

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.

DEDUCTIBLE LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE COVERAGE, AMOUNT & BASIS OF DEDUCTIBLE

**BODILY INJURY AND/OR PROPERTY DAMAGE
LIABILITY COMBINED
\$1,000 PER OCCURRENCE**

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

- A. Our obligation under the Bodily Injury Liability and property Damage Liability Coverages to pay damages on your behalf applies only to the amounts of damages in excess of any deductible amount stated in the Schedule above as applicable to such coverages.
- B. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the schedule above applies as follows:
 - 1. **PER OCCURRENCE BASIS.** If the deductible amount indicated in the schedule above is on a "per occurrence" basis, that deductible amount applies as follows:
 - a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury"
 - b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
 - c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:
 - (1) "Bodily Injury"
 - (2) "Property Damage"
 - (3) "Bodily Injury" and Property Damage" combined as a result of any one "occurrence", regardless
- C. The terms of this insurance, including those with respect to:
 - 1. Our right and duty to defend the insured against "suits" seeking those damages; and
 - 2. Your duties in the event of an "occurrence", claim or "suit" apply irrespective of the application of the deductible amount.
- D. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as been paid by us.

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LIMITATION OF COVERAGE TO DESIGNATED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERGE FORM

SCHEDULE

Designated Operations:

Activities of the International Kiteboarding Organization

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

This insurance only applies to “bodily injury”, “property damage”, “personal injury”, “advertising injury”, and medical expenses arising out of the ownership, maintenance or use of the premises shown in the Schedule and operations necessary, or incidental to, those premises and operations.

Form 802B

FFPOL-LTDESGOPS (0603)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INJURY TO PARTICIPANT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, Section I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Section 2. Exclusions, is hereby amended by adding the following language immediately following Subsection p. thereof:

“q. Injury to Participant

‘Bodily Injury’ or ‘Property Damage’ sustained by a ‘Participant’ as a result of an occurrence while participating in the sports of Power Kiting.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL & ADVERTISING INJURY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, Section I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, Section 1. Insuring Agreement, is hereby is amended by adding the following language immediately following Subsection b. thereof:

- “c. It is hereby understood and agreed that for the sole purpose of the coverage for “Personal and Advertising Injury Liability”, the definition of insured shall be limited to the International Kiteboarding Organization its officers, directors, and staff while acting in their capacity as such. Individual members of the International Kiteboarding Organization and other additional named insureds shall not constitute insureds for purposes of “Personal and Advertising Injury Liability”

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE D LIABILITY TO PARTICIPANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION I – COVERAGES, is hereby amended by adding the following language immediately following COVERAGE C thereof:

COVERAGE D – LIABILITY TO PARTICIPANTS

"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 any "participant". 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" 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 Section III – Limits of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

b. This insurance applies to "bodily injury" or "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; and
- (3) The "bodily injury" or "property damage" arises out of the "covered activities"; and
- (4) The "bodily injury" or "property damage" results from an occurrence while the "participant" is "participating in the sports of Power Kiting"; and

- (5) In the case of “bodily injury”, prior to the time of the occurrence, the injured “participant” had signed (or, in the cases where the “participant” is under the age of 18 years, the “participant’s” parent or legal guardian had signed) the International Kiteboarding Organization Release, Waiver and Assumption of Risk Agreement and the same was still in effect at the time of the occurrence; and
- (6) In the case of “property damage”, prior to the time of the occurrence, the owner and the person in possession of the damaged property had both signed (or, in cases where either of them is under the age of 18 years, the minor’s parent or legal guardian had signed) the International Kiteboarding Organization Release, Waiver and Assumption of Risk Agreement and the same was still in effect at the time of the occurrence.

2. Exclusions

This Insurance does not apply to:

- a. “Bodily injury” or “property damage” that is excluded under SECTION 1 – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGES LIABILITY, 2. Exclusions, Subparts a. through o. as and to the extent amended by this endorsement.”

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WHO IS AN INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION II – WHO IS AN INSURED is amended by adding the following language immediately following Section 3 thereof:

- “4. Each of the Individual Members of the Named Insured, but only with respect to their liability arising out of “Covered Activities” as that term is defined in this policy. However, none of the Individual Members is an insured for “bodily injury” or “property damage” suffered by a student of the Individual Member, which occurs either in the course of or as a proximate result of the Individual Member engaging in the business of instruction for hire in the sports of Power Kiting.”

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEFINITIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION V – DEFINITIONS is amended by adding the following defined terms:

“Covered Activities” means all activities of the International Kiteboarding Organization, its members within the Coverage Territory. “Covered Activities” also means all activities that constitute “participating in the sports of Power Kiting”, as that term is defined in this policy, by members of the International Kiteboarding Organization within the “Coverage Territory”.

“Participant” means: any person while that person is actively “participating in the sports of Power Kiting.”

“Participating in the sports of Power Kiting” means all activities involving the setup, use and breakdown of Power Kiting equipment, and further includes the giving or receiving of assistance or instruction in the sport of Power Kiting.

“Coverage Territory” means: worldwide. Any suit must be brought in the state of California, United States of America.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE TERRITORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section V – Definitions (Paragraph 4., “Coverage territory” means;) is replaced by the following:

4. “Coverage territory” means;
 - a. Worldwide
 - b. Designated Operations

Coverage under the Policy applies to “bodily injury” or “property damage” only if “suit” is brought in the state of California, United States of America.

Page 1 of 1

FF POL - TERRITORYEND (1005)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERED ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Section 1, Insuring Agreement, subsection b. is hereby amended by adding the following language immediately following subpart (3) thereof:

“and;

- (4) The “Bodily Injury” or “Property Damage” arose out of “Covered Activities”.

