any organization while acting as your real estate manager.
  3. Any person or organization having proper temporary custody of your property if you die, but only
    - a. with respect to liability arising out of the maintenance or use of that property; and
    - b. until your legal representative has been appointed.
  4. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
  5. No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Schedule of Insurance.

## III. LIMITS OF INSURANCE

- ### A. The Limits of Insurance shown in the Schedule of Insurance and the rules below fix the most we will pay regardless of the number of
1. insureds;
  2. claims made or "suits" brought; or
  3. persons or organizations making claims or bringing "suits".
- ### B. The General Aggregate Limit is the most we will pay for the sum of
1. medical expenses under **Coverage C**;
  2. damages under **Coverage A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
  3. damages under **Coverage B**; and
  4. damages under **Coverage D**.
- ### C. The Products-Completed Operations Aggregate Limit is the most we will pay under **Coverage A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

**D.** Subject to **B.** above, the Personal and Advertising Injury Limit is the most we will pay under **Coverage B** for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.

**E.** Subject to **B.** or **C.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of

1. damages under **Coverage A**; and
2. medical expenses under **Coverage C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

**F.** Subject to **B.** above, the Professional Liability Each Occurrence Limit is the most we will pay under **Coverage D** for the sum of all damages resulting from a single "wrongful act" or a series of inter-related "wrongful acts" arising out of the conduct of your services as a "firearms instructor". This limit is the most we will pay regardless of the number of

1. insureds;
2. claims made or "suits" brought; or
3. persons or organizations making claims or bringing suits.

**G.** Subject to **E.** above, the Fire Damage Limit is the most we will pay under **Coverage A** for damages because of "property damage" to premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one fire.

**H.** Subject to **E.** above, the Medical Expense Limit is the most we will pay under **Coverage C** for all medical expenses because of "bodily injury" sustained by any one person.

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

#### **IV. COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **A. BANKRUPTCY**

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

##### **B. DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

1. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include
  - a. how, when and where the "occurrence" or offense took place;

- b. the names and addresses of any insured persons and witnesses; and
- c. the nature and location of any injury or damage arising out of the "occurrence" or offense.

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

- a. immediately record the specifics of the claim or "suit" and the date received; and
- b. notify us as soon as practicable.

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

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 or "suit";
- b. authorize us to obtain records and other information;
- c. cooperate with us in the investigation or settlement of the claim or defense against the "suit"; 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 insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **C. LEGAL ACTION AGAINST US**

No persons or organization has a right under this Coverage Part

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

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

##### **D. OTHER INSURANCE**

If other valid and collectible insurance with any other insurer is available to the Individual Insured Member covering a loss that is also covered by this policy, the insurance afforded by this policy shall be excess of such insurance. This insurance shall not be primary or contributory to any

other insurance unless such condition is specifically endorsed to this policy. Nothing contained herein shall be construed to make this policy subject to the terms, conditions and limitations of any other insurance.

If other insurance is written as specific excess insurance over the limits of liability of this insurance, then this insurance shall be primary. When this insurance is excess insurance, we will have no duty to defend the insured against any suit if any other insurer has a duty to defend the insured against the suit. If no other insurer defends, we will undertake to do so, but will be entitled to the insured' rights against all other insurers.

Without limiting the foregoing and in consideration of the premium charged, this policy is also expressly excess of : (1) any directors and officers insurance policy; and (2) any homeowners insurance policy.

## **E. REPRESENTATIONS**

By accepting this policy, you agree

1. the statements in the Schedule of Insurance are accurate and complete;
2. those statements are based upon representations you made to us; and
3. we have issued this policy in reliance upon your representations.

## **F. SEPARATION OF INSURED**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies

1. as if each Named Insured were the only Named Insured; and
2. separately to each insured against whom claim is made or "suit" is brought.