Form 930

Page 1 of 1

FF POL COVERACT (0306)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITS OF INSURANCE - OCCURRENCE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION III – LIMITS OF INSURANCE, is amended by adding the following language immediately following Subsection 7 thereof:

- "8. Subject to 2. above, the Each Occurrence Limit shown in the Declarations is the most we will pay for the sum of all damages under Coverage D. because of all "bodily injury" arising out of any one "occurrence."

Form 934

Page 1 of 1

FF POL – LIMITSOCC (0102)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITS OF INSURANCE - AGGREGATE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Form CG 00 01 12 04, SECTION III – LIMITS OF INSURANCE, is amended by striking Subsection 2 thereof in its entirety and substituting in its place the following language:

- "2. The General Aggregate Limit is the most we will pay for the sum of: Medical Expenses under Coverage C; Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; Damages under Coverage B; and Damages under Coverage D."

Form 935

Page 1 of 1

FF POL LIMITSAGG (0306)

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections and Surveys

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

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

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

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

E. Premiums

1. Is responsible for the payment of all premiums; and

F. Transfer Of Your Rights And Duties Under This Policy

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

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

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TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I – Coverages) is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) “Bodily injury” or “property damage” which would not have occurred in whole or part but for the actual, alleged or threatened, discharge, dispersal, seepage, migration, release or escape of pollutants at any time.

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

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS POLICY
COMMERCIAL AUTO COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
SPECIAL PROTECTIVE AND HIGHWAY LIABILITY POLICY NEW YORK DEPARTMENT OF TRANSPORTATION
UNDERGROUND STORAGE TANK POLICY

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

"Hazardous properties" includes radioactive, toxic or explosive properties.
"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

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

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

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

“Nuclear facility” means:

- (a) Any “nuclear reactor”;
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing “spent fuel”, or (3) handling processing or packaging “waste”,

- (c) Any equipment or device used for the processing, fabricating or alloying of “special nuclear material” if at any time the total amount of such material in the custody of the “insured” at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235.

- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of “waste”;

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

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

“Property damage” includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION

This endorsement modifies insurance provided under the following coverage parts as they apply to the aforementioned policy:

Commercial General Liability Coverage Part

Professional Liability Coverage Part

Watercraft Liability Coverage Part

A. Liability Coverage is changed by adding the following exclusion:

Regardless of any other provision of this policy, this policy does not apply to "punitive or exemplary damages" awarded against an "insured" or "additional insured". However, if a suit is brought against an "insured" arising out of a claim which alleges both compensatory and "punitive or exemplary damages", we will defend the entire suit with the understanding that we pay only the compensatory damages.

B. Additional Definition

"Punitive or exemplary damages" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any other purpose other than as compensatory damages for "bodily injury" or "property damage".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - EMPLOYMENT- RELATED PRACTICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY: (Section I – Coverages)

This insurance does not apply to:
“Bodily injury” to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person’s employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of “bodily injury” to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and

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

B. The following exclusion is added to Paragraph 2., Exclusions of COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY: (Section I – Coverages)

This insurance does not apply to:
“Personal and advertising injury” to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person’s employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that 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) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – INFRINGEMENT, MISAPPROPRIATION, INTERFERENCE WITH PRIVACY AND UNFAIR COMPETITION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

INFRINGEMENT, MISAPPROPRIATION, INTERFERENCE WITH PRIVACY AND UNFAIR COMPETITION

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a.** Any infringement upon or dilution of copyright, trademark, patent, title, slogan, service mark, service name, trade name, trade dress, trade secret, or other intellectual property rights;
- b.** Any invasion or infringement of or interference with the right of privacy or publicity including, but not limited to, intrusion, public disclosure or private facts, unwarranted or wrongful publicity, false light or the use of name or likeness for profit;
- c.** Plagiarism or misappropriation of information, trade secrets, ideas or style of doing business;
- d.** "Unfair competition" as defined by statute or common law, both state and federal, whether or not pertaining to and alleged in conjunction with a claim of plagiarism, misappropriation of information or ideas, "piracy", infringement or dilution of copyright, title, slogan, trademark, trade name, trade dress, trade secret, patent, service mark, service name, or other intellectual property rights;
- e.** Any acts of the insured pertaining to the internet, web site(s), domain name(s), metatag(s), linking, framing or chatrooms the insured hosts, owns, or over which the insured exercises control.

B. The following replaces exclusions I, k and l under Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

INFRINGEMENT, MISAPPROPRIATION, INTERFERENCE WITH PRIVACY AND UNFAIR COMPETITION

"Personal and advertising injury" arising directly or indirectly out of :

- a. Any infringement upon or dilution of copyright, trademark, patent, title, slogan, service mark, service name, trade name, trade dress, trade secret, or other intellectual property rights;
- b. Any invasion or infringement of or interference with the right of privacy or publicity including, but not limited to, intrusion, public disclosure or private facts, unwarranted or wrongful publicity, false light or the use of name or likeness for profit;
- c. Plagiarism or misappropriation of information, trade secrets, ideas or style of doing business;

"Unfair competition" as defined by statute or common law, both state and federal, whether or not pertaining to and alleged in conjunction with a claim of plagiarism, misappropriation of information or ideas, "piracy", infringement or dilution of copyright, title, slogan, trademark, trade name, trade dress, trade secret, patent, service mark, service name, or other intellectual property rights;

YOUR DUTIES IN THE EVENT OF A LOSS, OCCURRENCE, CLAIM OR SUIT

- a. As a condition precedent to coverage under this Policy, You must report immediately to Us any occurrence, loss, damage or expense which may be covered under this Policy. To the extent possible, this notice should include: full details of how, when and where the occurrence, loss or damage took place; the names and addresses of any injured persons and witnesses; and the nature of any injuries to persons or damage to property. You also are required to notify the police immediately of any actual or suspected theft, vandalism or malicious damage to Your insured property.
- b. We shall have the right to inspect Your insured property and take samples of damaged and undamaged property for inspection, testing and analysis. Except as expressly permitted, with respect to Repair or Replacement Parts, You shall not repair or replace any damaged property until We have completed our inspection, testing and analysis.
- c. Within sixty (60) days after any loss covered under this Policy, You must file with Us a sworn, written proof of loss, setting forth the details of the loss and the amount claimed. We also may require You submit to an examination under oath. If You do not submit a sworn proof of loss within sixty (60) days, or if You refuse to submit to an examination under oath, any claim by You for coverage under this policy will be void.
- d. As a condition precedent to coverage under this Policy, You must notify Us immediately of any claim made or lawsuit brought against You for any liability that is covered under this Policy. You also must immediately send Us copies of any demands, notices, summonses or legal papers that You or Your representatives receive.
- e. We will have the right to settle any claim made or lawsuit brought against You for liability covered under this Policy. We also will have the right to defend, with the counsel of our choice, any lawsuit brought against You for liability covered under this policy. We will pay the costs of defending such lawsuit. You must cooperate with Us in all aspects of our investigation, defense and settlement of any claim or suit, attend hearings, depositions and trial, and assist in obtaining evidence and the attendance of witnesses. If You do not cooperate with Us, We will have no obligation to indemnify You for any damages awarded.
- f. You shall not, except at Your own cost, admit any liability or make any payment to any person for any liability covered under this Policy without our prior consent.

CLAIM (INCIDENT) NOTIFICATION & REPORTING CLAUSE

The insured as scheduled above, upon written notice of any accident/occurrence likely to give rise to a claim hereunder, shall give immediate advice thereof to the underwriters through:

Amalfi Claims Management, Inc.

Telephone: (951) 676-7016

Fax: (951) 676-7017

It is understood and agreed that notification to the above shall be as notification to Underwriters.

Failure to provide written notice as set forth above will be considered a failure of a condition to coverage and may at the option of the Underwriters render YOUR policy null and void in relationship to any accident or occurrence not properly and promptly set forth in written notice as called for herein.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

FORM 4015-CLMRPT (0208)

ACTIONS AGAINST COMPANY

It is agreed that in the event of the failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the insured, will submit to the jurisdiction of any court of competent jurisdiction within the United States and will comply with all the requirements necessary to give such court jurisdiction, and all matters arising hereunder shall be determined in accordance with the law and practice of such court.

It is further agreed that service of process in such suit against the Company may be made upon

The Claims Director
WALKER WILCOX MATOUSEK LLP
225 W. Washington Street Suite 2400
Chicago, IL 60606-3418

And that in any suit instituted against it upon this policy, the Company will abide by the final decision of such court, or of any Appellate court in the event of an appeal. In this connection, each of the foregoing corporations is hereby authorized to accept service of process on behalf of the Company in any such suit, or, upon request of the insured prior to the institution of any suit, to give a written undertaking to the insured that it will enter a general appearance in the Company's behalf in the event such suit should be instituted.

Further, pursuant to any statute of any state, territory or district of the United States, which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for the purpose in the statute or his successor or successors in office, as its 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 any beneficiary hereunder arising out of this policy and hereby designates each of the above named corporations a person to whom the said officer is authorized to mail such process or a true copy thereof.

All other terms and conditions remain unchanged.

This endorsement is attached to and made a part of policy

FORM 4519-ACTIONS (0603)

INCIDENT REPORT FORM

This incident report and the information which is enclosed in this report is considered to be privileged and specifically for the use of your Insurance Company.

Do not under any circumstances' release a copy of this report to any party other than your Insurer.

While it does not necessarily follow that each incident resulting from your business operations will result in some form of legal action, the possibility does exist that a claim could occur.

If an incident does occur during the time that you do have responsibility for paying customers, there are several steps you should follow in addition to completing this accident report:

1. Keep all equipment that was being used at the time of the incident until directed otherwise by the Insurance Company. Ensure that all equipment is collected or retrieved from the surrounding area. It will be necessary for all equipment being used at the time of the incident to be inspected and possibly taken away by the Insurance Company or its representatives for analysis. If equipment needs to be replaced for ongoing activities, it is imperative that the replaced, damaged or worn equipment is kept in a safe place by the operator.
2. Render aid to the best of your ability, but do not attempt to perform medical procedures, which exceed your skill and your training.
3. Do not volunteer to anyone an opinion as to why the accident occurred. Limit your discussion to the facts, as you know them. Do not make conjectures and do not attempt to assess "blame" on anyone. Save your opinions for this report. Do not tell anyone that "It's all my fault" or words to that effect. Even if you have a feeling of guilt, do not discuss it with others.
4. Co-operate with the law enforcement personnel that may be called to assist. While answering their questions, follow the instructions outlined in (2) above. Limit your answers to the facts, as you know them.
5. Be certain to obtain the names, addresses and telephone numbers of all witnesses. This includes even those who you may consider to be hostile ones. For your protection, we need to know all those who are in any way connected with the incident.
6. It is essential that you keep track of any equipment, which may be involved in the incident. If you own or have control of the equipment involved in the incident you must retain and protect this should a claim be made. If you do not own or control the equipment then advise us where it went, who had control of it and details of its condition when you last saw it.
7. Be certain that you include a photocopy or the original of all waiver and release forms that you had the injured party complete if the injured party was under your supervision.
8. Please use as many additional sheets of paper as are necessary to insure that a clear and complete accounting of the incident is submitted.
9. After you have prepared this report to the best of your ability, it should be submitted as soon as possible to the name and address detailed on the 'Claim Notification' form within your policy.

If you have specific questions or problems relating to an incident or in filing this report, please call Amalfi Claims at the address detailed on the 'Claim Notification' form within your policy.