## **G. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

## **H. WHEN WE DO NOT RENEW**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

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

## **I. SERVICE OF SUIT CLAUSE**

It is agreed that in the event of the failure of Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of

any court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made as follows:

For policies issued in all states except California, Illinois and Kentucky service may be made upon  
Fields, Howell, Athans & McLaughlin, LLP  
191 Peachtree Street, N.E.  
Suite 4600  
Atlanta, Georgia 30303

For policies issued in California service may be made upon  
Eileen Ridley  
FLWA Service Corp.  
c/Foley & Lardner LLP  
555 California Street, Suite 1700  
San Francisco, CA 94104-1520

For policies issued in Illinois service may be made upon  
Underwriters Lloyd's London (IL)  
181 W. Madison Street, Suite 3870  
Chicago IL 60602

For policies issued in Kentucky service may be made upon  
Lloyd's Kentucky, Inc.  
200 West Main Street  
Frankfort, KY 40601-1806

and that in any suit instituted against any one of them upon contract; Underwriters will abide by the final decision of such court or of any Appellate Court in the event of an appeal.

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

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

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or

arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance.

## V. OPTIONAL ADDITIONAL INSURED COVERAGE

**A. WHO IS AN INSURED**, is amended to include as an additional insured under **Coverage A: "Bodily Injury" and "Property Damage Liability"** and under **Coverage B: Personal and Advertising Injury Liability**, any person(s) or organization(s) shown in the Schedule or on a Certificate of Insurance issued by the Company, whom you are required to add as an additional insured to this policy by a written contract or written agreement that

1. is currently in effect, or becoming effective, during the term of this policy; and
2. was executed by you prior to any "bodily injury," "property damage," "personal injury", or "advertising injury".

**B.** The insurance provided to the additional insured by this endorsement applies as follows:

1. That person or organization is an additional insured, but only with respect to "bodily injury", "property damage", "personal injury", or "advertising injury" caused, in whole or part, by your negligent acts or omissions
  - a. in connection with premises you own, rent, lease, or occupy; or
  - b. in the performance of your ongoing operations.
2. There is no coverage for the additional insured for "bodily injury", "property damage", "personal injury", or "advertising injury" arising out of the sole negligence of the additional insured or by those acting on behalf of the additional insured.
3. The limits of insurance applicable to the additional insured are those specified in the written contract, written agreement or in the Declarations of this policy, whichever is less. These limits of insurance are inclusive of, and not in addition to, the limits of insurance shown in the Declarations.

**C.** If the additional insured is a **Lessor of Equipment**, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

**D.** If the additional insured is a **State or Political Subdivision**, and has issued a permit in connection with premises you own, rent or control, this insurance applies only with respect to the following hazards for which the state or political subdivision has issued such permit:

1. The existence, maintenance, repair, construction, erection or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decoration and similar exposures;
2. the construction, erection, or removal of elevators; or

**3.** the ownership, maintenance, or use of any elevators covered by this insurance.

**E.** If the additional insured is a **State or Political Subdivision** that has issued a **Permit** with respect to operations performed by you or on your behalf.

This insurance does not apply to

1. "bodily injury", "property damage", "personal injury", or "advertising injury" arising out of operations performed for the state or municipality; or
2. "bodily injury" or "property damage" included within the "products-completed operations hazard".

**F.** If the additional insured is a **Manager or Lessor of Insured Premises**, that person or organization is only an additional insured with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.

This insurance does not apply to

1. any "occurrence" that takes place after you cease to lease that premises, or
2. structural alterations, new construction or demolition operations performed by or for that person or organization.

**G.** If the additional insured is an **Owner or Other Interest from Whom Land Has Been Leased**, that person or organization is only an additional insured with respect to liability arising out of the ownership, maintenance or use of that part of the land leased to you and subject to the following additional exclusions.

This insurance does not apply to

1. any "occurrence" that takes place after you cease to lease that land; or
2. structural alterations, new construction or demolition operations performed by or for that person or organization.

**H.** If the additional insured is a **Mortgagee, Assignee, or Receiver**, this insurance does not apply to structural alterations, new construction or demolition operations performed by or for that person or organization.

**I.** If the additional insured is a **Controlling Interest**, that person or organization is an additional insured but only for their liability arising out of

1. their financial control of you; or
2. premises they own, maintain or control while you lease or occupy those premises.

This insurance does not apply to structural alterations, new construction and demolition operations performed by or for that person or organization.