Name Insured		Policy No.	
Address		Phone (Day)	
City, State, Zip		Phone (Evening)	
Contact Person			

Incident Location		Incident Date	
Injured Party:		Sex:	Age:

Briefly describe the experience level of the injured party, if known, with the Power Kite that was used. Describe the incident and the events leading up to it, including the damages to the injured party as known at the time of preparing this report.

Please give all details as to the safety personnel, assistants present, water conditions, rescue methods, equipment failures, if known, length of time to effect rescue, emergency procedures employed, first aid administered, and other agencies responding to the incident, if any.

In general, please give your best narrative as to the events involved in the incident. Use additional pages if needed to give a complete account of the facts:

Please describe your current IKO Certification; whatever best describes your current certification and skill level. Also, describe your relationship to the incident, (i.e., Were you a witness?, Were you actively involved with the injured party?), whatever best describes your relationship to the events described in this report:

Please list the names, addresses and the telephone numbers of all witnesses that you are aware of. Use separate attachments if necessary to insure a complete list:

NAMES	ADDRESSES	PHONE NUMBERS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VOLUNTEER WORKERS

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Paragraph 2.a. Exclusions of Section I – Coverage C – Medical payments is replaced by the following:

We will not pay expenses for “bodily injury”:

a. To any insured.

B. Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability is amended as follows:

1. Paragraph g. is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto or Watercraft

“Bodily injury” or “property damage” arising out of the ownership, maintenance, use or entrustment to other of any aircraft, “auto” or watercraft:

(1) Owned or operated by or rented or loaned to any insured; or

(2) Operated by any “volunteer worker” in the course of his or her employment by the insured or while performing duties related to the conduct of the insured’s business.

Use included operation and “loading’ or unloading”.

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

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

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

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge

(3) Parking an “auto” on, or on the ways next to, premises you own or rent, provided the “auto” is not owned by or rented or loaned to you, the insured, any of your “volunteer workers” or any “volunteer workers” of the insured.

(4) Liability assumed under any “insured contract” for the ownership, maintenance or use of aircraft or watercraft; or

(5) “Bodily injury” or “property damage” arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of “mobile equipment” if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

- (b) The operation of any machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of 'mobile equipment'.
- C. Paragraphs 2.a. and 2.b. of Section II – Who is An Insured are replaced by the following:
 - 2. Each of the following is also an insured:
 - a. 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, However, none of these "employees" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" or while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph (1)(a) above.
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purposes 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).
 - b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

Attaching To and Forming Part of Policy No: SA00922
Policy Period: 6/1/2008 / 6/1/2009

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – PRODUCTS & COMPLETED OPERATIONS HAZARD

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury" or "property damage" included within the "products – completed operations hazard"

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE/MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

I. ABUSE OR MOLESTATION EXCLUSION

This insurance does not apply to “bodily injury” or “property damage”, personal injury”, “personal and advertising injury” or any injury arising out of:

1. The actual or threatened abuse or molestation or licentious, immoral or sexual behavior whether or not intended to lead to, or culminating in any sexual act, of any person, whether caused by, or at the instigation of, or at the direction of, or omission by, any insured, his employees, or any other person, or
2. The actual or alleged transmission of any communicable disease, or
3. Charges or allegations of negligent hiring, employment, investigation, supervision, reporting to the proper authorities, or failure to so report; or retention of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraph 1. above.

Abuse includes, but is not limited to, negligent or intentional infliction of physical, emotional or psychological injury/harm.

All other terms and conditions remain unchanged.

Form 206

FFPOL-PROF&MOLEST (0408)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BIOLOGICAL / CHEMICAL EXCLUSION

This Insurance does not cover any loss directly or indirectly arising out of, contributed to by, or resulting from actual, threatened, feared or perceived use of any biological, chemical, radioactive or nuclear agent, material device or weapon.

All other terms and conditions remain unchanged.

Form 4018

FFPOL-XBIO (0604)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – FIREARMS, FIREWORKS AND OTHER
PYROTECHNIC DEVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. This insurance does not apply to “bodily injury”, “property damage”, “personal and advertising injury” or medical expenses including damages for care and loss of services:
 - (i) Arising from the ownership, maintenance, handling, igniting, operation, sponsorship, set-up or take-down or other use of:
 - a. Firearms, including handguns, revolvers, pistols, rifles, shotguns, air guns, semi-automatic weapons and similar devices;
 - b. Fireworks, including firecrackers, Roman Candles, flash powder, explosive compositions or combustible substances, pinwheels, skyrockets, ground displays, flares, smoke bombs, and similar devices that produce, when ignited or activated, sound, smoke, motion or a combination of these:
by any Insured or by any person for which any Insured may be held liable in any capacity.
- B. This insurance does not apply to any obligation of any insured to indemnify, defend or contribute jointly or severally with another because of “bodily injury”, “property damage”, “personal and advertising injury” or medical expenses arising from any of the activities specified in A (i), above.

Form 232 (1007)

U.S. TERRORISM RISK INSURANCE ACT OF 2002 AS AMENDED NEW & RENEWAL BUSINESS ENDORSEMENT

This Endorsement is issued in accordance with the terms and conditions of the "U.S. Terrorism Risk Insurance Act of 2002" as amended as summarized in the disclosure notice.

In consideration of an additional premium of USD INCLUDED paid, it is hereby noted and agreed with effect from inception that the Terrorism exclusion to which this Insurance is subject, shall not apply to any "insured loss" directly resulting from any "act of terrorism" as defined in the "U.S. Terrorism Risk Insurance Act of 2002", as amended ("TRIA").

The coverage afforded by this Endorsement is only in respect of any "insured loss" of the type insured by this Insurance directly resulting from an "act of terrorism" as defined in TRIA. The coverage provided by this Endorsement shall expire at 12:00 midnight December 31, 2014, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates. The Terrorism exclusion, to which this Insurance is subject, applies in full force and effect to any other losses and any act or events that are not included in said definition of "act of terrorism".

This Endorsement only affects the Terrorism exclusion to which this Insurance is subject. All other terms, conditions, insured coverage and exclusions of this Insurance including applicable limits and deductibles remain unchanged and apply in full force and effect to the coverage provided by this Insurance.

Furthermore the Underwriter(s) will not be liable for any amounts for which they are not responsible under the terms of TRIA (including subsequent action of Congress pursuant to the Act) due to the application of any clause which results in a cap on the Underwriter's liability for payment for terrorism losses.

LMA5091

21/12/2007

Form approved by Lloyd's Market Association

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

The word "insured" means any person or organization qualifying as such under Section II – Who is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I - COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend 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 pay for damages is limited as describe in Section 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 B or medical expenses under Coverage C.No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.
- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) The "bodily injury" or "property damage" occurs during the policy period.
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1 of Section II-Who is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim.
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended injury

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

b. Contractual Liability

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

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

c. 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.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation and Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

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

This exclusion applies:

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

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. However, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating or originating from equipment use to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

- (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site of location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (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
 - (I) Any insured
 - (II) 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 if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "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 "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
 - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) 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 if the operations are to test for, monitor, cleanup, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, 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".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

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

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

This exclusion does not apply to:

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

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

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

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

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

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.
- (2) 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.

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

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

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

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

- k. Damage To Your Product**
"Property damage" to "your product" arising out of it or any part of it.
- l. 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.
- m. 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.
- n. 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.
- o. Personal And Advertising Injury**
"Bodily injury" arising out of "personal and advertising injury".
- p. Electronic Data**
Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data

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

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

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 and 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 and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
 - (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
 - (2) Our right and duty to defend 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**.
 - b.** No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

2. Exclusions

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- b. **Material Published With Knowledge Of Falsity**
"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- c. **Material Published Prior To Policy Period**
"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- d. **Criminal Acts**
"Personal and advertising injury" arising out of a criminal act committed by or at the direction of any insured;
- e. **Contractual Liability**
"Personal and advertising injury" 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;
- f. **Breach of Contract**
"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- g. **Quality of Performance Of Goods – Failure to Confirm To Statements**
"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- h. **Wrong Description Of Prices**
"Personal and advertising" arising out of the wrong description of the price of good, products or services stated in your "advertisement";
- i. **Infringement Of Copyright, Patent, Trademark Or Trade Secret**
"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.
- j. **Insureds In Media And Internet Type Businesses**
"Personal and advertising injury" committed by an insured whose business is:
 - (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of we-sites for others; or
 - (3) An Internet search, access, content or service provider.
However, this exclusion does not apply to Paragraphs 14.a, b., and c. of "personal and advertising injury" under the Definitions Section.

For the purpose of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.
- k. **Electronic Chatrooms Or Bulletin Boards**
"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.
- l. **Unauthorized Use Of Another's Name Or Product**
"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

- m. **Pollution**
"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.
- n. **Pollution-Related**
Any loss, cost or expense arising out of any:
 - (1) Request, demand, order or statutory or regulatory requirement that may 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".
- o. **War**
"Personal and advertising injury", however caused, arising, directly or indirectly, out of:
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

COVERAGE C MEDICAL PAYMENTS

- 1. **Insuring Agreement**
 - a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;

provided that:

 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
 - b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid 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":
 - a. **Any Insured**
To any insured, except "volunteer workers."
 - b. **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. **Athletics Activities**
To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

- f. **Products-Completed Operations Hazard**
Included within the "products-completed operations hazard".
- g. **Coverage A Exclusions**
Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

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; and
 - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:
 - (a) Obtain records and other information related to the "suit"; and
 - (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section I – 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.

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
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declaration as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership of joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insured, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or volunteer workers" is an insured for:
 - (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), 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, or to your other "volunteer workers" while performing duties related to the conduct of your business.
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
 - (2) "Property damage" to property:
 - (a) Owned, occupied or used by,
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
 - b. Any person (other than your "employee" or volunteer workers"), or any organization while acting as your real estate manager.
 - c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture of limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
 - b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
 - c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insured;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to 5. above, the Damage to Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

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

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

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

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

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

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

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

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

c. You and any other involved insured must:

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

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

3. Legal Action Against Us

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

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured 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 of the claimant's legal representative.

4. Other Insurance

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

a. Primary Insurance

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

b. Excess insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk of similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover you liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

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

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

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

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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

5. Premium Audit

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

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

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

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against which claim is made of "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

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

9. When We Do Not Renew

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

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

SECTION V - DEFINITIONS

1. **“Advertisement”** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purpose of attracting customers or supporters is considered an advertisement.

2. **“Auto”** means

a. A land motor vehicle, trailer or semi trailer designed for travel on public roads, including any attached machinery or equipment.

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, “auto” does not include “mobile equipment”.

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

4. **“Coverage territory”** means;

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, provided the injury or damage occurs in the course of travel or transportation to or from any place not included in a. above; or

c. All parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in a. above; or

(2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business, or

(3) “Personal and advertising injury” offenses that take place through the Internet or similar electronic means of communication

Provided the insured’s responsibility to pay damages is determined in a “suit” on the merits, in the territory described in a. above or in a settlement we agree to.

5. **“Employee”** includes a “leased worker”. “Employee” does not include a “temporary worker”.

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

7. **“Hostile fire”** means one which becomes uncontrollable or breaks out from where it was intended to be.

8. **“Impaired property”** means tangible property, other than “your product” or “your work”, that cannot be used or is less useful because:

a. It incorporates “your product” or “your work” that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

a. The repair, replacement, adjustment or removal of “your product” or “your work”; or

b. You’re fulfilling the terms of the contract of agreement.

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

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

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

10. **“Leased worker”** means a person leased to you by a labor 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”.

11. **“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”.