**J. IV.—COMMERCIAL GENERAL LIABILITY CONDITIONS**, paragraph **D. Other Insurance**, is amended by adding the following:

1. Regardless of whether other insurance is available to an additional insured on a primary basis, this insurance will be primary and noncontributory, if a written contract or agreement between you and the additional insured, executed prior to the loss, specifically requires that this insurance be primary.
2. Condition **G. Transfer of Rights of Recovery Against Others To Us** is amended by adding the following:

We waive any right of recovery we may have against any person or organization when such waiver is required by a written contract that you have agreed to prior to loss.

## **K. EXCLUSION**

With respect to the insurance afforded the additional insured by this endorsement, the following additional exclusions apply.

This insurance does not apply to

1. "bodily injury" or "property damage" occurring after
  - a. all work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
  - b. that portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations on or at the same project.
2. "bodily injury," "property damage," "personal injury", or "advertising injury" caused by the rendering of or failure to render any professional services.

## **VI. DEFINITIONS**

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

1. 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;
2. oral or written publication of material that violates a person's right of privacy;
3. misappropriation of advertising ideas or style of doing business; or
4. infringement of copyright, title or slogan.

**B.** "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

**C.** "Biological Materials" mean bacteria, viruses, prions, or fungi which may cause infection, allergy, toxicity or other-wise create a hazard to human health. Fungi include mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

**D.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

**E.** "Chemical Materials" mean solid, liquid, or gaseous substances that produce an effect on a living organism by acting on the body tissue, or in an environment by interacting with air, water, and/or soil.

**F.** "Coverage territory" means

1. the United States of America (including its territories and possessions), US Virgin Islands, Puerto Rico and Canada;
2. international waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in **1.** above; or
3. all parts of the world if:
  - a. the injury or damage arises out of:
    - (1) goods or products made or sold by you in the territory described in **1.** above; or
    - (2) the activities of a person whose home is in the territory described in **1.** above, but is away for a short time on your business; and
  - b. the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **1.** above or in a settlement we agree to.

**G.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

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

**I.** "Firearms Instructor" means a person or company in the business of training individuals in firearms or defense related training, education, instruction and coaching, and includes Range Safety Officers.

**J.** "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because

1. it incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
2. you have failed to fulfill the terms of a contract or agreement; if such property can be restored to use by
3. the repair, replacement, adjustment or removal of "your product" or "your work"; or
4. your fulfilling the terms of the contract or agreement.

**K.** "Insured contract" means

- 1.** a contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you, or temporarily occupied by you with permission of the owner, is not an "insured contract";
- 2.** a sidetrack agreement;
- 3.** any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- 4.** an obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- 5.** an elevator maintenance agreement.
- 6.** that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **6.** does not include that part of any contract or agreement

- a.** that indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- b.** that indemnifies an architect, engineer or surveyor for injury or damage arising out of
  - (1)** preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (2)** giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- c.** under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **b.** above and supervisory, inspection, architectural or engineering activities.

**L.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

**M.** "Loading or unloading" means the handling of property

- 1.** after it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- 2.** while it is in or on an aircraft, watercraft or "auto"; or
- 3.** 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".

**N.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** vehicles maintained for use solely on or next to premises you own or rent;
- 3.** vehicles that travel on crawler treads;
- 4.** vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a.** power cranes, shovels, loaders, diggers or drills; or
  - b.** road construction or resurfacing equipment such as graders, scrapers or rollers;
- 5.** vehicles not described in **1.**, **2.**, **3.** or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a.** air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - b.** cherry pickers and similar devices used to raise or lower workers.
- 6.** vehicles not described in **1.**, **2.**, **3.** or **4.** maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- a.** Equipment designed primarily for
  - (1)** snow removal;
  - (2)** road maintenance, but not construction or resurfacing; or
  - (3)** street cleaning.
- b.** Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers.

- c.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

**O.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

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

- 1.** False arrest, detention or imprisonment;
- 2.** malicious prosecution;
- 3.** the wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
- 4.** oral or written publication of material that slanders or libels a person or organization, or disparages a person's or organization's goods, products or services; or
- 5.** oral or written publication of material that violates a person's right of privacy.

**Q.** "Products-completed operations hazard"

- 1.** 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. However, "your work" will be deemed completed at the earliest of the following times:

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

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

- 2.** 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 not owned or operated by you, and that condition was created by the

"loading or unloading" of that vehicle by any insured;

- b.** the existence of tools, uninstalled equipment or abandoned or unused materials; or

- c.** products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

**R.** "Property damage" means

- 1.** physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

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

For the purposes of this insurance, electronic data is not tangible property. Damage to reputation, goodwill, acceptance in the marketplace, and other similar harms do not constitute damage to tangible property.

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

- 1.** an arbitration proceeding in which such damages are claimed and to which the insured must submit with our consent; or

- 2.** any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

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

**U.** "Wrongful Act" means any negligent act, error, misstatement, misleading statement or omission in the performing, or failing to perform services, as a "firearms instructor".

**V.** "Your product" means

- 1.** any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by

- a.** you;

- b.** others trading under your name; or

- c.** a person or organization whose business or assets you have acquired; and

- 2.** containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes

3. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
4. the providing of or failure to provide warnings or instructions.

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

**W.** "Your work" means

1. work or operations performed by you or on your behalf; and
2. materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes

3. warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
4. the providing of or failure to provide warnings or instructions.

**USA**

**NUCLEAR INCIDENT EXCLUSION  
CLAUSE—LIABILITY—DIRECT (BROAD)**

(Approved by Certain Underwriters at Lloyd's, London)

For attachment to insurances of the following classifications in the USA, its Territories and Possessions, Puerto Rico and the Canal Zone: Owners, Landlords and Tenants Liability, Contractual Liability, Elevator Liability, Owners or Contractors (including railroad) Protective Liability, Manufacturers and Contractors Liability, Product Liability, Professional and Malpractice Liability, Storekeepers Liability, Garage Liability, Automobile Liability (including Massachusetts Motor Vehicle or Garage Liability), not being insurances of the classifications to which the Nuclear Incident Exclusion Clause—Liability—Direct (Limited) applies.

This policy\* does not apply:

- I. Under any Liability Coverage, to injury, sickness, disease, death or destruction
  - 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 or Nuclear Insurance Association of Canada, 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 law amendatory thereof, or **(2)** 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.

- II. Under any Medical Payments Coverage, or under any Supplementary Payments Provision relating to immediate medical or surgical relief, to expenses incurred with respect to "bodily injury", sickness, disease or death resulting from the hazardous properties of nuclear material and arising out of the operation of a nuclear facility by any person or organization.
- III. Under any Liability Coverage, to injury, sickness, disease, death or destruction 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 therefrom;
  - B. the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - C. the injury, sickness, disease, death or destruction 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 applies only to injury to or destruction of property at such nuclear facility.

- IV. As used in this endorsement: "**hazardous properties**" include radioactive, toxic or explosive properties; "**nuclear material**" means source material, special nuclear material or byproduct material; "**source material**", "**special nuclear material**", and "**byproduct material**" have the meanings given them in the Atomic Energy Act 1954 or in any law amendatory thereof; "**spent fuel**" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor; "**waste**" means any waste material **(1)** containing byproduct material and **(2)** resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph **A.** or **B.** thereof; "**nuclear facility**" means
  - A. any nuclear reactor;
  - B. any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing spent fuel, or **(3)** handling, processing or packaging waste;
  - C. any equipment or device used for the processing, fabricating or alloying of special nuclear material, if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
  - D. any structure, basin, excavation, premises or place prepared or used for the storage or disposal of waste;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations; "**nuclear reactor**" means any apparatus designed or used to sustain

nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material. With respect to injury to or destruction or property, the word "**injury**" or "**destruction**" includes all forms of radioactive contamination of property.

It is understood and agreed that, except as specifically provided in the foregoing to the contrary, this clause is subject to the terms, exclusions, conditions and limitations of the Policy to which it is attached.

\*NOTE: As respects policies which afford liability coverages and other forms of coverage in addition, the words underlined should be amended to designate the liability coverage to which this clause is to apply.

**17/3/60**  
**NMA 1256**  
**USA**

**RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE—  
LIABILITY—DIRECT**

(Approved by Certain Underwriters at Lloyd's, London)

For attachment (in addition to the appropriate Nuclear Incident Exclusion Clause—Liability—Direct) to liability insurances affording worldwide coverage.

In relation to liability arising outside the USA, its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by, contributed to or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

**13/2/64**  
**NMA 1477**