12. **“Mobile equipment”** means any of the following types of land vehicles, including any attached machinery or equipment:
- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;
 - d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;

- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
 - (a) Snow Removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicles insurance law are considered "autos".

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

- 14. **"Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, 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, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in you "advertisement".

- 15. **"Pollutants"** mean 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

- 16. **"Products-completed operations hazard":**

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "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 job site has been completed if your contract calls for work at more than one job site.
 - (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

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
 - (3) 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.

17. **"Property damage"** means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that cause it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it

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

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

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

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

19. **"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.

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

21. **"Your product"**:

- a. 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 good or products.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. **"Your work"**

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON PYRAMIDING OF LIMITS

In the event that any **Claim** or more than one **Claim** shall be covered in whole or in part, under this Policy, and any other Policy insured by Underwriters and issued by First Flight Insurance Group, Inc, the total applicable Limit of Liability shall not exceed the single largest Limit of Liability under any Policy. Such largest applicable Limit shall apply only once to such **Claim**. The Retention for each Policy shall be applied to the portion of such **Claim** that is allocated to the respective Insured.

All other terms and conditions remain unchanged.

Form 4020 (0608)

Accountholder: IKO USA, Inc. and its members.

**ACCIDENTAL AND MEDICAL EXPENSE COVERAGE FORM
PLAN OF INSURANCE**

Term of Coverage:

Activity and Dates: 12/15/2008 / 12/15/2009 Powerkiting

Aggregate Limit: \$100,000

Eligibility: (100% Participation) All registered participants of the activities sponsored and supervised by the Accountholder

Effective Date of Individual Insurance:

The effective date of individual insurance shall be the policy date.

Benefits:

Accidental Death & Specific Loss

Loss of Life Principal Sum	\$10,000
Single Dismemberment Principal Sum	\$5,000
Double Dismemberment Principal Sum	\$10,000
Loss Period	Loss within 180 Days of Injury

Accident Medical Expense: Full Excess

Maximum Benefit	\$25,000
Accident Medical Deductible Corridor	\$2,500
Loss Period	Initial treatment received within 30 days of Injury
Benefit Period	Benefits payable for 52 weeks from accident date

Dental Expense Benefit

Maximum Benefit Amount	U&C per tooth; not to exceed \$1,000
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Orthopedic Appliances

Maximum Benefit Amount	\$500
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Physical Therapy Expense Benefit

Maximum Benefit Amount	\$500
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MEMORANDUM OF COVERAGE

Insurance benefits are underwritten by Certain Underwriters at Lloyds. This Memorandum of Coverage describes the benefits payable under the policy.

PART A. DEFINITIONS

"Ambulatory Surgical Center" means a facility which is licensed as an Ambulatory Surgical Center by the state in which it is located.

"Injuries" means accidental bodily injuries received while the Insured is covered under the policy or certificate which result independently of sickness and all other causes, in a loss described in the Benefits Provision(s) and Insuring Provision(s) applicable to such Insured. The Plan of Insurance specifies the Benefit Provision(s) and Insuring Provision(s) applicable to the Insured. Benefits are payable for an Insured's injuries under only one Insuring Provision for any one accident.

"Intoxicated" means a blood alcohol level which equals or exceeds the legal limit for operating a motor vehicle in the state where the Injuries occurred.

"Hospital" means a place licensed (if licensing is required by law) as a hospital and operated for the care and treatment of resident inpatients with a registered graduate nurse always on duty or on call and with a laboratory and an operating room (both on the premises) where surgical operations are performed by persons legally qualified to do so. In no event shall the term "hospital" mean an institution or that part of an institution which is used principally as a clinic, convalescent home, rest home, nursing home for the aged, drug addicts or alcoholics.

"Legally Qualified Physician" means a physician: (a) other than the Insured; (b) practicing within the scope of his or her license; and (c) recognized as a physician in the state where services are rendered.

"Loss of Eye or Eyes" means the total and irrecoverable loss of the entire sight thereof.

"Loss of Hand or Hands or Foot or Feet" means severance at or above the wrist or ankle joint, respectively.

"Loss of Speech and Hearing" means the total and irrecoverable loss thereof. Loss of hearing that can be corrected by the use of any hearing aid or device shall not be considered an irrecoverable loss.

"Loss of Thumb and Index Finger of the Same Hand" means severance of two or more entire phalanges of both the thumb and the index finger.

"Medical Expense" means expense incurred for Medically Necessary services and supplies ordered or prescribed by a Legally Qualified Physician. Not included are amounts in excess of the Usual and Customary Charges. Medical Expense is incurred on the date the service or supply is received.

A "Medically Necessary" service or supply means one which: (a) is recommended by the attending Legally Qualified Physician; (b) is appropriate and consistent with the diagnosis in accord with accepted standards of community practice; and (c) could not have been omitted without adversely affecting the Insured's condition or the quality of medical care.

"Usual and Customary Charges" means those comparable charges for similar treatment, services and supplies in the geographic area where treatment is performed.

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PART B

COVERAGE

The Insured is covered for Injuries received while insured under this provision. Such Injuries must be received while: (a) participating in activities sponsored and supervised by the Policyholder; (b) traveling to, during or after such activities as a member of a group in transportation furnished or arranged by the Policyholder.

PART C.

BENEFITS

Accidental Death and Dismemberment

When, because of covered Injuries, the Insured sustains any of the following losses within * See Plan of Insurance * after the date of the accident, benefits will be paid as follows:

Loss of Life	Principal Sum
Loss of Both Feet, Both Hands or Both Eyes	Principal Sum
Loss of One Hand and One Foot	Principal Sum
Loss of One Hand and One Eye or One Foot and One Eye	Principal Sum
Loss of One Hand, One Foot or One Eye	One-half Principal Sum
Loss of Speech and Hearing	Principal Sum
Loss of Speech or Hearing	One-half Principal Sum
Loss of Thumb and Index Finger of the Same Hand	One-fourth Principal Sum

Only one of the amounts shown above (the largest applicable) will be paid for covered Injuries resulting from one accident. The benefit for loss of: (a) two limbs; (b) both eyes; (c) one limb and one eye; (d) speech and hearing; or (e) thumb and index finger of the same hand is payable only when such double loss is the result of the same accident.

Accident Medical Expense Benefits

When covered Injuries result in treatment by a Legally Qualified Physician beginning within * See Plan of Insurance *days after the date of the accident, we will pay the Medical Expense incurred in excess of the Medical Deductible, if any. Benefits shall not exceed the Usual and Customary Charges. Eligible Medical Expenses are as follows:

- (a) Treatment by a Legally Qualified Physician;
- (b) Care or services from a Hospital or Ambulatory Surgical Center;
- (c) Services from a registered graduate nurse (RN or LPN) not related to the Insured by blood or marriage;
- (d) Professional ambulance service;
- (e) Orthopedic appliances.

Only covered Medical Expense incurred by the Insured within * See Plan of Insurance * from the date of the accident is covered. Benefits for any one accident shall not exceed, in the aggregate, the Medical Benefit. The Medical Benefit and Medical Deductible are specified in the Plan of Insurance.

Benefits are not payable for services and supplies provided by a U.S. military hospital or a Veterans Hospital when the expenses are connected with armed service related disabilities.

Benefits are only payable for services and supplies provided by a U.S. military hospital when expenses are:

- (a) for an armed service retiree; or
- (b) for a dependent of an armed service retiree.

Full Excess Coverage

Benefits for Medical Expense will be paid only for such expense which is not recoverable from any other insurance policy, service contract or workers' compensation.

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PART D.

FACILITY OF PAYMENT

In consideration of the payment of the premium which is recited in the policy, it is hereby understood and agreed that all or a portion of any indemnities provided by the policy as a result of medical, surgical, dental, hospital or nursing service may, at our option, and unless we are requested otherwise in writing not later than the time of filing proof of loss, be paid directly to the hospital or person rendering such services; but it is not required that the services be rendered by a particular hospital or person.

PART E.

EXCLUSIONS AND LIMITATIONS

No coverage is provided for: (a) suicide, attempted suicide or intentionally self-inflicted injury while sane or insane (in Missouri, while sane only); (b) Injuries caused by an act of declared or undeclared war; (c) Injuries received while in the armed service (upon notice to us of entry into an armed service, the pro rata premium will be refunded); (d) Injuries received while acting as a pilot or crew member; (e) Injuries resulting from air travel, except while as a passenger for transportation only; (f) Injuries resulting from the Insured's engagement in or attempt to commit a felony or being engaged in an illegal occupation; (g) Injuries received while under the influence of any controlled substance, unless administered on the advice of a Legally Qualified Physician; (h) Injuries received while Intoxicated as specifically defined in this provision; or (i) Injuries sustained while traveling other than as specifically stated in this provision; (j) the cost of eyeglasses, contact lenses or examinations for either; (k) the cost of dental treatment, except as specifically provided for Injuries to sound, natural teeth; (l) Injuries covered by workers' compensation or employer's liability laws; or (m) prescription drugs.

PART F.

GENERAL PROVISIONS

1. **Individual Terminations:** Unless otherwise specified in the Plan of Insurance, the insurance of any Insured will terminate on whichever of the following dates occurs first: (a) the date the Insured ceases to be within the classes of persons eligible for coverage under this policy, (b) the date that any premium for the Insured's insurance is due and unpaid or (c) the date this policy terminates.
2. **Change in Coverage:** Any change in an Insured's coverage because of a change in classification will become effective as specified in the Plan of Insurance.
3. **Reinstatement or Reenrollment:** If the insurance of any Insured is terminated for any reason, any insurance subsequently effected on such Insured either through reinstatement or reenrollment shall apply only to covered loss resulting from covered injuries sustained after the date of reinstatement or reenrollment, whichever the case may be.
4. **Notice of Claim:** Written notice of claim must be given to the Company within twenty days after the occurrence or commencement of any loss covered by the policy, or as soon thereafter as reasonably possible. Notice given by or on behalf of the Insured or the beneficiary to the Company, or to any authorized agent of the Company, with information sufficient to identify the Insured, shall be deemed notice to the Company.
5. **Claim Forms:** The Company, upon receipt of a notice of claim, will furnish to the claimant such forms as are usually furnished by it for filing proofs of loss. If such forms are not furnished within fifteen days after the giving of such notice the claimant shall be deemed to have complied with the requirements of this policy as to proof of loss upon submitting, within the time fixed in the policy for filing proofs of loss, written proof covering the occurrence, the character and the extent of the loss for which claim is made.

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6. **Proofs of Loss:** Written proof of loss must be furnished to the Company at its said office in case of claim for loss for which this policy provides any periodic payment contingent upon continuing loss within ninety days after the termination of the period for which the Company is liable and in case of claim for any other loss within ninety days after the date of such loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time, provided such proof is furnished as soon as reasonably possible and in no event, except in the absence of legal capacity, later than one year from the time proof is otherwise required.
7. **Time of Payment of Claims:** Periodic payment will be made in case of loss of time for which benefits accrue during a period of more than one month. Indemnities payable under this policy for any loss other than loss for which this policy provides any periodic payment will be paid immediately upon receipt of due written proof of such loss. Subject to due written proof of loss, all accrued indemnity for loss for which this policy provides periodic payment will be paid at the expiration of each month and any balance remaining unpaid upon the termination of liability will be paid immediately upon receipt of due written proof.
8. **Payment of Claims:** Indemnity for loss of life of the Insured will be payable in accordance with the beneficiary designation and the provisions respecting such payment which may be prescribed herein and effective at the time of payment. If no such designation or provision is then effective, such indemnity shall be payable to the estate of the Insured. Any other accrued indemnities unpaid at the Insured's death may, at the option of the Company, be paid either to such beneficiary or to such estate. All other indemnities will be payable to the Insured.

If any indemnity of this policy shall be payable to the estate of the Insured, or to an Insured or beneficiary who is a minor or otherwise not competent to give a valid release, the Company may pay such indemnity, up to an amount not exceeding \$1,000.00, to any relative by blood or connection by marriage of the Insured or beneficiary who is deemed by the Company to be equitably entitled thereto. Any payment made by the Company in good faith pursuant to this provision shall fully discharge the Company to the extent of such payment.

9. **Physical Examinations and Autopsy:** The Company at its own expense shall have the right and opportunity to examine the person of anyone covered under this policy when and as often as it may reasonably require during the pendency of a claim hereunder and to make an autopsy in case of death where it is not forbidden by law.
10. **Legal Actions:** No action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty days after written proof of loss has been furnished in accordance with the requirements of this policy. No such action shall be brought after the expiration of three years after the time written proof of loss is required to be furnished.
11. **Change of Beneficiary; Assignment:** Unless the Insured makes an irrevocable designation of beneficiary, the right to change of beneficiary is reserved to the Insured and the consent of the beneficiary or beneficiaries shall not be requisite to surrender or assignment of this policy or to any change of beneficiary or beneficiaries, or to any other changes in this policy.
12. **Conformity With State Statutes:** Any provision of the policy which, on its effective date, is in conflict with the statutes of the state in which the Policyholder is located on such date is hereby amended to conform to the minimum requirements of such statutes.

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INDEPENDENT MEDICAL REVIEW

If an insured person's proposed covered services are denied on the basis that the treatment is investigational or experimental, he or she may request an independent medical review process. We will provide the necessary information at the time the insured person requests such independent medical review, subject to the following conditions. We will pay for the cost of such review.

Conditions

1. The independent medical review process is available only when:
 - (a) the insured person has a terminal condition that, as diagnosed by a physician, has a high probability of causing death within two years from the date of the request for such review;
 - (b) the physician determines that such condition has not improved by using standard therapies, or for which standard therapies would be inappropriate, or for which there is no other standard therapy other than as described in item (c);
 - (c) Either:
 - (1) the physician has recommended a drug, device, procedure, or other therapy that he or she has certified in writing that is likely to be more beneficial than any available standard therapies; or
 - (2) the insured person or the physician who specializes in the insured person's condition has requested a therapy that, based on two documents from the **Medical and Scientific Evidence**, is likely to be more beneficial than any available standard therapy; and
 - (d) services as described in item (c) are denied by us; unless specifically excluded under the policy, or would be covered except for our determination that such services are considered experimental or under investigation.
2. Benefits will be payable under the terms of the policy if the majority of the panel of experts who conduct the independent medical review recommend providing the therapy.

Definition

Medical and Scientific Evidence means the following sources:

- (a) Peer-reviewed scientific studies published in or accepted for publication by medical journals that meet nationally recognized requirements for scientific manuscripts and that submit most of their published articles for review by experts who are not part of the editorial staff;
- (b) Peer-reviewed literature, biomedical compendia and other medical literature that meet the criteria of the National Institute of Health's National Library of Medicine for indexing in Index Medicus Excerpta Medicus (EMBASE), Medline and MEDLARS database Health Services Technology Assessment Research (HSTAR);
- (c) Medical journals recognized by the Secretary of Health and Human Services, under Section 1861 (t) (2) of the Social Security Act;
- (d) The following standard reference compendia: The American Hospital Formulary Service-Drug Information, the American medical Association Drug Evaluation, the American Dental Association Accepted Dental Therapeutics and The United States Pharmacopoeia-Drug Information;
- (e) Findings, studies or research conducted by or under the auspices of federal government agencies and nationally recognize federal research institutes including the Federal Agency for Health Care Policy and Research, National Institutes of health, National Cancer Institute, National Academy of Sciences, Health Care Financing Administration, Congressional Office of Technology Assessment, and any national board recognized by the National Institutes of Health for the purpose of evaluating the medical value of health services; and
- (f) Peer-reviewed abstracts accepted for presentation at major medical association meetings.

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LARYNGECTOMY PROSTHETIC DEVICES BENEFIT RIDER

This rider is made a part of the Policy or Certificate to which it is attached. It is subject to all parts of the Policy or Certificate not in conflict with this rider.

Rider Date (same as Policy or Certificate Date if no date is shown)
Rider Premium (included in Policy or Certificate premium if no amount shown) \$

DEFINITIONS

Laryngectomy means the removal of the larynx for Medically Necessary reasons.

Prosthetic Devices means and includes the provision of initial and subsequent prosthetic devices, including installation accessories, pursuant to an order of the Covered Person's Doctor. Prosthetic devices do not include electronic voice producing machines.

BENEFITS

If a Covered Person has a laryngectomy performed while insured under this Policy or Certificate, We will pay the Eligible Expenses incurred for a Prosthetic Device to restore a method of speaking, subject to the Deductible Amount, Copay Amount, Benefit Percentage, if any, Maximum Medical Expense Benefit Amount and Aggregate Maximum Benefit Amount as shown on the Schedule of Benefits.

The amount payable under this benefit could be greatly reduced if the requirements in the Scope of Coverage and Limitations section of the Policy or Certificate are not complied with.

EXCEPTIONS

We will not pay for:

- expenses for which benefits are paid under any other provision of the Policy or Certificate; or
- anything excluded under the Exclusions and Limitations in the Policy or Certificate; however any exclusion that is in conflict with the benefits provided by this provision will not apply.

NONDUPLICATION OF BENEFITS

No benefits are payable under this rider for that portion of expense for which benefits are payable under the Policy or Certificate or another rider attached to it. If benefits are payable under more than one provision, then benefits will be provided only under the provision providing the greater benefit.

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